

## Bath & North East Somerset Council

MEETING	<b>Planning, Housing and Economic Development Policy Development &amp; Scrutiny Panel</b>
MEETING DATE:	<b>5<sup>th</sup> July 2016</b>
TITLE:	<b>Local Development Framework Update</b>
WARD:	All
<b>AN OPEN PUBLIC ITEM</b>	
<b>List of attachments to this report:</b>	

### **1 THE ISSUE**

1.1 This report updates the Scrutiny Panel on Local Development Framework Issues on;

- (1) The Joint Spatial Plan for the West of England and the review of the B&NES Core Strategy
- (2) The Placemaking Plan examination
- (3) The implications of the Housing & Planning Act 2016
- (4) Preparation and review of Supplementary Planning Documents
- (5) Housebuilding rates in B&NES

### **2 RECOMMENDATION**

2.1 That the Panel notes the progress on the preparation of Plans in B&NES

### **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 3.1 Preparation of the Placemaking Plan is funded from the LDF budget and is resourced by the Planning Policy Team. In light of the wide implications of planning policy, a number of other services also input into the preparation of planning policy.
- 3.2 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. They also impact on the planning application fees income, New Homes Bonus and CIL. However, these impacts cannot be taken into consideration in the preparation of the Planning Policies.
- 3.3 The financial implications of the Housing and Planning Act 2016 will need to be assessed.

### **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

- 4.1 Statutory planning documents must be prepared in compliance with the Planning Acts, the Town and Country Planning (Local Planning) (England) Regulations 2012 (“the Regulations”), the National Planning Policy Framework (“NPPF”) and the National Planning Practice Guidance (“NPPG”).
- 4.2 Plans must be subject to a fully integrated 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 has also been subject to an integrated Habitats Regulations Assessment (“HRA”) in line with the requirements of Regulations 102-105 of the Conservation of Habitats and Species Regulations 2010 (“the Habitat Regulations”).

### **5 THE REPORT**

#### **Introduction**

- 5.1 The B&NES Local Development Scheme sets out the Council’s three year work programme for the preparation of planning policies for the District. An update on progress is given below.

#### **The Joint Spatial Plan & the review of the B&NES Core Strategy**

- 5.2 Following the publication of the Issues and Options consultation document at the end of last year, work has been progressing on the preparation of options for the draft Plan. This has entailed;
  - An update to the housing target, taking into account issues raised by objections to the Issues and Options document and the inclusion of the updated B&NES housing need (The Strategic Housing Market Assessment or SHMA)

- A review of the economic growth aspirations in order to clarify the jobs target that is being planned for (The Economic Development Needs Assessment or EDNA)
  - An assessment of the capacity to accommodate new development on brownfield sites and especially through urban intensification in Bristol
  - The identification and assessment of potential new locations to accommodate new development if needed (The Housing and Economic Land Availability Assessment or HELAA)
  - An assessment of the infrastructure required to support new development, especially transport (The Infrastructure Delivery Plan or IDP). This work has included transport modelling as part of the preparation of the Joint Transport Strategy (JTS) which is being prepared in tandem with the JSP in light of the need to ensure that new development is properly aligned with new infrastructure, in order to assist in comparing alternative locations.
  - A review of the comments received on the Issues and Options consultation
  - An assessment of the Bristol & Bath Green Belt in order to ascertain how well its constituent parts perform in terms of the purposes of the Green Belt.
- 5.3 The next key step is the formulation of the most appropriate spatial strategy which enables the delivery of the housing and economic development needed and which is supported by the necessary new infrastructure. This is scheduled to be produced by the middle of July for consideration and for public consultation in the autumn of 2016. The JSP is still in the formative stages of preparation and so there is still the scope to consider different options. The first formal draft of the Plan is due to be prepared by the spring of 2017.
- 5.4 The JSP is a strategic document and will set out the broad spatial strategy. It is the role of the UAs' Core Strategies to formally allocate the development sites and hence the review of the Core Strategies will need to be undertaken alongside the preparation of the JSP. Work has therefore begun on the review of the B&NES Core Strategy.

### **The Placemaking Plan examination**

- 5.5 On 23<sup>rd</sup> March 2016 Council agreed to submit the Draft Placemaking Plan to the Secretary of State for Examination. A schedule of limited changes to the Draft Placemaking Plan, primarily to address policy wording issues raised by Historic England, was also agreed for submission.
- 5.6 The Draft Placemaking Plan, the schedule of limited changes and other required documents were formally submitted on 12<sup>th</sup> April 2016.
- 5.7 The Planning Inspectorate (PINS) have confirmed that Claire Sherratt DIP URP MRTPI has been appointed as the Examination Inspector. The Council has appointed Chris Banks as the Examination Programme Officer. He will help to

organise and programme the Examination and will act as the liaison point between the Council, the Inspector and representors.

- 5.8 The Examination is into the soundness of the Plan i.e. whether it has been positively prepared and is justified; effective; and in line with national policy. The programme for and issues to be considered through the Examination will be determined by the Inspector. The Examination will therefore be structured around the issues that the Inspector identifies as of critical importance for the soundness of the Plan and is not driven by the representations.
- 5.9 The Inspector has started the process of reviewing the Plan; supporting evidence; and representations received during public consultation. It is anticipated that she will outline the main matters and issues for consideration at the Hearings by the end of June. Likely key matters to be considered include:
- Housing supply and allocation of alternative or additional development sites
  - Transport issues in Bath, including Park & Ride
  - Environment Agency and Historic England issues
  - New Policy LCR3A that residential development will only be permitted where primary school has capacity or can expand is not justified
  - Local Green Spaces (Policy LCR6A)
  - Policy ST7: parking standards
  - Policy H7 Housing standards
  - Policies on to renewable energy; design; environmental issues
  - University expansion, student accommodation & HMOs (see below)
  - Site specific issues in Bath; Keynsham; Somer Valley & rural areas
- 5.10 The Examination hearings will commence on 13<sup>th</sup> September and are initially booked for a period of 3 weeks. The hearings will take place on Tuesday, Wednesday, Thursday (morning and afternoon) and Friday morning each week. They will be held in the Guildhall, other than 29<sup>th</sup> and 30<sup>th</sup> September when they will be held in Bath Royal Literary & Scientific Institute, Queen Square. Details of the Examination will be published on the Council's website at [www.bathnes.gov.uk/placemakingplan](http://www.bathnes.gov.uk/placemakingplan) and formal notification of the hearings will be advertised around 6 weeks before they commence.

### **Student Accommodation**

- 5.11 The Adopted Core Strategy and the Draft Placemaking Plan sets out the proposed policy approach to student accommodation. At the time of preparing the Core Strategy it was considered that the student accommodation requirements resulting from the growth aspirations of both Universities up to 2020/2021 could be accommodated. Since that time the Universities' growth aspirations have increased. The Draft Placemaking Plan seeks to balance the impacts of these increased growth requirements against accommodating other requirements in the city e.g. for general housing and employment space.
- 5.12 The Placemaking Plan prioritises the provision of general housing and employment space on sites within the Enterprise Area and central Bath. On sites outside these areas student accommodation uses may be acceptable.

Through the Article 4 Direction and associated HMO SPD the future growth of HMOs (to serve both students and non-student households) is controlled. The requirements for student accommodation to meet Universities' growth aspirations cannot be met within the city and therefore, the Placemaking Plan is seeking to prioritise and encourage the provision of additional student accommodation on-campus, in particular utilising land at the University of Bath Claverton Down campus. The response of the Universities and the HMO market will need to be closely monitored. The HMO SPD is programmed for review later this year.

- 5.13 Issues around University growth and student accommodation will be a major area for discussion at the Placemaking Plan Examination hearings. The main issues raised by objectors can be summarised as:
- Residents groups consider that the Plan does not adequately control/limit growth of the Universities; that off-campus student accommodation provision should be strictly controlled and further accommodation should be focussed 'on-campus' only. Growth of HMOs needs to be better managed/controlled across the city as a whole e.g. limiting annual growth to a specified number or setting a lower proportion of properties so that HMOs can be limited to specific locations.
  - Universities and student accommodation providers consider the Plan is too restrictive; that it should better facilitate the changing aspirations/growth and continued success of the Universities. The University of Bath emphasise that it is a major driver of educational opportunity and economic growth in the City and District. The Universities/accommodation providers consider that the Plan should seek to meet student accommodation/university growth as a priority (not sub-ordinate to meeting housing/employment needs) and that student accommodation should be allowed on key sites in the city e.g. to improve development viability.
- 5.14 In May 2016, the Council published its updated monitoring paper for the Placemaking Plan exam ([Student Numbers and Accommodation Requirements in Bath Update](#)). A further update on student issues can be provided to a future meeting of the Policy Development & Scrutiny Panel.

### **The Implications of the Housing & Planning Act 2016**

- 5.15 The Housing & Planning Bill received Royal Assent on 12 May 2016 and is now enacted. It is primarily focused on speeding up the planning system with the aim of delivering more housing.
- 5.16 The Act introduces a range of changes to the planning system. These include introducing 'permission in principle' and the creation of 'Starter Homes' for first time buyers. There are also provisions which allow the Secretary of State to intervene in local plan preparation and measures to boost self-build and custom-build housing.
- 5.17 'Permission in principle' is an automatic consent for building on sites identified in local and neighbourhood plans and on a local planning authority's register of brownfield land (now required under Section 151 of the Act). Permission is

also subject to a number of technical details such as location, uses, etc. 'Permission in principle' may be granted as a matter of course for housing-led development subject to adoption of key qualifying documents such as a development plan. This is intended to provide developers with greater certainty of consent at an earlier stage in the development cycle than at present. This provision will not commence until 13 July 2016.

- 5.18 Starter homes are now categorised as “affordable housing” on new build developments and will count towards Councils’ affordable housing targets. Starter homes will be available for first time buyers aged over 23 and below 40 at a 20% discount to market value. In addition the homes must be sold for £250,000 or less (£450,000 in Greater London).
- 5.19 The Act creates a new duty on all local authorities to promote the supply of starter homes in their area. It also allows the government to set regulations requiring starter homes to be included on residential sites as a condition of securing planning permission. However developments in rural exception sites will be exempt. These regulations will be issued at a later date and government are currently consulting on the detail of the policy, though it is widely expected that the first 20% of all affordable housing will have to be starter homes, thus significantly reducing the new supply of rented affordable housing.
- 5.20 The changes arising from the Housing & Planning Act will have implications for the Core Strategy (CS) review in terms of the affordable housing requirement and policy approach and potentially the Placemaking Plan (PMP) as it goes through the Examination process. For the PMP the Planning Inspector may also highlight areas of the Plan she thinks will be affected by the Act. Modifications to the Plan may be necessary.
- 5.21 An initial assessment indicates that there are a number of key planning policy areas that are likely to be affected particularly those related to Affordable Housing, Rural Exception Sites, Affordable Housing Regeneration Schemes and self and custom build homes. There may be resource implications around 'requiring a local planning authority in England to prepare, maintain and publish a register of land'.
- 5.22 Further advice is awaited via updates to the National Planning Practice Guidance (NPPG).
- 5.23 The Act also includes a package of measures to help tackle rogue landlords in the private rented sector. This includes:
- allowing local authorities to charge a financial penalty, as opposed to prosecution, for certain offences, such as failure to comply with improvement notice or failure to license a property;
  - allowing local authorities to apply for a banning order to prevent a particular landlord/letting agent from continuing to operate where they have committed certain housing offences;
  - creating a national database of rogue landlords/letting agents, which will be maintained by local authorities;

- allowing tenants or local authorities to apply for a rent repayment order where a landlord has committed certain offences (for example continuing to operate while subject to a banning order or ignoring an improvement notice);

5.19 Elements of the Housing & Planning Act 2016 aimed at tackling rogue landlords could have positive financial impacts with the option to levy a penalty charge for some housing offences rather than seeking a prosecution. The detail on the use of these penalty charges is yet to be published but it is anticipated that once available a report will be prepared seeking a steer on the way forward in relation to the most appropriate use of these additional powers.

### Supplementary Planning Documents

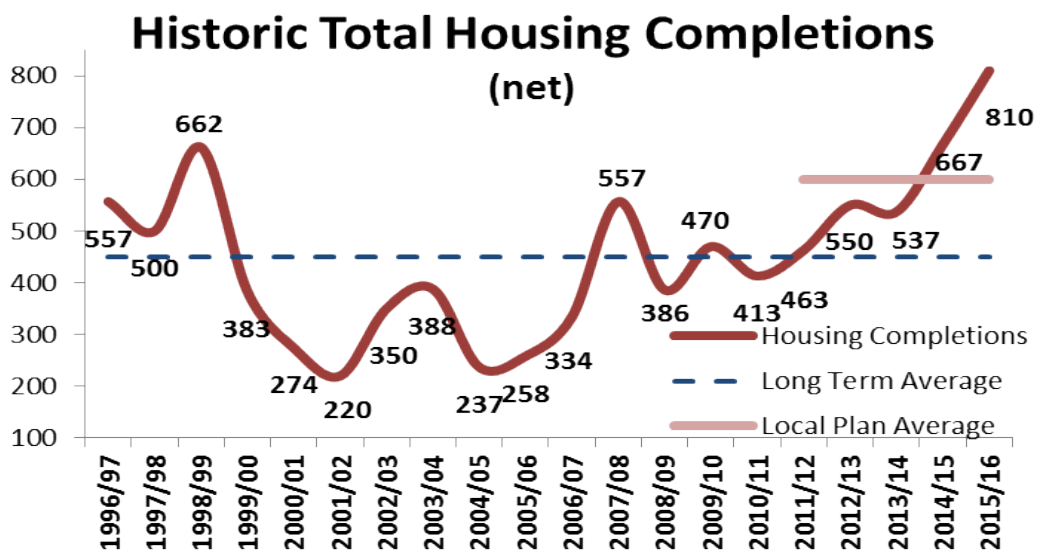
5.24 A number of Supplementary Planning Documents are also scheduled for review or preparation. These are;

- Houses in Multiple Occupation
- List of Locally Important Buildings
- Building Heights
- Bath Design Guide

5.25 The programmes for this work is set out in the Council’s Local Development Scheme (programme for Planning Policy formulation)

### Housebuilding monitoring

5.26 A record number of new homes were built in Bath and North East Somerset during the last financial year as part of a commitment to deliver around 13,000 new homes between 2012 and 2029. There was a net increase of 809 homes in 2015/16, which is the highest number since Bath & North East Somerset Council was created in 1996 and is significantly higher than the long term average over the last 20 years of around 450 per year.



5.22. Nearly 70% of these homes were built on previously developed land, with 178 of them (22%) as affordable housing, bringing the total of affordable homes delivered since April 2012 up to 864.

5.27 This work is being carried out as part of the Council's Core Strategy which has set targets for delivering 13,000 new homes, including 3,290 affordable, between 2012 and 2029. Including the record breaking figures from 2015/16, 3,026 homes have been built since 2011, including 864 affordable.

## 6 RATIONALE

6.1 The Council is required to maintain an up-to-date planning policy framework to meet the requirements of the National Planning Policy Framework and the Planning Acts

## 7 OTHER OPTIONS CONSIDERED

7.1 Consideration of alternative policy options is integral to the formulation of planning policy documents

## 8 CONSULTATION

8.1 Consultation is a statutory requirement in the formulation of planning policy.

8.2 The Council's Monitoring Officer, section 151 Officer and the Place Strategic Director have had the opportunity to input to this report and have cleared it for publication.

## 9 RISK MANAGEMENT

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

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<b>Background papers</b>	<i>B&amp;NES Local Development Scheme B&amp;NES Core Strategy B&amp;NES Placemaking Plan SHLAA Findings Report Student Numbers and Accommodation Requirements in Bath Update, Bath &amp; North East Somerset Council, May 2016 Housing Land Supply Findings Report Housing Land Supply Trajectory 2011-2029</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	