

BATH & NORTH EAST SOMERSET COUNCIL RESPONSE TO ID/7

Issue 2: Is the spatial strategy for the delivery of housing and jobs justified and are there reasonable prospects for delivery consistent with national advice?

The SHLAA (general)**3.1 Assumptions made in the SHLAA:**

(a) Does the SHLAA assume that all sites (large and small) with extant planning permission will be delivered?

3.1.1 B&NES is a strong housing market, centred on Bath and its environs. The SHLAA housing trajectory assumes that the quantum housing from of small sites (<10 units) with planning permission at 1st April 2011 (560 units) will be delivered entirely within the next 5 years. The potential yield is reasonable, if not a little pessimistic in the context of delivery during the past 5 year (860 units). It is likely that a higher level of development will be forthcoming. However, re paragraph 59 of PPS3, account cannot be taken of future windfalls that will supplement the deliverable supply from extant small sites during the next 5 years, nor the 5 years after that. The implication is downwards distortion in the amount of development that will be forthcoming. Given the evidence referred to in 3.2 it means that the Council is unable to 'bank' at least 1,000 units of supply for the period 2012-22.

3.1.2 For large sites (10+ units) it is assumed that where a site has planning permission it will be delivered at some point during the Core Strategy period, though not necessarily within the next 5 years. The SHLAA delivery profile for a number of large sites with permission leaks into years 6, 7 and 8 based on practically achievable delivery rates.

(b) Is there any allowance for non-implementation? What is the past rate of non-implementation and is this likely to be continued?

3.1.3 There is no allowance for non-implementation. This has not been an issue for small sites to the extent that it has not been necessary to keep a record. In the context of strategic levels of housing delivery, occasional lapses during a monitoring year have been insignificant in relation to new permissions granted in that year.

3.1.4 For large sites the Council contends that SHLAA delivery assumptions should be based on site specific analysis only. The application of a non-implementation rate to large sites (customarily 10%) is an out-dated and blunt approach given the advent of

transparent SHLAA's and the production of detailed site specific trajectories. Further it is imbalanced to only make an allowance for a downside risks and not upside prospects. If participants have credible/ valid concerns about specific sites re start dates and completion rates that are endorsed by the inspector, they will be taken on board as per the second paragraph of 3.3(a).

(c) On what evidence has the Council assessed whether sites with planning permission are deliverable?

- 3.1.5 In relation to the 5-year housing land supply (and in some cases beyond), the Council has found that the Housing Association involved in large developments (usually Somer) to be the most useful source of intelligence re delivery prospects and timetabling. An officer level inter-service Housing Delivery Group meets and reports on a quarterly basis. The Council's Strategic Housing Development Manager maintains frequent contact with housing associations in relation to sites with or seeking to gain planning permission. Whilst neighbouring authorities have written to the main developer to ascertain delivery prospects, the Council has not followed this approach given the low response rate achieved. The monitoring of implementation requires on-going and frequent contact throughout the year rather than a yearly questionnaire.
- 3.1.6 Through-out the monitoring year changing circumstances, unfolding events and performance against assumptions for that year mean that future delivery assumptions need to be revaluated. The SHLAA trajectory and 5 year supply assumption is re-profiled at the end of each monitoring year. On April 1st 2012 it will be updated to cover the period to 2016/17.

(d) On what evidence has the Council assessed whether the SHLAA sites without planning permission are deliverable / developable?

Deliverability within the next 5 years of sites with without planning permission

- 3.1.7 A number of high profile sites are included within the 5 year land supply even though they do yet not have planning permission.
- 3.1.8 At Bath, the first 80 units of a second phase of development at BWR is included in year 5 of the current 5 year land supply period. Thereafter delivery rates with need to increase to meet the SHLAA projection. The answers to BNES/7 (4.2, 4.3 and 4.5) are relevant here. The delivery rates are practically achievable but the commercial imperatives of the developer may dampen outturn. A reduction in the rate of delivery would imply a lack of demand/sales and reduce rather than increase the

justification for additional housing sites to meet any perceived shortfall vis-a vis demand.

- 3.1.9 Elsewhere e.g. between rows 88-94 of the Bath tab of the SHLAA trajectory, forecasts are made based on the submission of planning applications, requests for pre-planning advice and the likely timeframe for gaining permission, beginning construction and achieving first completions.
- 3.1.10 On April 1st 2012 the 5 year supply period will extend to 2016/17. The current trajectory shows the first completions on the MoD sites occurring in this year. The answer to BNES/4 (4.8) suggests that this is a reasonable assumption.
- 3.1.11 At Keynsham, 150 units are expected at Somerdale (K1) and a further 150 units are forecasts on the Council owned part of SW Keynsham (K2). The justification for the inclusion of these sites within the current 5 year land supply and the forecast delivery rate is set out in BNES/10.
- 3.1.12 Within the Somer Valley forecasts are made based on the submission of planning applications, requests for pre-planning advice and the likely timeframe for gaining permission, beginning construction and achieving first completions. Here, Alcan (MSN.10) is the most significant site where an application for 175 units (against a SHLAA estimate of 150) will be heard at the Jan or Feb 2012 Development Control Committee. Subject to a positive outcome is it reasonable to expect completions over 3-4 years from 2013/14.

Longer term developability in the of sites with without planning permission

- 3.1.13 Clearly, there is more uncertainty here. Given the nature of the inspector's questions in ID/7 it is clear that it is within the Bath River Corridor where the greatest risk of non-delivery has been identified. Not all of the longer term sites are available; one would not expect them to be so at this stage. The Core Strategy has identified the strategic barriers to delivery that might affect the developability of longer term prospects. These include the removal of the Windsor Bridge Gas Holders and the implementation of compensatory flood storage. These matters are being resolved as explained in BNES/7 (4.3-4.5).
- 3.1.14 Further, the Council has viability tested selection of longer term SHLAA prospects in the context of testing the credibility of the Core Strategies Affordable Housing policies. See CD4/H6 (Three Dragons Viability Study, June 2010) and CD4/H8 (Ark Viability Validation Study, April 2011).

(e) In the light of the above (and more detailed consideration below) is the trajectory reasonable?

- 3.1.15 Across the district the number of projected completions is very high given recent experience and back to 1996 (beginning of last LP period). During the last 5 years delivery rates have been 334,557,386,375 and 315, for the next 5 years they are projected to be 449, 639, 697, 738 and 823 with the rate staying high thereafter.
- 3.1.16 However, in terms of practical implementation on a site by site basis the Council considers that the SHLAA has not over played deliverability within the current 5 year supply period or beyond. When one turns to the individual place and site specific assumptions that unpin the overall figures, they are reasonable. Bath Western Riverside is specifically addressed in BNES/7 (4.2-4.4). Whether the BANES housing market (or its component parts) can absorb such high levels of delivery/sales remains to be tested. What is clear is that the Council is enabling a major uplift in the amount of housing delivery. More sites are set to come on stream and deliver concurrently than seen in the previous 15 years.
- 3.1.17 When assessing whether the trajectory is reasonable it is important to take into account the provisions of paragraph 109 of the dNPPF re the need to significantly increase (boost) the supply of housing. Boosting the supply of housing development to levels exceeding those experienced during the (unsustainable) boom years of mortgage credit availability may be a tough ask. This is despite the provisions contained within the Governments New Housing Strategy.

3.2 The SHLAA (CD4/H13, Table 2.1) identifies specific sites for 11,205 dwellings. The Council contend (SHLAA 2.53-2.54) that to this figure can be added at least 400 units and, potentially, 560 units from small sites windfalls in the last 4 years of the plan:

(a) Is the numerical assessment reasonable?

- 3.2.1 The assessment of windfall supply assumes that the plans runs to 2026, with the allowance applied from 2022. The Council has no further evidence to present re the justification for the potential range of outcomes.

(b) What effect, if any, are the changes to PPS3 June 2010 likely to have on future small site windfalls compared with the past and are any such consequences reflected in the figures?

- 3.2.2 The issue of garden development and suburban intensification has not been a contentious one for B&NES. Officers confirmed this in telephone interviews with CLG researchers in the lead up to the changed definition. Discussions with Development Management colleagues (then and now) suggest that the changed status of garden land will make no difference to the way that Development Management policies for garden infill schemes are applied.

(c) Is it reasonable to include at least 400 units as part of the overall supply?

- 3.2.3 This is the bottom end of the range of likely outcomes and is justified in 2.53-2.54 of CD4/H13 (SHLAA Findings Report, May 2011). It is equally reasonable to include an allowance of 560 units.

3.3 Five year housing supply:

(a) What is the current 5 year supply position?

- 3.3.1 The position for the current period (2011/12 – 2015-16) is set out in the SHLAA Findings Report (CD4/H13). The SHLAA Findings Report is clear on the basis by which the required amount of housing has been calculated. Appendices 1 and 2 (CD4/H14) clearly set out the site specific capacity and specific delivery assumptions for large sites and the trend based assumptions for small sites.
- 3.3.2 In summary, the current 5-year requirement (based on a target of 11,000 dwellings) is 3,011 and identified supply is 3,346. Assuming the delivery forecast for 2011/12 holds true, the requirement from 2012 /13 totals 3,066 against which 3,795 units have been identified. A ‘cushion’ of 729 units is currently projected. Participant’s statements and contributions at the hearings may challenge this position. The Council will take on board any valid concerns when re-profiling the trajectory at the start of the 2012 monitoring year. The Council is confident that any re-profiling maintain a significant cushion for 2012-2017.

(b) Will the Core Strategy facilitate the provision of a 5 year supply over the plan period?

- 3.3.3 The ‘BANES Summary’ tab of excel SHLAA trajectory (CD4/H14) shows how the 5 year supply position is expected to change for each 5 year supply period taking account of past performance. This is a useful tool and enables the impact of a range of different delivery assumptions to be tested against 5 year supply, both now and well into the future. Rows 39-54 of the BANES ‘Summary tab’ automatically calculate /forecast how the 5 year supply position will change over time when delivery

assumptions in the place specific tabs are changed. It will be necessary to revisit the assumptions and re-profile the trajectory at the beginning of each 5 year supply period.

(c) If the requirement of the draft NPPF in relation to housing supply of 5 years plus 20% (paragraph 109) were to become national policy before the close of the Examination, would the Core Strategy facilitate such provision?

3.3.4 If 11,000 homes are accepted as an appropriate policy position, then the 5 year supply position will be extremely tight. There will be very little cushion. Rows 39-54 of the BANES 'Summary tab' show the forecast position.

3.4 Assuming adoption in 2012, there would be only 14 years to the end of the plan period in 2026.

(a) Should the Core Strategy demonstrate how housing supply will be maintained over at least 15 years from adoption to comply with PPS3 53?

3.4.1 Planning for 15 years supply to 2027 would extrapolate the technical requirement to from 12,100 to 12,700 homes. If the reasons for planning for only 11,000 homes are accepted, then the majority of the 15th years supply (additional 600 units) can be absorbed by the inclusion of with by a windfall allowance of 100 units per annum, or wholly at 140 per annum (as per 3.2) for the 5 years from 2022. This would mean planning for 11,600 homes to 2027.

3.4.2 This seems the most sensible option and could be achieved without an alteration / delay to the adoption of the Core Strategy. There is a risk that a delay to the adoption of the Core Strategy (by one to two years) to identify a Green Belt solution to deal with a demand for housing that won't arise for 15 years would likely opening the door to defacto strategic planning by appeal during this period. This would undermine any alteration process. The Planning for Growth Statement seeks that LPAs press ahead without delay in preparing up-to-date development plans that proactively assist with economic recovery. The BANES plan does this. Again, delay would not be in the best interests of the foreseeable future. The implications of planning for the period beyond 2026 (without the application of a windfall allowance for the period 202) are clear and should be dealt with sub-regionally via joint review. The Core Strategy includes provision for this.

- **If so, where would continued housing development take place?**

- 3.4.3 Based on the windfall option and on the past distribution of windfall sites, most development would occur in Bath, followed by the rural areas, then in the Somer Valley and Keynsham.
- 3.4.4 In respect of the review process, development would be in the Green Belt, with the precise location to be determined by land availability and in consultation with sub-regional partners and statutory consultees.

Flood risk (strategic sequential test)

3.5 Has the PPS25 sequential test for flood risk been appropriately addressed in the broad locational strategy? (See Council's further explanation in BNES/2 1.8-1.14.) (Council to note: I do not accept the last sentence of 1.9. The Core Strategy is the only opportunity to meaningfully apply the sequential test to the broad locational choices being made in the strategy, even though the specific housing capacity in the Bath River corridor at high flood risk may be uncertain until more detailed work is done. The Placemaking Plan would not be able to alter the strategic choices being made now.)

3.5.1 See responses to 3.6 below

3.6 Should the Core Strategy include a contingency in case the more detailed work in the Placemaking Plan cannot satisfy the exception test?

3.6.1 Information Paper 2 (CD6/D2) and Topic Paper 4 (CD6/S5) set out how flood risk and the requirements of PPS 25 have been considered in the preparation of the B&NES Core Strategy. This process has been endorsed by the Environment Agency.

3.6.2 Not mentioned in these papers are the Regional Flood Risk Appraisals (RFRAs)(CD3/18) which were undertaken by the former South West Regional Assembly to inform the draft Regional Spatial Strategy for South West (Draft RSS) (CD3/4). The Draft RSS proposed the same level of housing development within Bath (around 6,000 dwellings) as is proposed in the draft Core Strategy and this was endorsed through the Examination in Public (CD3/5). The Core Strategy Options were tested by the B&NES Interim Sequential and Exception Test report (CD6/O6) in the context of the draft RSS. The draft Core Strategy was subsequently assessed by the Sequential/ Exception Test (CD6/D2).

3.6.3 In relation to the level of housing in flood risk areas, 3,495 homes are proposed in Policy areas BA2, BA3 and Western Riverside Area (source: SHLAA May 2011 (CD4/H13). Of this 3,495 homes 2,400 have extant planning permissions and are not

subject to the Sequential Test. This leaves **1,095 homes subject to the Sequential Test**. The potential development sites are listed in Appendix A of CD6/D2 and mixed use development, including residential and commercial, is proposed on them. Most of these sites lie astride flood risk zone boundaries and the table below shows the area within each flood zone. A simple analysis in table XX below shows that all new dwellings may be accommodated in Flood Zone 1 based on the density with 120 dwellings per ha.

Table 1

Policy Area	FZ1	FZ2	FZ3a
Policy BA2	7.54 ha	4.3 ha	3.76 ha
Policy BA3	2.06 ha	1.86 ha	0.7 ha
Riverside (not BWR)	1.21 ha	1.77 ha	0.36 ha
Total	10.81 ha	7.93 ha	4.82 ha
Dwelling capacity @ 120 dph	1,297 homes	-	-
Dwelling capacity @100 dph	1,081 homes		

- 3.6.4 As stated previously the Council has sought not to pre-empt the more sophisticated and detailed analysis of the Placemaking Plan process. However, the potential development sites are promoted for mixed use development to achieve regeneration objectives, and a simplistic assessment is undertaken of each SHLAA site. If the approach of steering housing to low risk flooding within each site means, **607 dwellings** may be accommodated in Flood Zone 1; **382 dwelling** in Flood Zone 2; and leaving **106 dwellings** in Flood Zone 3a (based on 120 dwellings per ha).

Table 2 The number of dwellings may be accommodated with the density of 120 dph

SHLAA (The number of dwellings may be accommodated with the density of 120 dph)		Dwellings	Area	FZ1 (homes)	FZ2 (homes)	FZ3a (homes)	Phase
Policy B2 Central Area							
Abb 1/ King 1	Avon Street Car Park	90	1.4 ha	0	0.82 ha (90)	0.58 ha (Nil)	2017-19

Abb 3-5	Manvers Street/Royal Mail	30	1.25 ha	0.31 ha (30)	0.44 ha (Nil)	0.5 ha (Nil)	2016-18
Abb 6	Hilton Hotel Cattle Market	48	1.96 ha	1.66 ha (48)	0.21 ha (Nil)	0.09 ha (Nil)	2021-23
Abb 7	Walcot Yard	8	0.28 ha	0.14 ha (8)	0.07 ha (Nil)	0.07 ha (Nil)	2014/15
King 4	James Street	10	0.07 ha	0	0.07 ha (10)	0	2016/17
Abb 11	Saw Close	10	0.4 ha	0.4 ha (10)	0	0	2016-18
King 6	Green Park Station	97	2.4 ha	1.92 ha (97)	0.2 ha (Nil)	0.28 ha (Nil)	2022-26
King 7	Alexander House	19	0.08 ha	0.054 ha (12)	0.026 ha (7)	0	2018/19
Wid8/9	Travis Perkins and Renault	90	1.10 ha	0.06 ha (7)	0.11 ha (13)	0.93 ha (70)	2023-26
Wid 24	BRW East and helphire	250	6.67 ha	3 ha (250)	2.36 ha (Nil)	1.31 ha (Nil)	2021-26
Sub Total		652 homes		462 homes	120 homes	70 homes	
Policy B3 area							
Wes 2	Bath Press	10	2.15 ha	2.02 ha (10)	0.13 ha	0	2012/13
Wes 5	LBR Eastern Part	65	1.44 ha	0.04 ha (4)	1.03 ha (61)	0.36 ha (Nil)	2021-23
Wes 6	Unigate Dairy	30	0.6 ha	0	0.38 ha (30)	0.22 ha (Nil)	2023-25
Wes 16	Lower	45	0.45	0	0.33 ha	0.12 ha	2016-18

	Bristol Road Carrs Mill		ha		(38)	(7)	
Sub Total		150 homes		14 homes	129 homes	7 homes	
Bath Western Riverside excluding BWR scheme							
King 10	Hinton Garage	54	0.45 ha	0.20 ha (24)	0.18 ha (21)	0.07 ha (9)	2021-23
King 11	Onega Centre	36	0.30 ha	0.24 ha (28)	0.04 ha (4)	0.02 ha (4)	2021-23
King 12	Comfortable Place	61	0.62 ha	0.19 ha (22)	0.28 ha (33)	0.15 ha (6)	2021-23
King 13	Argos River Frontage	15	0.30 ha	0.23 ha (15)	0.02 ha (Nil)	0.05 ha (Nil)	2015/16
King 15	Westmark	120	0.73 ha	0.21 ha (35)	0.45 ha (75)	0.07 ha (10)	2016-19
Wes 4	BRI Waste System	7	0.94 ha	0.14 ha (7)	0.80 ha (Nil)		
Sub Total				131 homes	133 homes	29 homes	
Total		1,095 homes		607 homes	382 homes	106 homes	

- 3.6.5 Therefore there is flexibility to accommodate the proposed level of development within each policy area through the Placemaking Plan, applying good design and layout and following the PPS25 sequential approach by directing vulnerable uses to Flood Zones 1 and 2, it is evident that the levels of housing likely to take place in Flood Zone 3a is not strategic.
- 3.6.6 In light of the requirements of Exception Test c), all new development in areas at risk of flooding must be made safe. The approach in the Core Strategy is to optimise the development capacity with an upstream compensatory storage facility (See also para 4.4). The key sites to benefit from the upstream storage facilities are SHLAA sites Abb1/King1, Abb 3-5, Wid8/9, Wid 23, Wes 5,6,16, but the majority of these sites are planned to come forward in the later stages of the planning period as shown in the table 2 above.
- 3.6.7 With reference to the estimate of around 100 homes which could potentially be in Flood Zone3a, the Council has not tested small Green Belt alternative sites. As stated

in para 3.6.2 above, the approach of focussing development on brownfield sites in urban areas was agreed strategically across the West of England and tested endorsed by the EA through the Regional Flood Risk Appraisal.