

BANES Core Strategy Examination
Written Statement Issue 1

1.0 IS THE PLANNED DISTRICT WIDE SCALE OF PROVISION FOR JOBS AND HOMES JUSTIFIED AND IS THERE SUFFICIENT FLEXIBILITY TO REFLECT UNCERTAINTIES IN FORECASTING AND CHANGING CIRCUMSTANCES?

The Council's housing requirements methodology

1.1 The difference in approach between Barton Willmore and the Council can be summarised succinctly and sets the context for our response to each question set by the Inspector:

- The strategic housing requirement for BANES within the plan period should be increased significantly to meet needs arising within its administrative boundary;
- The most sustainable location for accommodating Bristol's growth is adjacent to the urban area of Bristol and the boundary of the Bristol Green Belt must therefore be reviewed.

1.2 As required at the Pre-Examination meeting, we have sought to avoid site specific references (we are acting on behalf of Taylor Wimpey and Bovis at Whitchurch) on the basis that the plan is unsound and requires:

- Amendments to the green belt boundary;
- The allocation of strategic urban extension site(s).

1.3 Put simply, we are requesting a strategy more closely related to the preferred approach in the BANES October 2009 Spatial Options Consultations.

2.0 Has the Council had appropriate regard to the balance of factors listed in PPS3 paragraph 33?

2.1 The council has not given appropriate regard to the balance of factors listed in PPS3, paragraph 33 in determining the housing provision for BANES. This is explained as follows:

(i) local and sub-regional evidence of need and demand, set out in the SHMA

The **West of England Strategic Housing Market Assessment** (2009) (CD4/H11) does not address open market housing requirements but states that the annual average need is 847 affordable dwellings for BANES¹. This is 16,940 affordable dwellings over a 20 year period. Whilst the level of need for BANES is very high and not deliverable, para 11.1.20 is highly significant in stating the link between increasing the supply of housing and improving the affordability of housing. This states that *'Higher new housing supply, applied in both WOE and the rest of the Country (especially the south) would have a significant impact on outcomes. 18% higher output would be associated with affordability improvements of 10-11% with about 5-6% more households able to buy in 2016.*

The housing requirement for BANES appears to have been driven by the Council's political imperative to preserve the Green Belt and in an apparent retrospective justification for a pre-determined outcome has been based on a low economic led housing requirement. It has not taken account of the SHMA, both in terms of the level of affordable need and the relationship between housing supply and affordability. For instance taking the more optimistic end of the economic projections (ie 11,300 jobs) would be considered to be more consistent with the findings of the SHMA.

Another notable piece of sub-regional evidence is the outcome of all of the sub-regional working and evidence collected by the West of England authorities as part of the RSS process which recognised the key role of Bristol as one of the main drivers for economic and housing growth in the sub-region and the need for urban extensions to the city in neighbouring administrative districts. There

¹ West of England Strategic Housing Market Assessment (June 2009), table 7.14

was consensus that provision would be made for 5,000 jobs per annum across the four main WOE authorities². Even if it is accepted that the economic potential has been reduced, the need for urban extensions has not been entirely dissipated (see section on cross boundary implications below).

(ii) The Government’s latest published household projections and the needs of the regional economy, having regard to economic growth forecasts

2004 based	2006 based	2008 based
17,000	19,000	16,000

CLG Projections of household growth, BANES 2006 - 2026

BANES whole argument for disregarding the 2004 ONS projections of 17,000 homes is set out in Topic Paper 9 (para 2.9). This seems to suggest that the supply of labour generated by the 2004 ONS projections cannot be supported by the economic potential of the area. This claim is simply not accurate. Using the well established Chelmer model, our representations³ show that 11,000 homes will increase the labour supply by just 2,900. This undermines the principle argument BANES upholds as justifying its housing requirement. Conversely, the provision of 15,500 homes will increase the labour force by 10,600 which is within the range of expectations for job growth in BANES.

2.2 We also note here that the council has not given appropriate regard to PPS3, paragraph 32 in determining the housing provision for BANES. This is explained as follows:

- The Council does not take a '**strategic approach**', it has sought to ignore the wider sub-regional evidence on sub-regional housing requirements, looking only at BANES growth (ie Bath, Keynsham and rural areas growth)
- The Council has not taken into account '**sub-regional policies and strategies**' on the level of housing provision including the West of England LEP objectives⁴ which it signed up to, as well as evidence compiled and tested for the West of England sub-region as part of the preparation of the South West RSS.

² West of England Joint Study Area First Detailed Proposals, West of England Partnership (2005) para 2.2 (CD3/11)

³ Barton Willmore Objections to BANES Draft Core Strategy Policy DW1 (January 2011), page 8

⁴ West of England Local Economic Partnership – Proposal to Secretary of State for BIS and CLG (September 2010). 'What we can deliver' page 1.

- The Council has not taken into account **national policies and strategies** including PPS3 (para 10) and is inconsistent with the draft NPPF (notably para 109, bullet 1).

3.0 If the requirements of the draft NPPF in relation to planning for housing and employment were to become national policy before the close of the Examination, would planned provision meet these requirements.

3.1 No, the BANES Core Strategy and Topic Paper 9 (CD6/S10) are driven by finding ways to justify a very low housing requirement. The housing requirement is not based on an objective assessment of the evidence. The Core Strategy does not seek to facilitate economic growth, opting for the lowest end of the growth projections. This will have the effect of constraining growth. This is fundamentally inconsistent with the spirit of the draft NPPF, particularly paragraphs 13 and 20 -30. In seeking to peg the level of housing provision to that which might be expected to a lower level of economic growth, there is a real danger that BANES will achieve a self fulfilling expectation – the constraint on new building will constrain the economy and the ability to secure growth in this area.

4.0 Does the Council’s methodology for assessing the technical need for housing represent an established methodology used in the past and/or one being used elsewhere?

4.1 Our representations⁵ state that the Council’s housing requirements methodology places too much emphasis on an economic lead housing requirement which is not a robust basis for the Core Strategy and has not given due regard to the latest ONS housing requirements, including the sustainability implications of planning for such low levels of growth. In actual fact, planning for 11,000 homes will only increase the labour force by 2,900 persons, thereby limiting the growth of the economy or as the Council states, potentially leading to increased commuting into the District⁶ which they seem to consider is an acceptable outcome of this strategy.

4.2 We also draw attention to the statement by DCLG Minister Baroness Hanham on 25 October which states *"When assessing their housing requirements in future years as*

⁵ Barton Willmore Objections to BANES Draft Core Strategy Policy DW1 (January 2011), page 7-8

⁶ Topic Paper 9 (CD6/S10) Justification for Housing and Employment Provision (October 2011) para 6.29

part of a strategic housing market assessment, authorities should use the most recently released sub-national population projections (published by the Office for National Statistics) and household projections (published by the Department for Communities and Local Government)." This confirms that the latest population and household projections should be used in the assessment of housing requirements. BANES has simply disregarded the household projections as being inconsistent with their low economic led requirements. This means that to a large extent, the non-economically active proportion of the future population has not been fully considered in the methodology.

5.0 what policy weight, if any, or other significance should be given to the Secretary of State's Proposed Modifications to the emerging RSS for the South West?

- 5.1 This is a matter that has been considered by Inspector's elsewhere in the South West, most recently at Exeter where it was concluded that whilst the weight which should be accorded to the RS Proposed Changes should be reduced because it had little prospect of becoming part of the development plan, "regard should be had to the evidence base which underpinned the emerging RS and consideration should be given as to whether it has been overtaken by more upto date information". To put this another way, as used in Sedgemoor, the Inspector "was obliged to reach a conclusion as to whether local evidence carries sufficient weight to override the draft RSS with respect to any departures from it".
- 5.2 There is thus a degree of consistency with the approach adopted at Bristol City in that "regard should still be given to the evidence and reasons why the Secretary of State considered that 36,500 dwellings should be provided in Bristol City". It is therefore appropriate to consider in the current context the evidence and reasons why the Secretary of State considered that 21,300 dwellings should be provided in BANES including 8,000 dwellings in the Area of Search 1A to the south east of Bristol and whether there is any justification to depart from this.
- 5.3 Even if the economic potential of the West of England is considered to be lower than was the case in 2008, the role of Bristol in the sub-region (and the region) and the need for growth to be accommodated on the edge of the city in neighbouring districts has not suddenly disappeared. The RSS Proposed Changes made provision for 122,000

jobs in the Bristol, Bath and Weston Super Mare Travel to Work Areas. Collectively, the Bristol, BANES, South Gloucestershire and North Somerset Core Strategies (adopted and emerging) are promoting 69,800 jobs⁷. Even if these job projections were considered to be appropriate, this would generate a requirement for about 97,022 dwellings based on a multiplier of 1.39 (using the BANES housing requirements methodology). Currently the four core strategies for these same districts make provision for just 72,300 homes. This is a shortfall of 24,700 homes, most of which centre on the Bristol TTWA (since this made up the overwhelming proportion of economic potential for the WOE area).

- 5.4 Whilst the RSS Proposed Changes (2008) may have reduced weight, Policy SS8 'The Bristol Area' of RPG10, 2001 has development plan status and is therefore highly pertinent. This requires an 'enhanced economic base by providing for the full range of growth generated by the city and its hinterland' and a 'review of the Green Belt'. The BANES Core Strategy is not in conformity with RPG10 because it has not sought to address these cross boundary issues and does not make provision for the 'full range of growth' of Bristol.

Economic/job growth forecasting

6.0 Is the Council's assessment of likely economic growth/job creation over the plan period in the district reasonable or too optimistic/pessimistic? Do the assumptions and overall intentions satisfy the aim of the Ministerial Statement: Planning for Growth (23 March 2011) in particular the Government's expectations in the 4th paragraph

- 6.1 Our representations⁸ state that the provision of 8,700 jobs represents a pessimistic view of the future growth prospects of the District. Job growth over the past 18 years in BANES has averaged 650 jobs per annum (see appendix 1). This includes years 2007 – 2010 (ie four years of low growth). Planning for 8,700 jobs over a 20 year period is very low and is inconsistent with the Council's own Economic Strategy (CD4/E8). This states that '*The strategy and action plan aims to create the conditions for jobs growth across the district, leading to a more diverse, productive, and resilient economy which provides better opportunities for all*' (Foreword). A more proactive response, in line

⁷ Bristol adopted Core Strategy 21,900 jobs, BANES Submission Core Strategy 8,700 jobs, South Gloucestershire Submission Core Strategy – no job figure provided, 29,100 job figure taken from Employment Land Review Stage 2 Report (Oct 2009), North Somerset Submission Core Strategy 10,100 jobs.

⁸ Barton Willmore Objections to BANES Draft Core Strategy Policy DW1 (January 2011), pages 4 - 6

with the Council's economic strategy would be to plan for the higher end of the range and review the plan if this does not materialise, particularly as the BANES housing requirements report (CD4/H1) states there is a reasonably robust case for expecting between 8,700 and 11,300 additional jobs in B&NES over the 20 years (para 7.4).

7.0 Given that Economic forecasts and projections are inevitably an educated "shot in the dark" (CD4/H1, paragraph 6.1) to what extent should any one growth figure be relied on for determining employment provision and related housing?

7.1 The plan needs to establish a housing requirement for the plan period, based on an objective assessment of all of the evidence. This must include flexibility and ambition. It must be a positive plan. If sufficient land is identified in sustainable locations to meet reasonable assessments of higher growth levels, there is very little danger of adverse outcomes (we will see at the end of the plan period what level of growth has been achieved and what the level of take up has been on allocated land). In contrast, if the Core Strategy plans for lower levels of growth and restricts land supply accordingly, there is a very real danger that this will itself constrain the economic growth potential of the area.

7.2 Irrespective of the appropriateness or otherwise of the job growth forecast, the proposed housing target fails to account of the needs of the existing population.

8.0 Is the plan's assumption of economic growth in the district and likely increase in the number of jobs consistent with the aspirations of the West of England Partnership's Local Enterprise Partnership Bid in September 2010 (notably 95,000 new jobs by 2030 and 3.4% cumulative annual growth in total GVA 2010-2020 in the WEP area)? Does any inconsistency undermine the plan's approach? Is the Council distancing or disassociating itself from the LEP's aspirations (see footnote 1 in TP2 and paragraph 4.13 of TP9)?

8.1 Yes, the plan's assumption of economic growth is inconsistent with the LEP Bid (2010) and the Council does seem to be distancing itself from the LEP bid in para 4.13 of TP9. The LEP Bid is based on 3.4% cumulative annual growth, whereas the BANES Core Strategy is based on 1.6% growth. The telling point is that the Council seems determined to find reasons to plan for low levels of growth, rather than genuinely seek

to find ways to facilitate moderate to high levels of growth, in response to the LEP bid it signed up to.

- 8.2 It is disappointing to see the Council on the one hand saying to government that it can deliver 3.4% growth when bidding for new funds, but on the other arguing against this figure when considering the scale of land allocations needed to support it.
- 8.3 Consistent with the Ministerial Statement on Planning for Growth (March 2011), the Government has published a report entitled 'Unlocking Growth in Cities' (December 2012). The foreword states *'the Coalition Government is committed to building a more diverse, even and sustainable economy. As major engines of growth, our cities have a crucial role to play. But to unlock their full potential we need a major shift in the powers available to local leaders and businesses to drive economic growth. We want powerful, innovative cities that are able to shape their economic destinies, boost entire regions and get the national economy growing'*. Page 24 of this report contains a section on Bristol where the Leader of Bristol City Council states that *'the new Local Enterprise Partnership and the Local Enterprise Zone are helping to drive economic growth in Bristol and the city deals will help unlock potential more quickly, creating jobs and prosperity'*. However, the BANES Core Strategy does not plan positively for driving the economic growth of the Bristol Core City despite it being a key delivery partner for the LEP.

The housing requirement for BANES

9.0 Is the Council's multiplier of jobs to new homes justified?

From TP9 (e.g. box under 3.1), the Council's intention appears to be to balance the planned number of (net) new jobs and the growth in the economically active population from new housing.

- 9.1 The Council's multiplier is not justified and the Council's economic lead approach to calculating housing requirements is not robust enough to be the only or even principal basis for calculating housing supply. See response to question 2.3 above.

- 9.2 Our representations⁹ show that the housing requirement for BANES should be 15,500 homes in accordance with our Chelmer projections, to which we make add-ons to address past backlogs (2,878) and the needs of Bristol (3,500) resulting in a suggested overall housing provision of 21,800.
- 9.3 The 15,500 dwellings Chelmer projection is based on long term (10 year) migration trends of +1,020 persons per annum after 2011. Migration in BANES has been reasonably stable over the last 10 years, with an average gain of 1,100 persons a year (2000 – 2010). We note that since our January 2011 representations were submitted, the ONS 2010 mid year estimates have been published. This shows that net-migration in BANES 2009 – 2010 was +1,900 persons. Over the three years since the recession began in 2007, net-migration in BANES has been 1,300 persons per annum. This demonstrates that despite BANES assertions in Topic Paper 9 that the recession will give rise to a reduction in migration to BANES, this has not been the case. Migration into BANES in recent years has exceeded the long term migration trend and the plan must make provision accordingly.

10.0 What is the Core Strategy's intention in relation to the future pattern of commuting?

- 10.1 Planning for 11,000 homes will only increase the labour force by 2,900 persons, thereby limiting the growth of the economy or by the Council own submission¹⁰ increasing commuting into the District. This is purposefully planning for an unsustainable outcome. In actively constraining growth, not only is performance against economic and social objectives not as positive as it could be but there will also be notable negative environmental implications associated with increased commuting too. A more sustainable response would be to make an objective assessment of the demographic and economic potential of the area and plan accordingly.
- 10.2 The Core Strategy does not reflect the fact that BANES sits on the edge of the Core City of Bristol and the role it has to play in accommodating the economic growth of the City region including the provision of new homes close to the centre of the City.

⁹ Barton Willmore Objections to BANES Draft Core Strategy Policy DW1 (January 2011), pages 6-8 and 12-14

¹⁰ Topic Paper 9 (CD6/S10) Justification for Housing and Employment Provision (October 2011) para 6.29

11.0 Have the cross boundary implications of the strategy been properly taken into account (both within and outside the sub region)?

- 11.1 In our representations to the Bristol Core Strategy (cited in our BANES representations¹¹), our submission was that Bristol's housing requirement is in the order of 50,000 – 55,000 dwellings, but these cannot be provided within the City's tightly drawn administrative boundaries. The adopted Bristol Core Strategy makes provision for 26,400 – 30,600 homes. This means that there is a shortfall of 20,000 – 25,000 homes for which provision needs to be made on the edge of Bristol in neighbouring districts.
- 11.2 The Inspector's Report into the Bristol Core Strategy (para 25) found that '*the Council's assessment of most of the factors in PPS3 paragraph 33 is weak*'. Paragraphs 49 and 54 goes on to state that '*considerations of household projections, housing needs and greater ambition or optimism regarding economic growth point to a higher housing figure than the Council expects to deliver but land supply is a very real constraint within the City boundary*'. In the particular circumstances of Bristol at this time, the Council's approach of regarding the restricted land supply as the most decisive factor in determining the strategy is justified. Therefore, the Inspector accepted that Bristol could not plan for higher levels of growth (ie beyond 26,400 – 30,600 homes) because there is not capacity within the administrative area to accommodate it.
- 11.3 We maintain that the requirement for Bristol, based on long term migration levels is 50,000 – 55,000 dwellings of which 20,000 – 25,000 dwellings needs to be provided for on the edge of the city as urban extensions. This closely aligns with the shortfall identified in paragraph 5.3 above which draws on the combined under-provision of housing associated with each of the West of England authority's figures for employment provision in their Core Strategies.
- 11.4 As a neighbouring authority to Bristol, BANES should make a contribution towards meeting this shortfall. The RS Evidence base and the SoS reasons for proposing an urban extension to the south of Bristol of 8,000 dwellings in BANES demonstrate the contribution that this Core Strategy should be making to the Core City's Growth.

¹¹ Barton Willmore Objections to BANES Draft Core Strategy Policy DW1 (January 2011), pages 8-9 and appendix D.

12.0 If the assumptions in the Stage 2 Report/TP9 are reasonable/justified in calculating a need for 12,100 dwellings (as now corrected):

- **Is the Council justified in planning for 9% less at 11,000 dwellings?**
- **Prior to TP9, all the Council's justification has been in the context of a smaller gap a need of 11,600 – where/when has the Council weighed this larger gap in its decision making?**
- **What are the consequences of planning for less than the assessment?**

12.1 See response to question 2.8, 2.10 and 2.11 above.

13.0 Is the Council justified in not making additional provision to offset the shortfall against intended delivery in the Local Plan to 2006 of 850 dwellings?

13.1 No. The Council should be required to include provision for the shortfall against the intended delivery in the Local Plan to 2006 of 850 dwellings.

14.0 What is required to make the plan sound?

14.1 Significant Changes are required to make the plan sound. The Core Strategy must:

- increase its housing requirement over the plan period from 11,000 dwellings to 21,800;
 - the plan should recognise the role that it has to play in meeting the needs of the Core City;
 - the boundary of the Green Belt adjacent to Bristol should be reviewed to ensure it can accommodate development requirements within this plan period and beyond.
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- specific strategic urban extension sites should be identified adjacent to the Bristol urban area (as considered in more detail elsewhere).

APPENDIX 1

**Bath and North East Somerset –
Employment History**

Year	Employees	Source
1991	68,277	Annual Employment Survey (via NOMIS)
1993	72,194	
1995	70,199	
1996	70,055	
1997	70,004	
1998	71,083	
1999	74,917	Annual Business Inquire (via NOMIS)
2000	73,663	
2001	74,857	
2002	81,359	
2003	81,908	
2004	89,860	
2005	82,536	
2006	80,121	
2007	79,063	
	Employees*	Business Register and Employment Survey (via NOMIS)
2008	80,108	
2009	81,410	
2010	80,009	

***BRES Definitions:**

Employees: An employee is anyone aged 16 years or over that an organisation directly pays from its payroll(s), in return for carrying out a full-time or part-time job or being on a training scheme. It excludes voluntary workers, self-employed, working owners who are not paid via PAYE.