

Bath & North East Somerset Core Strategy

Issue One

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?

Participant Statement by Savills on behalf of HorseWorld

12 December 2011



Introduction

This Statement explains the views of HorseWorld in the context of the questions identified by the Inspector. Responses have only been provided to those questions where HorseWorld have specific comments on the soundness of the Plan. The final section sets out the recommended changes to the Core Strategy to address the concerns over soundness.

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

It is considered that the Core Strategy fails to have due and appropriate regard to three of the important components identified in PPS3, paragraph 33. These are:

- i. The Government's latest household projections;
- ii. Economic growth forecasts; and
- iii. The Government's overall ambition for affordability across the housing market.

ONS household projections for B&NES (see Core Strategy topic paper 9 paragraph 2.2) consistently identifies a projection of household growth for the District substantially higher than the 11,000 dwelling requirement contained within the Core Strategy. The Council has sought to justify a reduced requirement based upon weaker projections of economic performance, however, this methodology is considered to be unsound (see response to question 2.3). Whilst it is acknowledged that the ONS household projections are based upon an extrapolation of past trends, they nevertheless provide an important and logical basis upon which to formulate the housing requirement. The consistent and significant scale of under provision against the 2004, 2006 and 2008 household projections demonstrates that this consideration has not been afforded due regard in the derivation of the strategic housing requirement.

It is noted that the 2008-based projections for B&NES demonstrated a reduction from the 2006-based figures. Whilst more up to date figures are not available at the Local Authority level, it should be noted that the latest national projections by the ONS show an increase of

600,000 people across England compared with the 2008-based projections by mid 2020. The majority of the increase is a direct result in increased projections of net in-migration into the UK. Whilst disaggregated figures for each local authority are not yet available, the national picture would indicate that an increase in the anticipated number of households is more likely than a decrease.

Furthermore, while the figure for B&NES in the 2008 projections decreased, the figure for the Bristol housing market area as a whole increased (see Table 1).

Table 1: Housing provision and projections for the West of England Partnership authorities

	Housing Provision	RSS	2004 ONS	2006 ONS	2008 ONS
Bristol	26,500	36,500	42,000	63,000	72,000
B&NES	11,000	21,300	17,000	19,000	16,000
North Somerset	13,400	26,750	29,000	36,000	36,000
South Gloucestershire	26,400	32,800	32,000	33,000	32,000
Total	77,300	117,350	120,000	151,000	156,000

We consider that it is incumbent upon the Council to plan properly across the authority boundaries and to ensure that plans reflect the context of the wider housing market area. This is consistent with the 23 March 2011 Statement by Greg Clarke (paragraph 4) and is now enshrined in the legal ‘duty to cooperate’ in the Localism Act 2011. The Council has failed in this regard as the housing requirement in the Core Strategy does not take into account the household projections for the neighbouring authority areas and the consequences of these for the housing market within B&NES.

With regards economic growth forecasts, it is accepted that long term trends are very difficult to predict. However, paragraph 4.10 of TP9, acknowledges that the South West, West of England and B&NES tend to perform above the UK average. Indeed GDP per capita in Bristol is higher than anywhere else in England outside of London. In this context we contend that there are reasons to be more optimistic and aspirational through the Core Strategy than is currently the case with the draft (see response to question 2.7). This conclusion is supported by independent economic forecasts produced by the South West

Observatory and the level of growth advocated by the West of England LEP (of which B&NES is a member).

Finally, it would appear that the Council has had no regard to the Government's overall ambitions for affordability as no attempt has been made to address the need for affordable housing. It is clear from paragraphs 6.6-6.8 of TP9 that the Council has concluded the development necessary in order to meet the identified and agreed need for additional housing is of lesser importance than the protection of Greenfield land. A balance of considerations is required, however in this instance, we firmly consider that the Council has failed in its duty to weigh the relevant considerations and that as a result, the Core Strategy is unjustified and therefore unsound.

2.2 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 those requirements (in particular paragraphs 13, 14 - first bullet, and 20-30)?

The Core Strategy is not in our view founded upon a robust and credible evidence base and, furthermore, it fails to make sufficient provision to deliver even the assessed scale of development needs produced by the Council. There is no inherent flexibility within the draft Core Strategy to increase the delivery of development in response to changes in demand or other economic circumstances. For these two reasons, we consider the draft Core Strategy fails to comply with the first bullet point of paragraph 14 of the draft NPPF.

2.3 Does the Council's methodology for assessing the technical "need" for housing (Stage 2 Report – CD4/H1 - and Topic Paper (TP) 9 – CD6/S10) represent an established methodology used in the past and/or one being used elsewhere?

The Council's methodology in essence seeks to derive a strategic housing requirement based upon an anticipated economic growth rate. If the economic growth rate used reflected the aspirations of the West of England Partnership Local Enterprise Partnership (WEP LEP), we would not have any objection to this broad approach being used to determine the housing requirement to be generated if the Authority were to be considered in isolation.

However, for the reasons outlined elsewhere in this Statement, we consider a strategic housing requirement which does not take full and proper consideration of the strategic context within the wider housing market area is fundamentally flawed and the resultant housing requirement is unsound. Whether the methodology has or has not been used elsewhere, does not alter the fact that in this instance we consider that it does not produce a sound and robust housing requirement for B&NES.

2.4 *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? Parties should be aware of the conclusion I came to on this matter in my report of the Bristol Core Strategy (paragraph 12, March 2011).*

Whilst the RSS is due to be abolished in accordance with the Localism Act 2011, the Secretary of State's proposed changes nevertheless remain the latest and most up to date expression of a strategic scale plan which addresses housing need across the West of England sub-region. In so doing, it applied clear rationale for urban extensions to Bristol within the neighbouring Authority areas which were designated to address the growth needs of the sub-region. Whilst the RSS no longer forms part of the development plan, the evidence used to inform its preparation and the logical conclusions of the Panel remain relevant and important material planning considerations.

2.7 *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)?*

Paragraph 4.13 of TP9 states that the 3.4% economic growth rate proposed by the WEP LEP is "aspirational". Whilst aspirational, and undoubtedly challenging in the short term,

Colin Skellet, Chairman of WEP LEP, reiterated recently at the Bristol Planning Law Conference that they are confident of achieving this target. Furthermore, the aspirational nature of the target does not render it any less robust or a less sound basis upon which to plan within the Core Strategy. Indeed, for the reasons set out below, we consider the WEP LEP growth rate to be a more appropriate basis upon which to establish the policies and allocation within the Core Strategy.

Local Enterprise Partnerships were set up as part of the Coalition Government's proactive stance on economic growth. It is clear that the Government considers sustainable economic growth to be an extremely high priority as demonstrated in the Greg Clarke statement of 23 March 2011. The emphasis on growth is further supported in the "Plan for Growth" at paragraph 2.9 (CD 1/15) and the draft NPPF, both of which put in place a practical response through the planning system and other mechanisms to support "the growth that this country needs".

The spirit of national policy and rhetoric of Ministers clearly demonstrates the Government's commitment to delivering economic growth which is in our view more consistent with the aspirational and proactive targets of the WEP LEP than the very reserved approach of the Council. Planning for a lower level of growth, with no flexibility to respond to improved economic circumstances other than a review of the plan, will inevitably impact detrimentally upon the ability to deliver the aspirations of the WEP LEP and central Government. The Core Strategy would not therefore operate as a proactive vehicle through which the Council would deliver growth as sought by the government (paragraph 2.9 CD1/15) but instead acts as a constraint.

B&NES are a key partner of the WEP LEP and by virtue of their position in the organisation, they should take on board its growth aspirations and seek to plan to meet the WEP LEP objectives and targets.

2.10 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. Is this aim of the Core Strategy? If so:

- ***how does that meet Objective 5 bullet 1?***

- ***is the intended balance at the margin (ie only in relation to the planned growth) the right approach?***
- ***would more housing and/or fewer jobs result in unsustainable patterns of development? (See also question on commuting below.)***

And

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

- ***Do the assumptions of the methodology used (e.g. TP9 2.21 first sentence and in the box after 3.1) have potential implications for adjoining authorities?***
- ***Should the plan be taking into account any needs or delivery requirements from adjoining areas?***

Cross-boundary Housing Requirement Implications

It is our contention that the failure of the draft Core Strategy to assess and respond to the growth needs of the neighbouring authorities renders the draft strategy fundamentally unsound and inconsistent with the 23 March 2011 statement by Greg Clarke.

There are some references in the evidence base to the needs of neighbouring authorities, but fundamentally the methodology used to determine the housing requirement fails to acknowledge the strategic context of the Authority within the wider housing market area, and in particular the relationship with the city of Bristol. This renders the Core Strategy flawed in two respects. Firstly, it does not acknowledge that Bristol is incapable of meeting its housing needs and secondly, no development is proposed on the edge of Bristol which would directly contribute towards meeting the City's housing requirement.

The rationale for the housing requirement as set out in TP9 is in our view one of, if not the, major short comings of the Core Strategy. Where an Authority forms part of the city region and its future housing and employment markets are inextricably linked to that of its neighbours, it is in our view a flawed strategy to consider only the housing growth required to

meet internal projected economic activity over the plan period. To do so, in our view, renders the housing requirement unsound.

The ONS household projections for the Bristol housing market area reveal that there is a substantial need for additional housing and insufficient land available to meet this need. Consequently, Bristol must rely upon the delivery of housing in the neighbouring authorities to address the increase in demand. This fact was acknowledged by the RSS Panel and Secretary of State in determining the strategic housing requirements for those Authorities adjacent to Bristol and the identified areas of search for urban extension through the RSS.

Failure to address the wider strategic consequences of under delivery in housing will have potentially significant implications for the availability of housing and affordability within B&NES and also economic growth. It is also inconsistent with the Government's intentions for the planning system as set out in the 23 March 2011 Statement by Greg Clarke (final sentence of fourth paragraph).

Table 1 on page 2 of this Statement shows the current level of housing provision set against the identified need from the proposed changes to the RSS and ONS household projections. The figures clearly demonstrate that the level of housing supply proposed within the WEP LEP areas fall significantly below all assessments of need. Sustained under provision of housing over the duration of the Core Strategy will therefore impact not only on the wider housing market area but also directly upon B&NES.

Spatial Implications for Housing Distributions

A substantial number of B&NES residents travel to Bristol for employment purposes. This is only likely to increase in the future as the economic centre of Bristol expands but there is insufficient land available to maintain a commensurate level of housing. It is logical therefore that the housing provided within B&NES which is intended to meet the needs of Bristol, is located where the main economic centre is accessible by sustainable modes of travel. A proportion of travel is likely to be by train, however, for the remainder, the most logical and sustainable location for development is adjacent to the Bristol urban area.



Recommended Changes to the Core Strategy

In response to the concerns set out in this Statement, we strongly urge the Inspector to recommend a revised strategic housing requirement which reflects not only the inherent sustainable growth of B&NES in isolation (which is consistent with the aspirations of the WEP LEP) but also provides for appropriate growth which reflects the context of the wider Bristol housing market area.

Savills

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