

14 August 2013

Chris Banks
Programme Officer
Bath & N.E. Somerset Core Strategy
c/o Banks Solutions
21 Glendale Close
Horsham, West Sussex
RH12 4GR

BY EMAIL

Dear Mr Banks,

**Bath & North East Somerset Core Strategy Examination:
Response to Inspector's Note ID/35**

We write on behalf of several house builder clients, including Crest Nicholson, Stratland LLP, Barratt Homes and Edward Ware Homes to request an invitation to participate in the Hearing on 17th September on the scope of the Strategic Housing Market Assessment (SHMA) in document CD9/H4.

You will be aware that we submitted representations on the Proposed Changes to the Core Strategy in May 2013, which included as an Appendix a detailed critique of the SHMA Update report by ORS (CD9/H4).

We find it difficult to address some of the Inspector's questions in ID/35, as we believe they are primarily directed to the Council and the Council's response is not yet available. We therefore wish to reserve the right to provide further representations when we have seen the Council's response, before the deadline of 5th September. We shall not repeat in detail points already made in our earlier representations.

Also relevant are notes on Addenda 1a and 1b to the Draft SHMA Update which are awaited (they were anticipated to be published by the Council on 8 August), as they relate to the use that the Council proposes to make of the SHMA Update (and its Addenda) in support of the Core Strategy.

We shall be writing separately in response to the Inspector's email of 26th July, which was made available by the Council on 6th August. We have some concerns about responding before 17th September to the Inspector's requests for additional work on a Statement of Common Ground and agenda for further hearings when it is not certain that the hearings will continue after that date.

In **paragraph 3.1** of ID/35, the Inspector asks if the geographical coverage of Housing Market Areas in the SHMA Update provides an adequate basis for the objective assessment of housing needs in accordance with the National Planning Policy Framework (NPPF). We agree with the Inspector's commentary in **paragraph 3.2**.

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In the February 2013 draft, ORS note, in paragraph 6.4: *"Whilst most scenarios consider the impact of migration to and from surrounding areas (as well as other migration within the UK and overseas), none of the scenario (sic) incorporate a strategic housing allocation to cater from unmet housing needs from adjoining areas such as Bristol."*

This statement was unaccountably deleted from the later March 2013 draft, although clearly it still applies. Chapter 2 of the ORS report still demonstrates that the west of B&NES, including Keynsham, Saltford and the Chew Valley falls within the Bristol Housing Market Area, together with North Somerset and South Gloucestershire; whilst the city of Bath, its surroundings and the area to the south, is part of a local housing market area that extends into Wiltshire and east Mendip. It is clear that the District of B&NES does not conform to a single housing market area and therefore the approach taken in B&NES SHMA is not NPPF compliant.

There is therefore no justification for a departure from national policy.

Nevertheless, there is a fundamental difference between considering migration trends and the question of whether unmet housing needs that arise in Bristol will need to be accommodated outside its very tight administrative boundary. The Inspector is familiar with the Bristol Core Strategy, the need for an early review of housing provision in Bristol and the evidence presented in examination of the Bristol Core Strategy, that Bristol will be unable to accommodate all the future housing needs generated within its administrative boundary. To some extent the problem would have been mitigated by the identification of western B&NES as part of the Bristol SHMA, but as will be considered below, the SHMA study for this area fails totally to examine this issue.

A strategic approach to housing provision in the West of England will depend on co-operation between Bristol and its three neighbouring authorities. The Localism Act provided the Duty to Co-operate to compensate for the abolition of Regional Strategies, with strategic planning relying on voluntary co-operation between Local Planning Authorities (LPAs). The NPPF requires joint working and co-operation to address larger than local issues (paragraph 17). Housing needs to be assessed objectively in the housing market area (paragraph 47) and requires local planning authorities to have a clear understanding of housing needs in their area, to prepare a SHMA to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries (paragraph 159). Given the decision to place the western part of its authority within the Bristol SHMA there are still clear policy requirements to co-operate. In line with paragraph 182, bullet 1 of the NPPF, in order to be judged sound the plan must seek to address unmet requirements from neighbouring authorities especially within the same Housing Market Area (HMA). The Council will have been aware of these requirements from a formative stage in preparing the Core Strategy.

There is a requirement for an early review of the Bristol Core Strategy (Policy BCS5) within 5 years, to accommodate the appropriate level of provision for new homes. The Core Strategies for B&NES and South Gloucestershire are not yet adopted and the housing policies of the North Somerset Core Strategy have been remitted for further examination. There may never be a better time to properly co-ordinate the review programmes of the four Core Strategies for the West of England; conversely the joint, sub-regional SHMA proposed by the Local Enterprise Partnership (LEP) can provide the mechanism to align the housing policies of the neighbouring authorities. There is no reason to accept a B&NES

SHMA which is not NPPF compliant with national policy when there is already a mechanism in place to deliver a West of England wide NPPF compliant SHMA.

In **paragraph 3.3**, the Inspector asks what is the most appropriate HMA for B&NES. Theoretically, it should include areas in West Wiltshire and Mendip, as shown by the research reviewed by ORS in Chapter 2 of their SHMA Update. However, for practical purposes the most appropriate approach would be for the four West of England authorities to co-operate since they claim a history of co-operation and are also clearly related through joint transport planning arrangements and a single LEP. Whilst there should also be co-operation with Wiltshire and Mendip on questions of migration, commuting and other cross-boundary linkages that may be relevant to strategic housing provision, we believe a SHMA based on the four LPAs is the most practical way forward.

We cannot respond to **paragraph 3.4** without the Council's answer to these questions. In particular, we will be interested to know how they reconcile the SHMA Update with their statement in the penultimate paragraph of BNES/39:

'To enable B&NES to progress the Core Strategy and to ensure that the Duty to Co-operate is met, B&NES will agree an approach to working with neighbouring authorities. This will include the methodology for re-assessing housing need and the process for considering changes to the spatial strategy. This will entail the West of England Planning Housing & Communities Board as well as working with individual Local Authorities which will need to take account of their intended programmes for the review of their Core Strategies.'

In particular, it will be necessary to know whether this process has resulted in any endorsement of the B&NES SHMA by the neighbouring LPAs and if an approach has been agreed, how it relates to programmes for the review of the four Core Strategies. We remain highly sceptical that this generalised "objective" will deliver anything of any value with a rapid timetable. Unfortunately the Council's record on this front is extremely poor.

In answer to **paragraph 3.5**, we are not aware of any material changes in circumstances since June 2012 that would affect the Inspector's conclusions in ID/28. It will, of course be necessary to monitor the Government's response to the Taylor Review of Government Planning Practice Guidance, with new guidance on SHMAs, as this was in the priority list accepted by the Government for new or revised guidance.

We are unable to comment on **paragraphs 3.6 to 3.9** in advance of the Council's response and would like to reserve the right to respond later.

In **paragraph 3.10** the Inspector questions the implications of the Council's approach for the continuation of the Examination. In our view, the geographical scope of the SHMA is fundamental to the locational strategy and to proper consideration of Green Belt boundaries. It is only when the housing needs of the sub-region have been objectively assessed that a long-term approach to site locations and the boundaries of settlements and the Green Belt can be properly considered. There seems little point in considering in detail the modelling of population, households, labour force and housing mix on the basis of the ORS reports, when the geographical scope of their analysis is confined within the administrative boundary of B&NES. We have suggested an approach in response to paragraphs 3.1 to 3.3 (above).

In response to **paragraph 3.11**, we certainly dispute the SHMA's quantitative assessments of housing need and housing mix for reasons that were set out in detail in our earlier representations. Those representations may need to be modified in some respects to reflect subsequent information provided by ORS in the Addenda 1a and 1b, the seminar of 2nd August and a subsequent addition to Addendum 1b. These may be matters for a Statement of Common Ground and subsequent submissions for Hearings after 17th September, if the Examination continues. In particular, we do not agree that there is significant over-provision of market housing in the Core Strategy. As demonstrated in detail by our previous representations we consider that the overall level of housing proposed in B&NES is insufficient to meet needs within the Council area (let alone Bristol) due to the flawed assumptions used in the SHMA (particularly regarding the role of the private rented sector in meeting affordable need and assumptions about changing pension age). Therefore, we do not accept that there could be any mitigation for the impacts of restricting the geographical scope of the SHMA.

In response to **paragraph 3.12**, we have suggested some ways forward by aligning reviews of the adjacent Core Strategies, in conjunction with a sub-regional SHMA. If the Core Strategy is found unsound and withdrawn, there would, of course, be a significant delay in completing the process. However, a new Local Plan could incorporate a robust, long-term development strategy, based on an objective, sub-regional assessment of housing requirements, with site allocations, settlement strategy and a Green Belt review. It would obviate the need for a 'Placemaking Plan' and some of the time lost in reviewing housing requirements could be recovered by extending the scope of work already initiated on the Placemaking Plan – and re-allocating planning resources.

We have considered whether the approach taken in Milton Keynes would be appropriate: adopting the Core Strategy with 'interim' housing figures that are to be regarded as minimum figures pending an early review to which there is a clear and timed commitment in the Core Strategy policies. This is not dissimilar to the Bristol approach. However, there are major disadvantages. The assessment of the 5-year housing land supply would be constrained to the 'minimum' housing figures (plus buffer) which, in practice, would therefore set a maximum rather than a minimum target. There are also important differences due to the absence of strategic allocations in the B&NES draft Core Strategy and the extent to which land released from the Green Belt will be required to meet the identified housing requirement.

The value of the draft Core Strategy in its current state is severely limited by its failure to allocate strategic sites. The 'areas of search' identified cannot contribute to the 5-year housing land supply in advance of the 'Placemaking Plan', which is already delayed and cannot progress until the Core Strategy is found sound and adopted (reference ID/36 paragraphs 14 and 15). Whilst recognising progress has been made in identifying locations in the Green Belt, it is considered that it is the Core Strategy that is the appropriate framework to identify strategic sites including those in the Green Belt. The evidence base remains a material consideration in determining planning applications.

B&NES has acknowledged that significant changes in Green Belt boundaries will be required to accommodate even the scale of housing currently proposed. However, to be capable of enduring beyond the plan period such changes in Green Belt boundaries require an understanding of the total housing requirement for the HMA and the support of a detailed Green Belt review in the Local Plan. This appears to be the approach currently taken by the Council in relation to planning applications in the Green Belt, even for

locations that are identified in the Core Strategy for release from the Green Belt (such as at Whitchurch PINS REF: APP/F0114/A/13/2199958).

Whilst the proposal for an "interim" arrangement for Local Plan/Core Strategy may have been regarded as satisfactory in some areas it is clearly not appropriate for the B&NES situation, where the work necessary has clearly been laid out for the authority many years ago. The nature of the scale of the problems and the need to make the Core Strategy NPPF compliant have not altered since the Inspector sent out his preliminary conclusions over a year ago. Given the lack of proper progress in that time (despite protestations at that time of grounds for making coordinating progress with adjoining authorities) we have no confidence that any progress will be made in the period until the review is scheduled to emerge. Nor do we see how it is possible to remedy the limitations of the SHMA and provide sufficient housing to accommodate some of Bristol's needs by a new SHMA, through further Proposed Changes to the current draft Core Strategy, since this would require site allocations, a comprehensive review of the Green Belt (as opposed to the Stage 1 Report), and probably additional infrastructure proposals.

Ultimately, the Inspector's approach must be influenced by the Council's response to date. During the past year's suspension of the Examination Hearings, the Council has not responded adequately to the Inspector's Preliminary Conclusions (ID/28). We do not yet know what conclusions the Council draws from the SHMA Update or how the Council will respond to the Inspector's latest questions.

As referred to above we therefore wish to reserve the right to provide further representations to the Inspector, once we have seen the Council's response, before the deadline of 5th September.

We hope these comments are helpful. If you wish to discuss any aspect of this letter please liaise with Roger Daniels, Jim Tarzey or Daniel Weaver.

Yours faithfully,

Pegasus PG (Bristol)

PEGASUS PLANNING GROUP