

BATH & NORTH EAST SOMERSET COUNCIL RESPONSE TO ID/7

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

Sub Matter: Rural Areas

8.1 I raised a number of concerns about the intention of the rural settlement policies in my Preliminary Comments (ID/4). I have taken account of the Council's response in BNES/2. The Council has made clear that the villages referred to in paragraph 5.18 of the plan are indicative only and that villages which meet the criteria in RA1 may change over the plan period. Also, the criteria in RA1 are to be applied at the time that an application is determined. (See proposed changes FPC3 and FPC4.) CD5/27 includes a change to policy RA1, but I could not see this in the schedules. Council to clarify.

8.1.1 The change indicated in CD5/27 to Policy RA1 is an error and should be disregarded.

8.1.2 See also 8.3 below regarding changes to Policy RA1 and particular comment on indicative list of villages.

8.2 Do policies RA1 and RA2 provide a clear basis for development in rural Settlements? Does FPC10 provide necessary clarification?

8.2.1 It is accepted that the previous changes proposed by the Council in CD5/22 and explained in BNES/2 did not provide the necessary clarification for the strategy for development in rural settlements. It is considered that this has been overcome through the changes to Policy RA1 suggested in response to inspector's question 8.3 (below).

8.2.2 The amendments to Policy RA1, in conjunction with Policy RA2 and saved Local Plan Policies SC.1 and HG.6 together provide a clear basis for development in rural settlements. The Council's previous response BNES/2 (8.2-8.3) provides further information on the relationship between the Core Strategy policies and the saved Local Plan policies. For clarity, the revised strategy for residential development in the rural areas is summarised as follows:

Policy RA1 Around 30 dwellings to be directed to each of the villages which meet the criteria of the policy. These villages will be the focus for the identification and allocation of development sites through the Placemaking Plan; where necessary and appropriate housing development boundaries (HDBs) will be reviewed to accommodate this. Residential development proposals may also come forward through planning applications if they are within the HDB. In addition, sites may come forward through the new "Community Right to Build" or identified in an adopted

Neighbourhood Plan both within and adjoining the HDB at the villages which meet these criteria.

Policy RA2 Residential development within the HDB only, additional development sites will not be sought through the Placemaking Plan and the HDB will only be reviewed to rectify anomalies.

Saved Local Plan Policy HG.6 Villages washed over by the Green Belt where infill or sub-division of existing dwellings within the HDB is the only appropriate form of residential development in line with PPG2.

8.2.3 FPC10 was intended to provide clarity in relation to settlements within the Green Belt. It is accepted that still fails to provide clarity and therefore, a further change is suggested (see Annex 1). Further explanation relating to this change is provided at the response to 8.4 below.

8.3 My preliminary view is that the requirement in policy RA1 for community support cannot be justified in its current form. The overall strategy relies on development occurring in some RA1 villages as part of needed housing delivery, but the criteria embeds a veto on such development. I would ask the Council to include a proposed change in its response statement to overcome this problem, for discussion at the hearing.

8.3.1 The approach of the rural areas strategy is to direct more development to the most sustainable villages outside the Green Belt (under Policy RA1) than to those with more limited facilities (villages outside the Green Belt covered by Core Strategy Policy RA2 and villages washed over and therefore, in the Green Belt saved Local Plan Policy HG.6). The criterion relating to community support was developed following liaison with the Parish Councils and was intended to align with the emerging localism ethos; it was not intended to be a veto on development. It is however accepted that the policy could function as such, and therefore changes are suggested to Policy RA1 which include removal of criterion C and are presented in Annex 1 of this statement.

8.3.2 The amended policy aims to ensure necessary sites are identified to contribute towards meeting the strategic housing requirement whilst retaining involvement of the Parish Councils as the locally elected representatives of their community. This will be achieved through their involvement in identifying new development sites at the most sustainable villages through the Placemaking Plan. Neighbourhood planning will also provide a further vehicle for Parish Councils to identify additional development sites with their communities.

- 8.3.3 Proposals for small scale residential development may therefore come forward within the housing development boundary as a planning application, through an allocation in the Placemaking Plan for which the housing development boundary would be amended accordingly, or through sites within or adjoining the housing development boundary identified in adopted Neighbourhood Plans or Community Right to Build. The wording in Policy RA1 has been clarified to ensure that development should only come forward through these processes which involve the Parish Councils and the community. Changes to the supporting text are also proposed.
- 8.3.4 In light of these changes it is accepted that the indicative list of RA1 villages could cause confusion. The original intention of the indicative list was to be helpful in identifying which villages met the criteria at the point the Core Strategy was developed whilst recognising that this may change over time. Identification of the indicative villages may however unintentionally hinder the flexibility of the policy due to leading readers to an understanding that the list is fixed through the naming of a village; it is considered to be clearer to require development proposals to simply demonstrate suitability against the Policy RA1 criteria at a given time. References to these villages and their representation on various diagrams in the document are therefore proposed to be removed. Development proposals and allocations in the Placemaking Plan will need to be assessed against the policy RA1 criteria.
- 8.3.5 A distinction has also been made for employment development in Policy RA1 that was not made in the previous version of the policy. This is due to the changes made to explain the residential aspect of RA1 (as outlined above) leading to a lack of clarity on employment development at these villages. A separate clause on employment development has been suggested accordingly. As in previous versions of the policy, employment development at villages meeting the criteria of Policy RA1 will be appropriate both within and adjoining the housing development boundary. Unlike residential development, this applies to development proposals coming forward adjoining the HDB through planning applications as well as to allocations in the Placemaking Plan. It is felt that a more flexible approach to employment development (than for residential development) is key to maintaining balanced communities and reducing the need to travel.
- 8.4 Core Strategy 5.21 indicates that Housing Development Boundaries will be reviewed in the Placemaking Plan. BNES/2 (8.8) indicates that this review would cover all RA1 and RA2 villages. But Core Strategy 6.64 states that: There are no exceptional circumstances which would justify amending these inset boundaries and therefore they remain unchanged. The position appears ambiguous. The Core Strategy should make clear what the Placemaking Plan needs to do and the Council should clarify the position. If the Council does intend to review the boundaries of settlements inset from the Green Belt, what are the potential exceptional**

circumstances that might justify such changes, bearing in mind that no such review is contemplated around the larger settlements?

- 8.4.1 The housing development boundary and the Green Belt Inset boundary have different purposes and are indicated as separate notations on the Proposals Map (CD5/1).
- 8.4.2 It is accepted that Para 6.64 contributed to an ambiguous approach and changes are suggested in Annex 1 of this statement to clarify this. Green Belt Inset boundaries will be reviewed through the Placemaking Plan but will only be altered where exceptional circumstances are able to be demonstrated. This is in line with PPG2 (2.6) which states that '*...detailed Green Belt boundaries defined in adopted local plans or earlier approved development plans should be altered only exceptionally*'. The Council considers that it is unlikely that changes to the Inset boundaries will be made as there has been little or no change in circumstances since the Inset boundaries were last defined in the adopted Local Plan (CD5/1). However, exceptional circumstances requiring changes to the Inset boundaries may emerge through Neighbourhood Planning proposals. Therefore, the suggested change to paragraph 6.64 allows for potential Inset boundary changes through these review processes.
- 8.4.2 The HDBs for all Policy RA1 and RA2 villages will be reviewed through the Placemaking Plan. In villages meeting the criteria of Policy RA1 that are inset from the Green Belt, unless there are demonstrable exceptional circumstances that justify amending the Inset boundary, there is unlikely to be significant scope for housing sites as the Inset boundaries are currently drawn tightly around the existing built up area and often closely reflect the HDB. The Council considers that there is likely to be sufficient capacity within the other RA1 qualifying villages (not inset from the Green Belt) to provide the additional 250 dwellings required by the strategy.
- 8.5 What is, or could be, the sustainable transport link to local shopping facilities referred to in 5.19 for Farmborough? Is this a reasonable requirement for further development here? Is FPC6 required for soundness?**
- 8.5.1 FPC6 is not required for soundness, the text was removed as it was unnecessary. The suggested changes outlined in response to 8.3 of this statement remove all reference to the indicative list of villages and therefore, the Farmborough sustainable transport link. Inclusion of specific village development requirements would now be incongruous in this context. It is implicit that development proposals will need to demonstrate how the criteria of Policy RA1 are met, and in the case of Farmborough this will include overcoming the lack of local shopping provision.
- 8.5.2 The development requirement for Farmborough is however recognised and more detail is provided in the Infrastructure Delivery Programme (CD4/16), infrastructure item RI3. An alternative to the sustainable transport link is identified as a

contribution (either financial or in kind) towards a community shop in Farmborough. A site in Farmborough is currently the subject of a planning application for 38 dwellings, in which the developer has included provision to support development of a community shop as per the alternative in the IDP. It is therefore considered a reasonable requirement for development.

8.6 Policy RA4 (Rural Exception sites) allows for a small proportion of market housing to cross subsidise affordable housing where essential for viability. Is this consistent with national policy in PPS3? If paragraph 112 of current draft of the NPPF were to become national policy before the close of the Examination, would RA4 be consistent with national policy? Is FPC5 required for soundness?

8.6.1 In responding to this question, further clarification to the response at BNES/2 (8.9) is provided. Whilst it is felt that policy RA4 is in line with the spirit of para 30 of PPS3 in terms of taking a proactive approach to providing affordable housing in rural areas through allowing for some market housing, it is accepted that PPS3 does not refer specifically to exception sites in this regard i.e. paragraph 30 states that *'Rural exception sites should only be used for affordable housing in perpetuity. A rural exception site policy should seek to address the needs of the local community.....to develop as sustainable, mixed, inclusive communities.'*

8.6.2 However, there may be circumstances where an approach which departs from paragraph 30 above may be justified (and allowed for in policy RA4 through the clause relating to market housing), particularly as PPS3 does confirm the need to create mixed inclusive communities. The Council is also trying to create a policy that is flexible enough to allow delivery of affordable housing over the long term.

8.6.3 The Council also believes that we have moved into a new era where the Localism Bill and NPPF should carry some weight. Whilst the draft NPPF does not specifically refer to such a mixed tenure approach on exceptions policy sites it does not say that this option would be non-compliant. It is the Council's opinion that RA4 would be consistent with the NPPF (if adopted as per the draft).

8.6.4 In practical terms, the delivery of rural exceptions sites has been heavily reliant upon a housing association obtaining social housing grant to subsidise costs. This means that without grant the delivery of affordable housing in rural areas is very difficult to achieve. We are now in an era of austerity and the level of public funding has been significantly reduced.

8.6.5 In response to this the Council is seeking to create a flexible policy that still complies with the intent of PPS3 i.e. the creation of mixed balanced communities. Therefore, where there is a proven housing need and the local community are in full support of the proposals the Council would like the opportunity to introduce some market sale

housing which is only justified if the additional land value is there to support the delivery of the affordable housing and not increase land values to benefit the landowner.

- 8.6.6 Other local authorities do have a similar policy approach already. One such example is Cornwall, where they have already agreed to deliver up to 900 homes through such a policy. An extract from their policy guidance is attached as Annex 2 to this statement. This policy has been tested in planning appeal and one Inspector fully supported such an approach.
- 8.6.7 Clearly this policy approach would have to be assessed in a formal manner so as to avoid market housing being introduced via exceptions policy sites. Firstly the scheme must be fully supported by the Parish Council. Then an open book viability assessment is undertaken. At this point if grant is available the Council could approve the scheme with nil market housing. If however there was insufficient subsidy the Council could allow a proportion of market sales in order to cross subsidise the affordable housing. Such a scheme could never be acceptable to the Council if it resulted in more than 40% market housing.
- 8.6.8 It is not considered that FPC5 is required for soundness, it is intended to be a clarification of the circumstance in which opportunities for conversion of buildings under the home on the farm scheme may come forward.

8.7 Core Strategy 5.36 refers to the conversion of underused agricultural buildings and 5.38 refers to the reuse and conversion of redundant or underused agricultural buildings. PPS4 policy EC6c supports the conversion and reuse of appropriately located and constructed existing buildings in the countryside for economic development. This policy refers to all rural building (not just agricultural building) and does not require buildings for reuse to be redundant or underused. Are the Council's intentions, as expressed in the Core Strategy, consistent with national policy and, if not, is there any local justification for a departure from it?

- 8.7.1 See BNES/2 (8.10/8.12) noting that 8.12 contains a typographical error and should read 'PPS4' rather than 'PPS3'.

8.7.2 As set out in BNES/2 local food production is a priority of the Council that is identified through the vision and objectives of the Core Strategy. It is for this reason that the re-use of 'under used or redundant' is identified with specific reference only to agricultural buildings. This is considered to be an important local requirement that is additional to the policy set out in PPS4 EC6c. For other types of rural buildings national policy set out in PPS4 applies.

Annex 1 – Suggested changes to the rural areas strategy

Page	Para	Change	Notes
96	5.17	<p>Amends FPC3</p> <p>A number of villages have been identified <u>There are a number of villages</u> where:</p> <ul style="list-style-type: none"> • access to facilities and public transport is best • there is capacity for development • there is community support for some small scale development <p>These villages are to be the focus for new small scale development under policy RA1.</p>	Response to Inspector's question clarifying policy RA1 (8.2 and 8.3)
96	5.18	<p>Amends FPC4</p> <p>The villages which currently meet these criteria set out in policy RA1 and that have some capacity for development are: Batheaston, Bishop Sutton, Farmborough, Temple Cloud, Timsbury and Whitchurch. These villages are shown on the diagram 18. This indicative list of villages may be subject to change over the lifetime of the Core Strategy. It will be formally reviewed as part of will be included in the review of the Core Strategy and consideration will be given to any demonstrated change of circumstances against the criteria in the interim. Local community support for the principle of development is demonstrated by the views of the Parish Council as the locally elected representative of those communities or through alternative mechanisms introduced in the Localism Bill.</p>	Response to Inspector's questions clarifying policy RA1 (8.2 and 8.3)
96	5.19	<p>The inclusion of Farmborough in this list is subject to provision of a sustainable transport link to local shopping facilities. Paulton and Peasedown St John are not identified in this list. This is <u>In accordance with the Spatial Strategy for the Somer Valley (Policy SV1) <u>Paulton and Peasedown St John are not considered under the rural areas strategy.</u></u> A significant level of residential development is already committed at Paulton and Peasedown St John and the strategy does not make additional provision for housing.</p>	Response to Inspector's questions clarifying policy RA1 (8.2 and 8.3)
96	5.20	<p>Policy RA1 should be considered alongside Core Policy CP8 Green Belt. Proposals for development that adjoin housing development boundaries in the Green Belt will therefore not be acceptable unless very special circumstances for development can be demonstrated.</p>	Response to Inspector's questions clarifying policy

			RA1 (8.2 and 8.3)
96	5.21	<p>Amends FM9</p> <p>The 250 additional dwellings to be accommodated within the rural areas under the District-wide spatial strategy will be distributed as appropriate with small scale housing developments of up to and around 30 dwellings at each of the villages which meet the criteria referred to in paragraph 5.17 (see of <u>Policy RA1</u>). This will be considered in more detail through the Placemaking Plan <u>in conjunction with Parish Councils as the locally elected representatives of their communities</u>. The Housing Development Boundaries shown on the Proposals Map (saved from the existing Local Plan) will also be reviewed as part of the Placemaking Plan <u>to incorporate the sites identified. Sites identified in adopted Neighbourhood Plans that adjoin the housing development boundary of villages meeting the criteria of Policy RA1 will also be appropriate and these may come forward for inclusion as a part of the Placemaking Plan or subsequent to it.</u></p>	Response to Inspector's questions clarifying policy RA1 (8.2 and 8.3)
96	Policy RA1	<p>POLICY RA1 Development in the villages meeting the listed criteria</p> <p>Proposals <u>at the villages outside the Green Belt</u> for residential and employment development of a scale, character and appearance appropriate to the village and its setting will be acceptable <u>within in and adjoining</u> the housing development boundary provided the proposal is in accordance with the spatial strategy for the District set out under policy DW1 and the village has:</p> <p>a: at least 3 of the following key facilities within the village: post office, school, community meeting place and convenience shop, and</p> <p>b: at least a daily Monday-Saturday public transport service to main centres, and</p> <p>c: local community support for the principle of development can be demonstrated.</p> <p><u>At the villages which meet these criteria, development sites will also be identified in the Placemaking Plan and the housing development boundary will be reviewed accordingly to enable delivery of the 800 dwellings identified on the Key Diagram. Residential development on sites adjoining the housing development boundary at these villages will be acceptable only if identified in an adopted Neighbourhood Plan.</u></p>	Response to Inspector's questions clarifying policy RA1 (8.2 and 8.3)

		<u>Proposals at villages outside the Green Belt for employment development of a scale, character and appearance appropriate to the village and its setting will be acceptable within and adjoining the housing development boundary.</u>	
95	Diag 18	Amends PC72. Remove notation for Policy RA1 villages Amend title to key on Diagram 18: Indicative Policy RA1 Villages	Response to Inspector's questions clarifying policy RA1 (8.2 and 8.3)
80	Diag 15	Remove notation for Policy RA1 villages	Response to Inspector's questions clarifying policy RA1 (8.2 and 8.3)
21	Diag 4	Remove notation for Policy RA1 villages	Response to Inspector's questions clarifying policy RA1 (8.2 and 8.3)
120	6.64	<u>Amends FPC10:</u> In light of the opportunities for development in the plan period Keynsham continues to be excluded from the Green Belt and an Inset boundary is defined on the Proposals Map. There are a number of villages which meet the requirements of national policy in PPG2 'Green Belts' para 2.11 and continue to be insets within the Green Belt as established in the Bath & North East Somerset Local Plan. These villages are those which are the most sustainable villages in the Green Belt rural locations for accommodating some limited new development in the plan period under the provisions of either policy RA1 where the criteria are met, or where not, policy RA2. <u>The Inset boundaries will be reviewed through the Placemaking Plan and through Neighbourhood Planning. Exceptional circumstances will need to be demonstrated through this review process in order for any changes to the Inset boundaries to be made.</u> Some sites may come forward in the Green Belt under the Government's proposals for Community Right to Build.	Response to Inspector's question 8.4

Annex 2 - Extract from Cornwall Council Rural Exceptions Policy *Proposed Policy AH5: Rural exception sites outside villages*

Towards a Cornwall Affordable Housing Development Plan Document: Options Stage Consultation Draft Sept 2010

Planning permission will be granted for exception sites well related to existing villages where the development will provide affordable homes that meet a clearly identified need for affordable housing in that specific local community. Any such proposals should be in scale and in keeping with the form and character of the settlement and local landscape setting and help to sustain local facilities and services. The tenure split for each development should reflect local needs as identified in the appropriate housing requirements study or strategic housing market assessment but will typically be expected to be provided in the following ratios:

58% as social rented housing

17% as additional social rented housing or intermediate housing for rent or sale within the lower price band

25% as intermediate housing for rent or sale within the upper price band

On smaller sites of less than 10 homes where the delivery of social rented housing is not easily achievable, affordable housing provision may be in the form of 100% intermediate rent or sale provided that products are delivered from both price bands.

The inclusion of market housing will not normally be supported, but the Council may be willing to negotiate a departure to existing policy on any such scheme which:

1. Meets a local need
2. has been identified by, and which has clear support from, the local community
3. The Council is satisfied it is essential for the successful delivery of the development. (For example to fund abnormal development costs or to deliver a balanced, sustainable community)
4. Ensures no public subsidy for affordable housing is required.
5. Any new market housing approved on this basis should be for occupation as a principal residence by people with a local connection.

The Current Cornwall Guidance on Affordable Housing states the following:

8.6 Rural exception sites outside villages

8.6.1 There may often be circumstances where affordable housing in villages can only be delivered on an appropriate scale by permitting development on sites outside defined settlement boundaries which would not normally benefit from planning permission. Such sites are known as rural exceptions sites. The provision of affordable housing on the edge of villages remains one of the key ways in which Cornwall intends to deliver rural affordable housing.

8.6.2 The justification for development on such sites can only be made on the basis of a pressing local need for affordable housing which cannot easily and expediently be met in other ways. Any exception site should satisfy a number of criteria including the need to be well related with the rest of the village or hamlet, in terms of character, appearance and landscape setting, and to village facilities and amenities.

8.6.3 Rural exceptions sites should normally be limited to 100% affordable housing restricted for local needs in perpetuity. PPS3 clarifies that exceptions proposals may only include affordable housing. As such, any proposals for exception site development that include cross-subsidy from open market sales would represent a departure from national policy. However, the possibility of departure proposals exist and there may be circumstances within which the use of a departures approach may be justified.

8.6.4 The Council will, therefore consider proposals to include an element of market housing on such sites which serve defined villages. However, it would need to be satisfied that that the development had community support and reflected local need in terms of scale, dwelling type and tenure mix. The applicant would need to demonstrate to the Council's satisfaction that a mixed tenure scheme was essential to the delivery of the development. The majority of the development would need to be provided as affordable housing with value generated from open market sales cross subsidising the delivery of the affordable housing, removing the need for public subsidy and ensuring affordable homes for sale were delivered at the lowest possible price.