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[mervyn.dobson@pegasuspg.co.uk](mailto:mervyn.dobson@pegasuspg.co.uk)

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

E-mail: [zen43998@zen.co.uk](mailto:zen43998@zen.co.uk) & [chris.banks@zen.co.uk](mailto:chris.banks@zen.co.uk)

Dear Chris

**BNES/25 : CORE STRATEGY "ALIGNMENT WITH LEP AMBITIONS FOR WEST OF ENGLAND"**

Please find attached (electronically) our response to BNES/25 Core Strategy "Alignment with LEP Ambitions for West of England" produced by BANES Council.

Two paper copies will be sent to you in tonight's post first class.

Please acknowledge safe receipt.

Kind regards.

Yours sincerely,



**MERVYN DOBSON**  
Director

Enc

CC P. Hardwick RHL

Pegasus House  
Querns Business Centre  
Cirencester  
Gloucestershire  
GL7 1RT

T 01285 641717

F 01285 642348

Also at:  
Birmingham  
Bracknell  
Bristol  
Cambridge  
Leeds  
Nottingham

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Registered Office:  
Pegasus House,  
Querns Business Centre,  
Whitworth Road, Cirencester,  
Gloucestershire, GL7 1RT

**ROBERT HITCHINS LIMITED COMMENTS ON BNES/25 : CORE STRATEGY “ALIGNMENT WITH LEP AMBITIONS FOR WEST OF ENGLAND”**

This short Paper is the response of Robert Hitchins Ltd (RHL) to the Paper produced by BANES Council (BNES/25) in respect of the employment targets set out in the Core Strategy as compared with those put forward by the LEP.

Essentially the problem in comparing these two sets of projections arises because:-

1. The LEP targets are for the 20 Year period commencing 2010 whereas the Core Strategy 20 Year period commences in 2006 i.e. well before the current economic recession;
2. The Core Strategy figure of 8,700 jobs is a net figure whereas the LEP target is unspecified (but assumed to be net).
3. The GVA targets assumed for BANES are much lower than for other authorities within the West of England Partnership area.

The LEP targets are not subdivided into Council areas but it must be assumed that the basis for any growth will be focused primarily on the larger settlements within the Partnership Area. These are firstly Bristol which dominates not only the sub region but also a large part of the rest of the Region; and secondly, Bath which is a significant urban area within West of England area but its contribution towards employment growth has always been suppressed by various environmental constraints affecting the City.

Paragraph 3 of BNES/25 indicates that on a simple pro rata basis using current employment distribution the Authority would be expected to account for 15% of target LEP growth to 2026, which amounts to 11,400 new jobs. This is a simplistic approach to creating opportunities for growth but even on this basis the target of 8,700 in the Core Strategy is 2,700 jobs (31%) below that expected in the LEP. It follows that the Core Strategy is out of alignment with the LEP objectives based on a simple pro rata distribution which, moreover, takes no account of the fact that Bath is the second largest employment centre within the West of England.

Additionally, the ability to meet the LEP targets is constrained by the operation of the Housing Jobs Ration (HJR) which will limit the opportunity of residents to live and work in the BANES area.

Paragraph 4 is inaccurate in that it purports to compare with LEP net target of 11,400 with a gross increase in jobs of 11,500 (14,100 gross jobs less the 2,800 jobs which are to be transferred from Bath to Bristol in the MoD transfer). Therefore, assuming that the LEP targets are net, the comparisons in Paragraph 4 are completely inconsistent.

In Paragraph 5 it is noted that the LEP do not expect BANES to contribute 15% of jobs based on the Oxford Economics forecasts. The anticipated contribution is only expected to be 11% of the “central” forecast used by Oxford Economics and 12% of the “stronger” forecast. No reason is given as to why BANES should be exempt from securing higher employment growth equivalent to that achieved in Bristol and the other authorities. The Oxford Economics estimates appear to be based on trend forecasts using past growth rates and not on potential ability to generate jobs. Indeed, given the potential for employment growth at the higher end of the socio economic spectrum that could be created in Bath, it is difficult to understand why this lower growth assumption should be accepted as a fait accompli. Past growth rates in Bath (in particular) but also in the wider BANES area have been low precisely because environmental constraints have been imposed upon the City; and because major difficulties have occurred because of the bringing forward of urban brownfield sites.

Additionally, because of the shortage of residential sites within the City there has been a tendency to lose employment opportunities as the differential between employment and housing land values has been exacerbated. Consequently employment sites have tended to switch to residentially based redevelopment schemes with a result that employment growth has been lower than that which might otherwise have occurred. This is a self perpetuating situation whereby restrictions on the release of land for residential purposes have a knock on effect on the ability of the City to growth in employment terms. This is exaggerated still further when there are no new employment sites released for development capable of accommodating modern new technologies in an accessible location.

RHL does not accept that this is an acceptable assumption for future growth planning over the course of the next 15 years, especially given the strictures of the Chancellor of Exchequer to promote employment growth as quickly as possible. It follows that the



assumption in Paragraph 8 that BANES can continue low levels of growth in employment terms, and GVA at a significantly lower level than other parts of the West of England, must be resisted. Whilst this is not a request for unbridled economic growth within an important World Heritage site, it is a request to ensure that an attractive City such as Bath contributes towards economic growth within not only the West of England but also as part of national growth targets. The suggestion in Paragraph 8 (b) that BANES can only achieve 1.9% GVA per annum over the 20 Year period to 2026 (which takes into account at least two economic cycles) is not acceptable in the current economic climate. The Core Strategy is effectively planning for a comparative decline in the economic fortunes of BANES not only compared with the rest of the West of England sub region but also in terms of its position with regard to the national average growth expected over this period.