

Bath and North East Somerset

Core Strategy Topic Paper 2 Overall Strategy

May 2011



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1.0 SUMMARY

1.1 The B&NES Core Strategy (CD5/5) was submitted for public examination in May 2011. The Core Strategy sets out the spatial strategy for the District up to 2026 and has been developed through analysis of evidence, assessment of alternatives and involvement of local communities. This paper outlines issues salient to the preparation of the strategy. Specifically it:

- outlines the principles underpinning the strategy and describes the locational strategy approach
- explains the rationale behind the place based policy approach and its translation through other LDF documents (especially the Placemaking Plan)
- details key aspects of the justification for the strategy and how it was developed and the Council’s position on RSS
- sets out the delivery of the strategy in relation to housing, economic development and necessary infrastructure to support it

2.0 PRINCIPLES UNDERPINNING THE CORE STRATEGY

The Spatial Vision

2.1 The policy framework in the Core Strategy seeks to deliver the overarching vision for B&NES as set out in the District’s Sustainable Community Strategy (CD4/O4, page 3). Preparation of the Core Strategy has entailed assessment of the broad spatial challenges facing the District (SCS drivers page 9, Core Strategy Launch document (CD5/3) page 10). This has been distilled in the Core Strategy in the spatial vision and objectives (Core Strategy page 14).

2.2 The Council has sought to develop the most appropriate spatial strategy for B&NES in order to deliver the Vision and in light of the particular circumstances facing the District. The Council has assessed options for growth, the capacity for the District to grow, the need for new development, the District’s environmental context and infrastructure requirements. It has also canvassed views of local communities. The outcome is a balanced strategy which meets the Districts needs for development and economic growth in a sustainable way. This balanced approach is reflected in the Council’s recent “Treasure & Transform” campaign.

A Spatial Plan

2.3 The Council has sought to ensure that the Core Strategy is a truly spatial plan as described in section 2 of PPS12 (CD2/11). It is the spatial expression of the Sustainable Community Strategy and provides the planning policy framework for the whole of Bath and North East Somerset for the period up to 2026. In producing the Core Strategy, the Council has worked closely with community groups throughout the district, as well as collaborating with neighbouring authorities and with public and private sector agencies. It identifies the broad locations and quantity and nature of new development, contains a place-based framework to ensure that change in the

different places throughout the district achieves the identified visions. Broad District-wide policies have also been formulated to ensure that key objectives such as those relating to the climate change agenda or to green infrastructure can be met.

- 2.4 The place based approach to strategy and policy formulation has enabled the Core Strategy to be tailored to reflect the characteristics and particular development needs of different places within the district and take account of local aspiration and ambition.

Summary of the Strategy

- 2.5 The locational strategy for the District, and the places within, is described in the Core Strategy on page 19 and is illustrated on the Key Diagram on page 21. Key elements of the strategy are;

- The Core Strategy makes provision for around 11,000 new homes and around 8,700 new jobs (net increase).
- Development is directed towards the most sustainable locations and therefore the priority is to steer growth to brownfield land in urban areas, particularly in Bath, Keynsham and the larger settlements in the Somer Valley.
- The district's particular circumstances constrain the space available for development.
- The spatial strategy varies in the different parts of the District depending on local circumstances, with Bath, as the economic driver in the district, being the primary focus for new development.
- Growth in the rural areas will be restrained in comparison with the urban areas, although provision is made to meet local needs, such as affordable housing, and to benefit the rural economy.
- No changes are proposed to the general extent of the Green Belt and strict controls will continue to apply as outlined in PPG2 (CD2/3).
- The impact of new development as a cause of climate change in terms of design and construction is addressed.
- Particular emphasis is also placed on the quality of new development and seeking to ensure the different needs of the district's communities, such as housing type and size or workspace needs are addressed.
- The scale of new homes entails a significant uplift in past rates of delivery from an average of around 380 per annum (1996-2011) to around an average of 550 per annum
- The Core Strategy seeks to maximise the provision of affordable housing within the context of the spatial strategy and deliverability. This would provide around 3,000 affordable homes during the plan period.
- Infrastructure requirements are outlined in the Infrastructure Delivery Programme (IDP, CD4/I1).

- 2.6 Commuting/journeys to work into both Bristol and Bath has tended to increase in recent years partly as a result of new housing development being directed towards settlements beyond the Green Belt that surrounds Bristol and Bath. The largest commuting flows affecting B&NES are into and out from its main economic centre of Bath. Information from the 2001 census (the most up-to-date information available) showing these flows is summarised in diagrams 1 and 2 below:

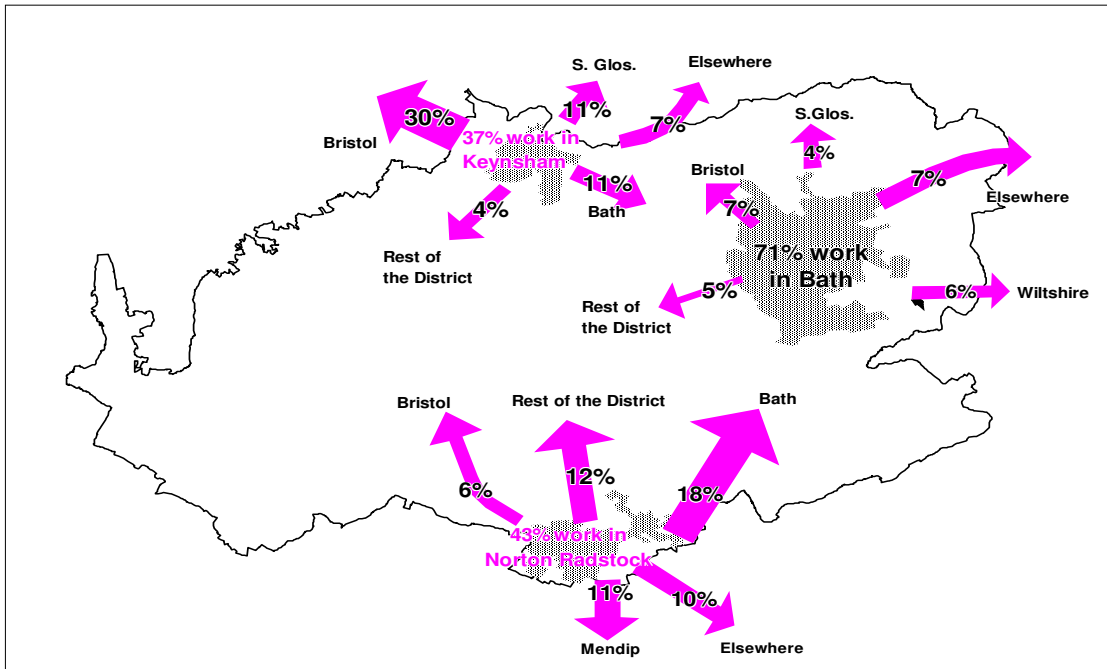


Diagram 1: Commuting Patterns in B&NES (2001 census)

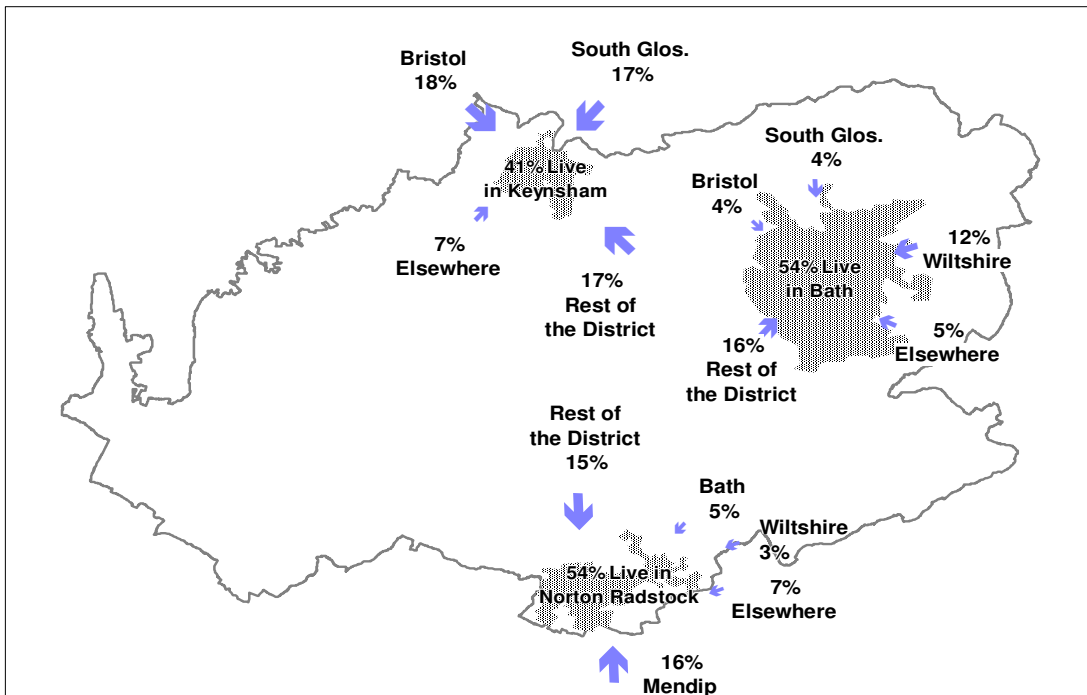


Diagram 2: Where people work (2001 census)

2.7 The information shows that in 2001 Bath experienced a relatively high degree of self containment, with 71% of the resident workforce being employed within the city. Travel flows into and out from the city are significant, both within the District and to and from parts of the adjoining authorities. Commuting flows into the city will continue to be experienced for two main reasons:

- Bath is a sub-regional economic centre.
- House prices within the city will continue to be higher than many surrounding settlements within commuting distance.

- 2.8 Whilst commuting will continue to take place the Core Strategy will help to stabilise commuting levels within the district and with adjoining authorities, thereby countering the recent trend. It achieves this in a number of ways:
- making provision for slightly more new homes in Bath than net job growth
 - facilitating job growth in Keynsham that not only matches the number of new homes to be built but also changes the profile of jobs in the town so that it more closely matches the workforce profile
 - encouraging and supporting significant levels of job growth in the Somer Valley both during the Core Strategy period and in the longer term
- 2.9 In addition to stabilising commuting patterns the transport measures/strategy that support the Core Strategy also seeks to ensure that remaining movement can be made using more sustainable modes of travel. This is especially true in relation to Bath where new and expanded Park & Ride provision and Rapid Transit provision through the Bath Transportation Package will help to reduce car use on the key corridors of commuting into the city.

Coherence with neighbouring strategies

- 2.10 The Core Strategies in the West of England reflect the Multi-Area Agreement (MAA – CD3/10) which was prepared by the four West of England Authorities in 2009. The MAA sets out shared aims and development priorities, particularly focussing new development in sustainable urban locations in order to facilitate regeneration. The MAA led to the agreement of a Local Investment Plan (LIP – CD4/14) with the Homes & Communities Agency (HCA) in 2010 to secure delivery of these priorities. In particular, B&NES has assessed cross boundary issues with Bristol City Council in light of the importance of the City to ensure that the two Core Strategies are complementary and that regeneration priorities in south Bristol are not prejudiced (Bristol Core Strategy – CD 3/12).
- 2.11 The Strategic Housing Market Assessment (SHMA – CD4/H11) was prepared by the four unitary authorities as well as parts of Wiltshire and Mendip District Council in 2009 in order to provide strategic approach to policy formulation.

The B&NES Local Development Framework

- 2.12 The Core Strategy provides the overarching and strategic planning policy approach within the District and is the primary planning policy document within the Local Development Framework (LDF). The Core Strategy is complemented in the LDF by the Placemaking Plan which is under preparation. The Core Strategy provides the overarching spatial strategy and the Placemaking Plan will provide the site detail and Development Management policies. The allocation of Strategic Sites in the Core Strategy (PPS12 para 4.6) was investigated as an option but was not pursued. More detailed policy on sites will be addressed instead in the Placemaking Plan. The adopted Joint Waste Core Strategy (JWCS – CD4/W3) is also a key Development Plan Document.
- 2.13 The Placemaking Plan will establish clear development parameters and expectations that enable the development of specific sites throughout the district. It will also review and refine local designations to ensure that the objectives can be delivered.

Preparation of the Placemaking Plan will entail continued collaboration with local communities in response to the renewed emphasis on Neighbourhood Planning advocated in the emerging Localism Bill (CD1/14).

3.0 DEVELOPMENT OF THE SPATIAL STRATEGY

The Regional Spatial Strategy

- 3.1 The draft RSS for the SW was published in 2006 and the examination took place between April and July 2007, with the panels report (CD3/5) issued in December 2007. The then Secretary of State published proposed changes in 2008 (CD3/6). The growth figures changed at each stage and these are set out in diagram 3 below. The background to these growth levels are set out in the Stage 2 report in 2010 (CD4/H1).
- 3.2 The status of RSSs has been significantly undermined through legal action and the Government’s proposals to abolish them through the Localism Bill. Their current status is unresolved and is being addressed through the courts but the RSS for the SW was not adopted and the prospect of it becoming part of the development plan is highly unlikely. Since the preparation of the RSS, there has been a significant change in circumstances, particularly the severe recession of 2008/9.

Diagram 3 – changing RSS growth proposals for B&NES

Draft RSS Houses	Panels’ report		Proposed changes	
	Jobs (Bath TTWA)	Houses	Jobs (Bath TTWA)	Houses
15,500	16,000 – 20,200	18,800	16,000- 20,200	21,300
				Jobs (Bath TTWA) 20,200

- 3.3 Whilst the statutory requirement remains to conform generally with the RSS, the Regional Planning Body (RPB) has been abolished and so there is no mechanism for securing a certificate of conformity. In the case of B&NES the RSS is currently RPG 10 (CD3/3) which dates from 2001. Its requirements for new housing relate to the former Avon County Council for the period 1996 - 2016. It is thus of limited relevance in determining the appropriate housing provision to 2026 in the district of B&NES. Instead the Council has sought to re-assess the relevant growth levels appropriate to B&NES as described below

Re-assessment of development needs in B&NES

- 3.4 In light of the concerns over the RSS, the Council has reassessed the development requirements to be planned for and this has implications for the spatial strategy. This has taken account of the advice in PPS3 paragraph 33 (CD2/4) on assessing an appropriate level of housing, particularly through updating the evidence base.
- 3.5 Following the recession of 2009, Roger Tym and Partners was commissioned to provide a revised view on the District’s prospects for economic and employment

- growth vis-à-vis the RSS. **The Business Growth and Employment Land Study Update** (CD4/E2) considered the range of growth forecasts prepared by financial institutions in the City. The report came to the conclusion that average annual growth for the South West could be between 1.6-1.9% for the RSS period and that additional jobs growth in B&NES could be in the order of 8,700-11,200.
- 3.6 In addition to informing the employment land requirements for the Core Strategy, this forecast formed a key assumption for subsequent work to determine the District's housing growth requirement to 2026.
- 3.7 The '**BANES Future Housing Growth Requirements to 2026: Stage 2 Report**' (CD4/H1) analyses demographic, migration, household and housing market indicators to determine the amount of housing needed to respond to population change. It further determined the amount of housing needed to create the conditions whereby the labour force within the district could increase in parallel with job generation thus supporting economic growth. It also takes into account factors such as population ageing and other social factors leading to increasing household formation and smaller households, and non job related migration relating to the attractiveness of the area as a place to live. As well as considering the change within B&NES the Report considered how the recommendations for the District might scale up to a West of England level in order to verify the findings at the sub-regional level.
- 3.8 During the preparation of the Stage 2 Report, Oxford Economics on behalf of SWRDA and SW Council's published economic projections for sub-regions within the South West and these are considered against the Roger Tym update within the Stage 2 Report. The Oxford projections introduced the possibility of only 5,900 net additional jobs. This came to be regarded as a 'low' scenario with the Roger Tym & Partners range regarded as central and high scenarios respectively.
- 3.9 The Stage 2 Report concluded that in order for housing supply to absorb demographic change and support economic and employment growth potential it would need to increase by 11,600 dwellings (580 pa) over the Core Strategy period. This was based on the number of jobs in the economy rising by 8,700 – which had come to be regarded as the most likely projection after comparing the Roger Tym & Partners update with Oxford Economic projections. The Stage 2 Report also acknowledged that 'High' Employment growth of 11,200 required 14,900 dwellings. Within both scenarios the estimated locally generated demand for housing was 6,000 dwellings (300 pa).
- 3.10 Further to these conclusions the Council commissioned GWR Business West to validate the central projection for economic and employment growth to ensure that this projection represented a locally evidenced prospectus for growth. To this end a **Smart Economic Growth Report** (CD4/E15) was prepared. The Council seeks to enable 'smart' and 'balanced' economic growth. This means maximising workplace output growth with minimum use of workers and floorspace and making sure that the growth in local workplace jobs matches the growth in the local labour force such that the need to commute is minimised.
- 3.11 The **Smart Growth Report** is the Council's most refined piece of economic and employment forecasting and benefits from locally specific sectoral modelling and

intelligence about key sectors and key employers. Three scenarios were developed in order to test the ‘central’ projection of the Stage 2 Report. A key assumption was that nationally the economy would grow at an average rate of 1.97% per annum for the Core Strategy period and that the SW would grow at 2.01% per annum. The effect of B&NES tracking at either 1.61%, 1.9% or 2.13% per annum was then investigated. The study considered that the central projection of 8,700 net additional jobs was akin to an average annual economic growth rate within B&NES of 1.9% per annum. In order to deliver a net change of 8,700 jobs, 14,100 jobs will have to be created given expected losses in manufacturing and defence. This is considered to be an ambitious and challenging proposition for the District. The central economic assumption within the Stage 2 Report is therefore regarded as being sound.

- 3.12 The **Office of Budget Responsibility Forecast** (March 2011 – CD1/15) provides a useful update on growth prospects of the UK economy. The OBR expects economic recovery to be weaker than the recoveries of the 1980s and 1990s. This reflects the effects of the fiscal consolidation, the relatively slow easing of tight credit conditions and ongoing private sector de-leveraging (debt /risk reduction). The OBR is slightly more pessimistic about the level of GDP over the next year than the average of external forecasters, but is slightly more optimistic than them at the end of the forecast horizon.

Diagram 4

Actual Performance				OBR Central Forecast					
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
2.9%	2.6%	0.5%	-4.9%	1.3%	1.7%	2.5%	2.9%	2.9%	2.8%

- 3.13 Nationally, this equates to an annual average growth rate of 1.52% between 2006 and 2015. If the growth rate for 2015 is extrapolated to the end of the 2025 calendar year, the average annual growth rate for the UK for the 20 year period would be 2.16%. Therefore, even a return to pre-recession trend growth from about 2013 limits annual average performance over the entire Core Strategy period to a little over 2%. The decline in economic output during 2008-09 will have a lasting impact on the overall growth curve. Historically, the South West/West of England/B&NES tends to perform a little above the UK rate, yet the Core Strategy plans for a little below this rate. However, given the inherent uncertainty about long term forecasting, the Council considers that its economic assumptions to be within touching distance of the OBR forecast¹.

Strategic Housing Land Availability Assessment and Housing Trajectory

- 3.14 The West of England First Detailed Proposals (2005 – CD3/11) benefited from a high level urban capacity study. In response to CLG practice guidance of July 2007 the

¹ The West of England Local Enterprise Partnership was approved by Government in 2010. The LEP submission outlined its ambition to achieve 3.4% cumulative annual economic growth by 2020. This is higher than the B&NES central / Core Strategy growth scenario. The LEP is a business led organisation and targets have been driven by business ‘aspiration’. The B&NES Core Strategy growth target is derived from national forecasts, local forecasts, local sectoral intelligence and information on site deliverability, a more ‘robust’ methodology.

Council began work on its SHLAA to inform the generation of options for the Core Strategy. A 'call for sites' and methodological consultation was launched in August 2008. Initial SHLAA findings were not published alongside the Core Strategy Options document so as to maintain a high-level focus on places rather than sites. The first SHLAA (CD4/H6) was published for consultation alongside the Draft Core Strategy in December 2010. A refreshed SHLAA will be published alongside the Submission Core Strategy in mid-May. It will present information on delivery to 31st March 2011 and on the planning permissions and other identified supply that can contribute to delivery within the next 5 years and beyond to 2026. A summary of the current housing land supply position is presented in Diagram 5 below.

- 3.15 Of the total identifiable supply going forward 4,279 units have planning permission (about 2,700 with outline approval and 1,580 with full permission). Of these, about 500 were under construction at 31st March 2011.

Diagram 5

Location	Total Identified Supply	Achievability			
		Built	Deliverable	Developable	
		2006/07-2010/11	2011/12 - 2015/16	2016/17-2020/21	2021/22 - 2025/26
		Years 1-5	Next 5 yrs	Further 5 yrs	Final 5 yrs
Bath	6,299	886	1174	2033	2206
Keynsham	1,539	205	634	585	115
Somer Valley	2,642	599	1536	507	0
Other Villages	800	277	278	125	120
B&NES TOTAL	11,280	1,967	3,622	3,250	2,441

- 3.16 The 5 year supply requirement is calculated as $(11,000-1,967)/15 = 602.2 \times 5 = 3,011$. A number of sites forming part of the 5 year deliverable supply do not have planning permission, but the Council considers that there is enough certainty about delivery in relation to planning progress / developer intentions to justify their inclusion.
- 3.17 The identified supply for the Core Strategy period does not include a windfall allowance for either small (< 10 units) or large sites. If a windfall allowance was applied to the final 5 years (for small sites only) it is estimated that this should be based on a figure of about 700. It is also likely that a similar number of units will be forthcoming between 2016/17-20/21 on small sites that do not yet have planning permission, though PPS3 does not permit the LPA to use this to offset the amount of housing that must be specifically identified.

Public Consultation & community views

- 3.18 PPS12 (CD2/11) paragraph 4.37 advises that it is essential that core strategies should take into account the views of the local community and others who have a stake in the future of the area. This is particularly important in light of recent increased focus on giving weight to local views. Ongoing engagement and consultation have been integral to the development of the strategy. The Regulation 30 1 (d) (CD5/8) and Regulation 30 1 (e) (CD5/9) consultation statements set out more information on the consultation undertaken and the responses received.
- 3.19 Preparation of the Core Strategy included three main periods of consultation; the Core Strategy Launch Document consultation on issues (Autumn 2007 - CD5/3), the Spatial Options Consultation (Autumn 2009 - CD5/4) and the Draft Core Strategy (Publication version) consultation (Winter 2010 - CD5/5). The main policy issues where alternative options were debated were:
- The need and location of urban extensions
 - Renewable energy targets
 - Affordable housing thresholds and percentage
- 3.20 The urban extensions proposed in the RSS were a particular point of debate in the Core Strategy preparation. Whilst there was some support for the urban extensions the overwhelming majority of views were against urban extensions (over 90% of respondents to the Spatial Options consultation objected to urban extensions). In addition, stakeholders including Natural England and English Heritage also raised concerns regarding the impact on landscape/AONB and on the World Heritage Site respectively.

Consideration of Urban Extensions

- 3.21 The Council has considered options for urban extensions to South/South West Bath and South East Bristol in line with the SW Regional Spatial Strategy. Significant work has been undertaken on assessing the merits and impacts of urban extensions. These options were set out in the Core Strategy Options Consultation Document, and were informed by a range of evidence as outlined in the New Neighbourhood Options Topic Paper ([Bath](#) – CD6/O2) and Evidence Base ([South East Bristol](#) – CD6/O3).
- 3.22 The urban extension options were not taken forward in the Draft Core Strategy and the implications of this are reflected in the Sustainability Appraisal. The reasons for not pursuing urban extensions can be summarised as follows:
- **New Local Evidence:** The up-to-date evidence prepared for the Council on future growth requirements (the B&NES Stage 2 report (CD4/H1) and the Business Growth & Employment Land Update, June 2010 – CD4/E2) concludes that the level of growth that should be planned is lower than that set out in the RSS.
 - **Core Strategy Options Consultation:** Significant level of responses and public opposition to urban extensions in principle (2,011 responses in relation to Bath urban extension and 1,053 in relation to SE Bristol urban extension) and strong support for prioritisation of brownfield sites for future development.

- **English Heritage objection to Bath urban extension:** Strong objection to the urban extension to Bath being a fixed element of the spatial strategy. Object to the suggested locations for an urban extension to Bath and would robustly challenge soundness of Core Strategy on this basis. B&NES should critically explore all alternative possible options to avoid urban extensions. Considered that the Council has clearly demonstrated that a site cannot be found within this area without breaching national level planning policy. Concern founded on impact on the World Heritage site and its setting and impact on more localised historic environmental assets.
- **Natural England objection to Bath urban extension:** Concern about high adverse impact on the landscape of the Council's preferred Bath urban extension option, which has been acknowledged would have a high adverse impact on the landscape, including both the setting of the Cotswolds AONB and the city of Bath WHS, with few, if any, opportunities for mitigation.
- **SE Bristol UE Delivery concerns:** It could not be demonstrated that the transport infrastructure needed to support an urban extension to SE Bristol at Whitchurch could be brought forward within the plan period. This issue is discussed in more detail in section 4 of this report. Furthermore, concern around the prejudice to south Bristol regeneration and the need to coordinate with Bristol, who were not supportive of green belt development, was also a key consideration.

- 3.23 Sustainability Appraisals (SA) have been carried out throughout the preparation of the Core Strategy. This has been an iterative process which was integral to highlighting issues and opportunities to inform the development of the strategy at each stage. The SA report of the submission Core Strategy (CD4/A13) outlines the significant effects of the chosen strategy and the reasonable alternatives considered as part of the issues and options assessment. The SA report also outlines the reasons for the strategy chosen and the measures envisaged to prevent, reduce and as fully as possible offset any significant effects of implementing the plan. Beyond this, the specific ways in which the SA has informed the Core Strategy are outlined at Section 5.6 of the SA report.
- 3.24 In conclusion, the scale and location of growth being planned for in the Core Strategy takes account of likely economic growth forecasts, evidence of housing need and demand, identified housing land supply, the particular character and constraints of the district, the ability to secure infrastructure investment and community views. The figure of 11,000 dwellings by 2026 is deliverable, supports the Council's economic growth aspirations, minimises harm to the District's environment and unique character and delivers the broad spatial vision agreed with local communities and stakeholders on how the District and the places within should change over the Plan period.
- 3.25 Whilst the housing figure in the Core Strategy is lower than that in the RSS, it is still planning for an ambitious level of growth. The scale of new homes entails a significant uplift in past rates of delivery from around 380 to around 550 per annum.

4.0 DELIVERY

Ensuring Delivery

- 4.1 With the housing and commercial markets remaining uncertain, the Council is geared up to fulfil its strategic enabling role and deploy its land assets and planning powers to ensure the delivery of its Core Strategy. To this end, B&NES is proactively and continuously working with all relevant parties to identify and attempt to resolve blockages to delivery.

Housing Land Supply

- 4.2 B&NES's housing land supply is based upon a balance of provision between key development sites and a series of smaller diverse sites across the district. The SHLAA (CD4/H6) shows that identified housing land supply is predominately brownfield in nature, with less than 10% of identified supply being on greenfield sites. Almost two thirds of planned units are proposed to come from the key development sites, with the remainder coming from other smaller sites.
- 4.3 The characteristics of both types of sites are very different. The major brownfield sites, whilst presenting greater infrastructure and other problems to overcome, offer greater opportunities for a mix of uses and higher densities facilitating the provision of housing geared to those taking up the new job opportunities outlined in the Economic Strategy. There are some exceptions to this, where the location of sites predispose them to the provision of either family housing such as on the MOD sites. The smaller sites usually have fewer issues to address, less investment is required, and planning consent is generally more straightforward and therefore obtained more quickly.
- 4.4 The larger brownfield sites have become recently more deliverable via a combination of funding from the HCA West of England Local Investment Plan (LIP – CD4/14), realistic land values, and infrastructure provision through emerging projects, partly funded by Growth Point investment.

Density

- 4.5 This mix of different types of supply supports both the needs of the existing community as well as addressing the demand for a greater number of homes suitable for the type of workers B&NES is trying to attract as part of its Economic Strategy (CD4/E8), with the creation of jobs targeting creative industries, information technology, and business services. The Council believes that different densities across the district create a balanced mix of housing types and that it is important to provide the family homes that the community needs in the relevant areas. Family homes are also less sensitive to market fluctuations and their provision is also supported by a number of house builders who have indicated a move away from building apartments in the current economic climate. However, given the strength of Bath's housing market, the flatted developments that are identified in the SHLAA (CD4/H6) are considered to be achievable.

Affordable Housing and Viability

- 4.6 Viability is a key factor in enabling development to take place, and affordable housing can have a major impact upon the residual value of a site. The Three Dragons Study (CD4/H8) assessed policy impacts on viability in B&NES and Topic Paper 5 (CD6/S6) sets out the policy on affordable housing and how account is taken of viability.

Infrastructure

- 4.7 The Core Strategy is accompanied by an [Infrastructure Delivery Programme](#) (IDP) (CD4/I2) which outlines the key infrastructure requirements needed to support the scale of growth put forward in the Submission Draft Core Strategy, and therefore meets the requirements of national planning policy (PPS12). The primary aim of the IDP is to support the Core Strategy by:
- Identifying key infrastructure requirements
 - Identifying desirable infrastructure requirements
 - Identifying when infrastructure is needed
 - Identifying which agencies are responsible for the provision of infrastructure
 - Summarising other information e.g. details of funding, risks, contingencies
 - Bringing together the sources of evidence for infrastructure requirements in one document
 - Outlining governance and liaison arrangements for infrastructure within B&NES
- 4.8 The IDP will become the basis for future developer contributions, either under the planning obligations regime or in the form of a Community Infrastructure Levy.

Addressing Flood Risk

- 4.9 As fluvial flooding was identified as a particular risk to development in the District's SFRA (CD4/FR6-FR12), the Council commissioned a Flood Risk Management Strategy (CD4/FR2-FR5) from Atkins Ltd to identify where strategic and site based flood risk management measures could be implemented to make sites at risk of flooding developable without increasing the flood risk elsewhere. The study recommended that within Bath, the provision of compensatory storage upstream, combined with on-site flood defences should be implemented, which would assist those sites where development viability is exacerbated by the additional marginal cost of flood risk infrastructure. The impact of flooding on deliverability of development sites proposed in Keynsham, Midsomer Norton and Radstock was felt to be limited, and the study therefore proposed that these proceed on a site-by-site basis with developers funding the full cost of flood defence and sustainable urban drainage systems (SUDS) infrastructure needed as the direct consequence of a proposed development. This approach meets the requirements of PPS25.
- 4.10 A feasibility study is therefore being undertaken to identify appropriate locations to hold compensatory storage upstream, together with the production of a detailed design and costings. The study is due to be available by July 2011.

Delivering Economic Development & Employment Growth

Economic Strategy

- 4.11 The aim of the Strategy (CD4/E8) is to build on the area's strengths to enable the growth of more high value activities, to increase the overall productivity of the District (measured in terms of total GVA output) by at least 30% and to increase gross average workplace wages to at least the national average. The overall approach is to promote balanced growth ensuring that growth in local workplace jobs matches the aspirations and skills of local residents of working age.
- 4.12 The Smart Growth report (CD4/E10) has shown that the aims of the Economic Strategy (CD4/E8) can be achieved through delivering the central projection for economic growth and intervening to enable:
- A net increase of 5,700 jobs (gross 9,900) in Bath to facilitate growth in key knowledge based sectors where the city has existing strengths
 - An increase in employment in the market towns to promote regeneration and provide a better balance between local jobs and housing: 1,000 jobs (1,900 gross) are proposed in the Somer Valley and 1,500 (gross 1,800) in Keynsham

Employment Delivery

- 4.13 The Smart Growth report (CD4/E10) indicates the main 'pre-condition' area of market failure in B&NES concerns the availability of suitable employment sites for development. The delivery of business premises and associated infrastructure in Bath, Keynsham and the Somer Valley is a priority action in the Economic Strategy.
- 4.14 All three areas have been identified as "Priority Locations" in the West of England Local Investment Plan (CD4/14) which sets out key sites for the delivery of housing and jobs.
- 4.15 The LIP already includes provision for £36.5 million of funding to support land assembly and remediation, strategic flood mitigation, traffic management and public realm improvements and site specific infrastructure across the three priority locations. In addition the £57 million Bath Transport Package (CD4/T1) will provide expanded park and ride provision and a rapid transit system to serve Bath Central Area and Western Riverside.
- 4.16 B&NES will also use the toolkit of incentives on offer from the Government. These will be ring fenced to support delivery of the jobs growth targets, in particular in Bath City Riverside. These include the New Homes Bonus, Community Infrastructure Levy and Tax Increment Financing (we estimate that over 25 years our business rate uplift alone from Bath Central Area and Western Riverside will be some £17 million). The Council will also ring fence any income from the West of England Enterprise Zone to support delivery. Finally the West of England Local Enterprise Partnership (LEP) is developing a Regional Growth Fund bid for a revolving loan fund, which the Council will be able to draw down to fund any gap in financing.

- 4.17 In addition to supporting jobs growth through developing employment sites B&NES is also supporting business in a number of ways:
- Service Level Agreement with Business West to provide start up and high growth business support to business
 - Sector support through Service Level Agreements with Low Carbon South West and Creative Bath to encourage growth in our key growth sectors
 - Promoting B&NES as being ‘open for business’ through our website and the Invest West portal
 - Support for the B&NES Initiative, the local network of key businesses managed by the Chamber of Commerce
 - Financial support and active engagement with the B&NES Learning Partnership, including the Further Education Colleges, Job Centre Plus and other skills providers focussed on developing skills in our priority sectors
 - Active engagement with both Bath University and Bath Spa Universities.

Key Development Sites

- 4.18 The Core Strategy identifies a number of key development locations within the district that are critical to its successful realisation. These are also referred to in the SHLAA (CD4/H6 – H7), Smart Growth Study (CD4/E10), and the Economic Regeneration Delivery Plans (CD4/E3-E6). The following illustrates the current position and actions being taken to progress development and address delivery issues on key development sites across the district which collectively account for over 65% of the total housing units identified as being deliverable/developable but not yet delivered and nearly 90% of the overall proposed employment growth.

Bath

- 4.19 Bath is constrained in locations for new development within the city because of its unique heritage (it is the only complete city in the UK which is inscribed as a World Heritage Site) as well as transport, parking, and flooding constraints.
- 4.20 Within the city there are no large greenfield sites that could be developed and therefore any new commercial and/or housing development needs to be on previously developed land. However, brownfield sites can be difficult and costly to develop, particularly due to the risks of land contamination and other issues such as the gas holders on the Bath Western Riverside (BWR) site. The Council is mindful of this and has a specialist team in place to identify and resolve issues promptly and facilitate development on these sites.
- 4.21 Bath Central Area and Western Riverside includes a range of development sites totalling over 40 hectares along the river corridor to the south and west of the existing city centre. Realising the development potential of these sites is key to achieving a more productive and competitive economy in Bath & North East Somerset.

Bath Western Riverside Core and East

- 4.22 This major brownfield site located to the west of Bath city centre is set to deliver a total of 2,921 units across the Core and East of BWR, almost 50% of the total units identified in the SHLAA for Bath. In addition, the site offers supporting mixed, commercial and community uses, with the potential to create over 3,700 jobs. Detailed planning has been granted for phase 1 of the Core which is delivering 299 units, and the developer, Crest, has commenced, with the first units due for occupation in October 2011.
- 4.23 Outline planning has been granted for Phase 2 of the Core, which has a capacity for 1,982 units, and there are emerging proposals for various other parts of the site.
- 4.24 The site has a range of difficulties, which the Council, together with the developer, has been working to overcome. The western end of the site is constrained by operational utility infrastructure including high pressure gas mains and gas holders which create an HSE identified risk with an exclusion zone around them. 400 of the units can be occupied prior to the removal of the gas holders. Estimates have been prepared and provision has been made in the LIP for further investment in the site, to enable the gas installations to be removed and remediated, and other infrastructure to be brought forward. Flooding has been resolved, by the use of compensatory measures containment via an environmental strategy.
- 4.25 The East of BWR, including Homebase and Sainsbury's and Green Park Station is an edge-of-centre location identified for employment led mixed use development in the Local Plan and Core Strategy. There is also scope for housing within this mixed use city centre extension. The council has examined the development potential of this area from an urban design perspective and considers that a number of different scenarios involving the rearrangement/relocation of existing uses are possible.

Cornmarket/Cattlemarket; Manvers Street; North Quays; South Quays & South Bank; Bath Press

- 4.26 The remaining key sites within the Bath Central Area will bring forward a mix of uses with the focus on employment related commercial development. Collectively they have the potential to deliver up to 4,600 jobs as well as residential units. The Council has a significant landownership in these locations and active discussions are being held with local employers and developers over their future development. Given their location to the river corridor, flooding risk is an issue and strategic flood mitigation measures (as outlined in 4.9 - 4.10) will need to be in place to enable the majority of these sites to realise their full development potential.

MOD Sites

- 4.27 The Council has, for some time, been having regular liaison meetings with the MOD over their three sites within Bath: Foxhill; Ensleigh and Warminster Road. These sites are expected collectively to deliver 1,190 homes, with the sites likely to be most suitable for family housing. There has been considerable uncertainty for a number of years over when the MOD would actually relocate. However, the MOD have now confirmed (CD4/O11) that it is their intention to vacate all 3 sites by April 2013. The

Council expects the HCA to be involved in their disposal. There are no barriers to delivery given that undermining beneath the Foxhill site has been resolved with stabilisation works, with funding provided by the HCA as part of their Land Stabilisation Programme.

Keynsham

- 4.28 The Council aims to strengthen Keynsham as a location, by utilising the potential of the Town Hall development at Temple Street and the Somerdale site to anchor development for housing and commercial/retail uses, enabling people to live and work in the town, significantly reducing out commuting. The proposed redevelopment of Keynsham Town Hall is intended to act as a catalyst for further growth and regeneration of the town centre. This together with development of the Somerdale site is expected to provide up to 1,800 jobs.

Town Hall

- 4.29 The redevelopment of the Town Hall site, owned by the Council, provides an opportunity to create a high quality mixed use development in a key location at the heart of the town centre. The site has the potential to provide up to 7000 sq m of modern office accommodation, 2000 sq m of retail space and a new library and “one stop shop”, with flexible meeting space. The Council is progressing the scheme and a planning application for the site is expected to come forward in autumn 2011 with a view to development on site commencing in 2012.

Somerdale

- 4.30 This site, owned by Kraft, comprises the former Cadbury factory complex which ceased production in February 2011. It has the capacity to accommodate 600 homes and up to 40,000 m² of employment space, so is expected to deliver a significant number of jobs. The Council has been working with Kraft to facilitate development. Kraft is now currently seeking expressions of interest for the sale of the site by May 2011, and anticipate having a development partner on board by autumn this year. A flood risk and traffic impact study will be required to fully understand the constraints, but they are not considered to represent significant barriers to delivery.

Site at South West Keynsham (K2)

- 4.31 South West Keynsham is a single site separated by Abbott’s Wood. Taylor Wimpey has an option on the eastern half, whilst the western half is owned by the Council. It is allocated in the adopted B&NES Local Plan for residential led development (site K2 – CD5/1)).
- 4.32 Taylor Wimpey submitted a planning application for the eastern portion for 285 homes which was refused in October 2010 on highways and other grounds. An appeal hearing is scheduled for June this year. The western portion of the site has the potential for 245 units and does not have the access issues of the eastern part of the site. Initially, the Council sought to work with Taylor Wimpey to produce a joint scheme, but this has so far not come to fruition. The Council is now awaiting the outcome of Taylor Wimpey’s appeal before determining the way forward for the site.

Somer Valley

- 4.33 The Council is encouraging the expansion of the area's employment base by promoting investment in mixed use schemes on former industrial sites, including the redundant railway land in Radstock centre and through masterplanning work in Midsomer Norton town centre. Old Mills is retained as a new strategic employment location in recognition that much of the land at Westfield Industrial Estate and Bath Business Park has been developed.

Radstock Railway Land

- 4.34 This site, a total of 8.7 hectares lying derelict in the Radstock Conservation Area, is owned by Norton Radstock Regeneration (NRR), a not for profit company run by volunteers. The scheme had outline planning consent granted in 2008 for 210 units plus 1,020sqm of employment space providing 50 jobs, community use, and public open space. The site has development difficulties due to low values and issues including contamination, ecology, archaeology, and expensive highways works which are required to resolve traffic flow and consolidate the town centre. Originally, Bellway Homes were approved as a preferred development partner. It was anticipated that the HCA would provide substantial funding but the offer of funding from the HCA was withdrawn due to the threat of a Judicial Review. Bellway Homes subsequently withdrew as development partner in 2010, quoting viability concerns subsequent to Kickstart funding not being available. However, Linden Homes have been secured as development partner under a conditional contract with NRR, and £800,000 funding has been committed by the HCA to progress the offsite highways works previously funded by the development. Reserve matters have been approved for Areas 1 and 2, with an application awaited for the final 71 units.

Old Mills

- 4.35 This is a 13.5 hectare greenfield site allocated for employment uses, on the north western edge of Midsomer Norton adjoining the existing Old Mills commercial area. It has good access to the A37 which connects the Somer Valley to the A303 as well as Bristol and the national motorway network.
- 4.36 The Old Mills site has a key role to play in securing the regeneration and future economic well-being of Midsomer Norton and the Somer Valley area. However infrastructure constraints could prevent the site coming forward for development. The Council is undertaking a Masterplanning and viability study and has included infrastructure funding within the LIP to seek to resolve these issues.
- 4.37 The site has the potential, subject to confirmation under the Masterplan, to deliver up to 38,000 m² of industrial space and warehousing, around 12,000 m² of office and non-food bulky goods retail space and approximately 1,400 jobs.

Polestar - Paulton Printing Factory

- 4.38 Originally a major employment site, the Council has reassessed it, enabling a mixed use scheme to be permitted. The site can accommodate 792 homes. The first phase

of 161 dwellings is nearing completion. The remainder of the site has outline planning permission, and will be built out by Bovis Homes who plan for 631 homes, including 210 sheltered housing units. 5,500 m² of employment space is also included as part of the wider proposals which could deliver 200 jobs. There is a S106 agreement on the site and proposals have been submitted to discharge its requirements, and those in the conditions attached to the outline planning permission.

Other Large and Small Sites

- 4.39 Whilst the above outlines the actions the Council is taking to ensure progress on key sites, which are providing a large number of the jobs and residential units, it is mindful that there are many other smaller sites across the district which collectively make up the remainder of the housing numbers to be delivered in the SHLAA - together some 35% or 3,358 units.
- 4.40 The Council actively monitors progress on these sites and seeks to identify and resolve any barriers to development. Currently, 39% of these units have planning consent, which provides greater certainty that they will be delivered. It is expected that small sites (5 to 9 dwellings) will still come forward over the plan period, although no allowance is made for them beyond what has currently got permission. In fact research undertaken by the Three Dragons (CD4/H8) indicated that smaller sites can make an important contribution to the district's land supply with 47% of all new dwellings being granted planning permission between 2007 to 2010 being on sites of less than 15 dwellings.

Impact Upon Delivery from Government Policy and Market Issues

- 4.41 The new Coalition Government has proposed a number of policy changes which will impact upon housing delivery in different ways. The introduction of the **New Homes Bonus** is welcomed and could help facilitate development through the provision of additional funding. B&NES is set to receive £611,349 in the first year allocations.
- 4.42 The impact of the proposed **Affordable Rent Model (AR)** is still uncertain. The Council has commissioned a detailed Study by Ark Consultants (CD4/H9) into its likely implications for the district. However, AR is clearly linked with development delivery. It can be used solely by registered providers (RPs) that will use the increased revenue income for the future development of affordable housing. Where public investment is required the HCA will require RPs to demonstrate how the public investment will produce additionality and at the lowest grant rate per unit possible. Where there are viability issues the Planning Authority will either accept a lower proportion of the development as affordable housing or seek HCA investment but flexing the tenure mix to accommodate for AR or a higher proportion of AR. In advance of the legislation B&NES has produced framework guidance to RPs to assist with the HCA investment planning and delivery and to support a proactive approach to maximise housing and affordable housing delivery during the 2011-2015 period.
- 4.43 In the current market, one risk to housing delivery is the reluctance of developers to build given the uncertainty regarding house prices and the availability of

credit/mortgages. The Council is taking continuous soundings from developers and house builders as to how the market is affecting them. Taylor Wimpey has stated that they are currently feeling positive about the market, although they are anxious about the **Localism Bill** (CD1/14) which they perceive to be a risk to units. They are generally building mixed units, but are moving away from apartments. In their opinion, the predicted dip at the beginning of the year has not materialised. Linden Homes has expressed similar views, as whilst they are feeling positive about the market, they feel that new planning legislation will make it more difficult to achieve planning consent, and they remain concerned about the availability of mortgages.

Monitoring & Review

4.44 Section 7 of the Core Strategy sets out the Council's programme and review.