

# **BANES PLACEMAKING PLAN EXAMINATION**

**RESPONSE TO INSPECTORS MATTERS AND ISSUES  
(ID/3 – REV 1)**

**MATTER 2: OVERALL APPROACH**

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## MATTER 2 – Overall Approach

### **Issue 1: Whether the changes to the CS are necessary and appropriate having regard to policies contained in the Placemaking Plan and its purpose.**

*Q1 – Is the nature and scale of any of the proposed changes to the CS such that they materially change the strategic approach and strategy established in the CS? If so, which ones? In particular:*

*Policy RA1 and RA2 were found to be sound*

*(a) Why is the change to Policy RA1 (a) considered necessary? (b) What assessments have been carried out to establish whether the number of villages that would satisfy Policy RA1 would be reduced as a result of the suggested change and the likely reduction, if any on the supply of housing? (c) Does the change to the list of facilities required to meet criteria (a) of Policy RA1 when assessing which villages outside the Green Belt are appropriate for residential development, present a material change in strategy from that contained in the adopted CS? (d) How do the changed criteria relate to the SA that accompanied the CS? (e) Is the change in approach justified and consistent with national policy? (f) What is meant by ‘limited residential development’ in the context of Policy RA2?*

- 1.1 Our statement this matter should read in conjunction with our response to Matter 23 on Rural Housing.
  - 1.2 Our first observation is the Policy does not reflect the supporting text. Whereas the Policy simply requires a primary school, the supporting text, requires that school to have “*sufficient capacity (or ability to expand)*”. Although not explicit within the Policy itself, the supporting text is clear how that policy is meant to be interpreted. It would be better to remove this ambiguity in the policy itself. We base our comments on the way that the policy seems meant to be interpreted. We reject the policy change.
  - 1.3 It is inconsistent for the Plan to introduce a requirement for available or achievable primary school capacity in RA.1 villages but not in other Policy Areas e.g. RA.2 villages. By virtue of Policy RA.2, fundamentally, as a matter of principle, the Plan accepts that housing development, at a scale greater than infilling, can take place without available or achievable primary school capacity in the village where development is proposed to take place. In such circumstances an acceptable solution on the basis of the Plan would be to identify capacity elsewhere, within a set
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distance -recognising that this might involve car based transport. If this approach is vialied for limited development at RA.2 villages (which we submit means around 15 dwellings) than it can also be suitable for around 50 dwellings at RA.1 villages.

1.4 NPPF: 55 states that:

*where there are groups of smaller settlements, development in one village may support services in a village nearby*

1.5 This therefore embraces the principle that all needs arising from development in one village need not be met at that village. This is backed up by NPPF:29, which states that:

*The transport system needs to be balanced in favour of sustainable transport modes, giving people a real choice about how they travel. However, (our emphasis), the Government recognises that different policies and measures will be required in different communities and opportunities to maximise sustainable transport solutions will vary from urban to rural areas*

1.6 In combination the NPPF is more flexible that the proposed revisions to RA.1.we submit that NPPF recognises that rural development can generate car based travel to school movements and that the origin and destination settlement need to be the same.

1.7 We draw the Inspectors attention to APP/F0114/A/13/2208178 for 89 dwellings within BANES at Peasedown St John (June 2014) where a primary school capacity reason for refusal, pertaining to the village was withdrawn following the signing of a UU. This paid a sum to enable capacity at the village school or the transport of primary school pupils to other schools in the general locality. Paragraph 14 of the NPPF was engaged at that time, respect of decision-taking.

1.8 We argue, through our Statements and particularly in this one re Issue 2, that it is engaged now, in respect of Plan-making

1.9 NPPF:72 *suggests* that LPA should not hide behind a lack of primary school places, as barrier to development, but *take a proactive, positive and collaborative approach and give great weight to the need to create, expand or alter schools.*

1.10 Having, in practice, effectively demoted High Littleton to RA.2 status, the Plan is inconsistent as this status would require a site to be identified as an allocation of up

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to 15 dwellings. The primary school capacity issue at RA.2 villages falls away on the wording of RA.2 and on the Councils logic. This reveals a lack of positive planning for High Littleton.

- 1.11 The changes to the Plan muddle the establishment of a settlement hierarchy with subsequent policies that direct growth based on that hierarchy. It is necessary to have an understanding of the settlement hierarchy in the Plan. For example, a village (such as High Littleton) may be a current RA.1 type villages by virtue of having a primary school and other qualifying credentials. However, by virtue of the proposed change to RA.1, in growth terms it would drop down to RA.2 in terms of the level of development that was suitable – yet nowhere in the plan would it be recognised that on a pure settlement hierarchy basis that it would be further up the hierarchy based on the way that it currently functions. We think that this distinction between the hierarchy and policies based on that hierarchy is necessary – in principle, and more so if the change to RA.1 was to be adopted.
- 1.12 We reject the proposed change to RA.1 as it not being as flexible as the NPPF.
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## **Issue 2 – whether the overall requirements of the adopted CS would be achieved through the Placemaking Plan**

*Q1 - Would the PMP meet the overall housing requirement of about 13,000 dwellings?*

- 1.13 The purpose of the PMP is to give additional effect to the strategic delivery policies within the CS that serve to bring forward the overall strategy as set out in Policy DW.1. It is clear, on the Council's own evidence that the delivery policies of the CS and the PMP do not combine to create a positive enough framework for the delivery of the overall housing requirement of at least 13,000 homes and 3,300 affordable homes. The Council's evidence in relation to housing land supply has overtaken its plan-making process, but it has not chosen to do anything about it in the period between April and August 2016. Consequently, the strategy for determining Housing Development Boundaries is not positively prepared, justified and consistent with national policy
- 1.14 After the PMP was submitted for examination a new housing trajectory and housing land supply report was published pertaining to the situation at April 2016. Overall housing land supply had fallen to 12,650 homes of which 3,208 were affordable homes. These are shortfalls of 350 and 122 respectively. It seems unlikely that the Council's officers would not have been aware of the changing nature of overall housing and supply in the months before the plan was submitted, yet no response has been forthcoming. In addition, we contend that the acknowledged shortfall does not present the whole picture
- 1.15 The officer report to Council of 23<sup>rd</sup> March 2016, at which it was agreed that the Place making Plan be submitted for examination, made the following observations in respect of overall housing land supply.

*5.9 The District's housing land supply has been reviewed based on an up-to date assessment of commitments and permissions. Whilst there is risk to delivery of some of the sites which are relied upon to deliver the 13,000 Core Strategy housing requirement, this is offset by other sites forthcoming. It is not considered that the risk is so great as to warrant the identification of new housing sites at this stage and that the appropriate time to review is as set out in the Core Strategy i.e. a 5 year review in 2019/20 to ascertain whether the 13,000 is still the appropriate housing target and whether any changes in the spatial strategy are required to ensure its delivery. A partial review of the Core Strategy will also be undertaken as set out in the Council's Local Development Scheme.*

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5.10 However, it should be noted that there is a risk that the Inspector may conclude differently & require the Council to identify additional sites and subject them to public consultation before he concludes the examination. This will lead to a delay to the adoption of the plan by around 2 or 3 months.

- 1.16 Therefore, at this time, it was identified that the Part 2 Plan (the Delivery Plan) risked (in combination with the Core Strategy) being unable to fully deliver the minimum housing requirement. The second sentence of *para 5.9* gives the misleading impression that although the land supply relied upon at the Core Strategy examination was at risk, other sites had come into play that fully offset the risk.
- 1.17 In reality, after taking into account the balance of positive and negative changes the overall and evolving land supply position was more than 'at risk'. There was in reality, a deficit<sup>1</sup> and there is no compensatory land/mechanism identified to manage that issue. Having underplayed the reality of the situation, Paragraph 5.9 of the officer report goes on to state that it was not necessary to identify additional land (presumably what must have been regarded to as contingency land – in a case the risk was realised) – by virtue of a change in the spatial strategy. The distinction between the identification of contingency sites to be able to respond to a risk, and sites to correct an actual deficit is an important one.
- 1.18 The officer view was that any additional (contingency) land supply, beyond that currently enabled by the Plan as a whole would require a change to the spatial strategy itself. The implication being that the Development Plan was not flexible enough to deal with such a problem in its current guise. Any changes required to ensure the delivery of the 13,000 housing requirement were to be deferred to the Review of the Core Strategy. This is axiomatic with the delivery function of the Place making Plan. It is a delivery plan. There is no reason to defer delivery policies to a whole Local Plan Review process. It is questionable whether an adjustment to housing supply policies for each geographical area would, in-principle, amount to a change to the spatial strategy itself.
- 1.19 Paragraph 5.10 of the officer report goes on to observe that the Placemaking Plan inspector may "*conclude differently*" in respect of the solidity of the land supply position, the positive enabling framework generated by the Plan as a whole to

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<sup>1</sup> As expressed a few weeks after submission in the April 2016 Housing Land Supply Report

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absorb risk/reality, and the process by which any problem is corrected. There is an understanding within the report that if a negative on land supply is reached, additional sites will be required (as opposed to mere flexibility in development management policies).

#### Council's acknowledged shortfall

- 1.20 The April 2016 housing land supply report sets out progress on large sites, the five-year land supply position and the overall housing land supply position. This confirms that the potential risk identified in the March 2016 Report to Council is more than simply a risk. It is a reality. The Council's assessment of land supply confirms that the policies of Plan, taken as a whole, cannot be relied upon to deliver at least 13,000 homes in the plan period.
- 1.21 On the Council's own evidence there is a shortfall. Further, the Council's own advice to itself is that corrective action may need to be taken if the examination process identifies a shortfall.
- 1.22 At the time of the Core Strategy examination the Council's evidence was that the Core Strategy, once supplemented by the PMP would be capable of delivering over 13,000 homes (around 300 more than the requirement). On a best case land supply analysis, on the Council's own evidence, the potential supply has fallen by 500 units.
- 1.23 A number of brownfield sites have fallen away as being relied upon for housing development for example Twerton Park (-150), and the southern parcel to be disposed of within the Royal United Hospital Estate (50). Positive changes have not offset these negative changes.

#### Additional shortfall

- 1.24 In addition to the Council's own acknowledged shortfall, we have a number of additional concerns relating to the following sources of supply that are summarised below and are addressed in detail from paragraph 1.17.
- a) The realistic developable capacity within the plan period of the residual land at Western Riverside, Bath is at least **200** fewer than set out in the Council's April 2016 trajectory.
  - b) The lack of any 'loss' figures for 2011-12 and 2012-13 in the housing trajectory for Bath in respect of the conversion of HMOs from normal
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dwellings to HMO dwellings for students and an under allowance for future changes generates an additional shortfall of **185**

c) Development issues in respect of some sites the housing trajectory:

- Manvers Street (Bath) **-60**
- South Bank (Bath) **-100**
- Sydenahm Park Bath **-250** (of 500)
- Paulton Printing Factor (Somer Valley) **-130**
- Haulage yard (Whitchurch) **-40** (of 60)

1.25 Our assessment is that these factors increase the acknowledged shortfall of 350 by a further 965 dwellings meaning that the Plan can only realistically positively enable 11,685 dwellings. With this new housing land supply position 'in-play' the LPA should be tasked to draft amendments to the Plan to identify specific sites, amendments to the proposed changes to HDBs and/or additional positively framed policy wording to allow housing outside HDBs.

1.26 Any argument by the LPA that the acknowledged or additional shortfall can be 'kicked down the road' and dealt with as part of a full Local Plan Review should be denied. This is because the Council is in a Local Plan Review situation now – albeit one that is not looking at the time horizon of the plan or overall requirements. Although termed as Part 2 of the Local Plan the PMP is a review of the deliverability of the Development Plan and attempts to 'complete' the Development Plan. There is no Part 3 planned and thus it falls on Part 2 to complete the job. The Development Plan should not be left incomplete after two stages of plan preparation. The LPA is in the precise policy making space that has the purpose of focusing on delivering the overall requirement. The Development Plan as a whole is being reviewed to ensure that its headline requirements are being positively planned for.

1.27 We do not consider that the wording of the Core Strategy in respect of 13,000 dwellings not being a cap represents sufficient positive planning to address a shortfall up to 13,000. The later demands more positive planning than the former. Furthermore, the circumstances when the LPA would allow the cap to be breached in the terms of the Development Plan are limited to Neighbourhood Plan sites outside HDBs, brownfield windfall sites outside HDBs and permitting small windfalls within HDBs once the allowance had been reached. There is no suggestion in the Plan as a whole that additional greenfield sites would be allowed, even though they would be needed.

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### Safeguarded land at Keynsham

- 1.28 We consider that the safeguard land at Keynsham to be a 'red-herring' on current evidence in respect of 'part' plugging the gap in supply. On the Councils own evidence, this land is not deliverable in addition to the allocated land at East Keynsham as the highways impact would be 'severe'. Only when there is evidence of a feasible solution and funded programme of works to address the issues can the safeguarded land come forward.

### Additional Shortfall

#### Western Riverside, Bath

- 1.29 The non-inclusion of any land from Western Riverside in years 4 and 5 of the current 5-year land supply period is a sure sign that the longer term delivery of this allocation is in trouble. The developable capacity for the site for the plan period that was presented during the Core Strategy hearings was 2,281 and this was unchallenged/untested as it represented the upper limit of an outline consent for the site. However, the capacity in the latest (April 2016) trajectory is now 2,000, of which only 1,760 are now said to be developable by 2029. That is 521 less than originally claimed. No detailed masterplan was ever tested at outline planning stage showing 2,281 units.
- 1.30 Of the 2,000 in the trajectory, the housing land supply report identifies a high degree of certainty for 785 dwellings previously and currently being built by Crest, on an area of 6 hectares and at a density of 130 dph (yet achieving a mix of housing types and 6+ stories (in a World Heritage Site). We have no issue with this but note the density, layout and the apparent lack of potential to exceed this development/density typology on the residual allocation.
- 1.31 Against the currently claimed overall capacity of 2,000 the residual is 1,215. The land supply to deliver that residual is formed of two broad areas. There is 5 hectares to the west of Crest's current phase and an additional 1ha to the north of the river Avon on the Midland Road waste transfer station.
- 1.32 Taking the later area first, it is contended that the Council will not argue that this can realistically deliver more than 150 units, due to the SPDs parameters for this area. Once added to 785 this generates 935.
- 1.33 In order for the remaining 5ha of residual land to be developed so as to enable 2,000 dwellings overall, the density would have to be 203 dph. We see no
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evidence that this is achievable based on the consented masterplan. At 130 dph the residual area would yield 655 dwellings. Added to 935 this generates 1590, not 2000 overall, nor 1,750 within the plan period. There is therefore an overall gap of 410 between our analysis and the Council's capacity, and a gap of 170 between us in terms of developable supply in the plan period.

1.34 Up to this point we have not made mention of the issue raised in the Council's April 2016 Housing Land Supply Report of the need to re-design the residual land to incorporate the need for a primary school, the original anticipated site for which is not available due to arrangement of leases until after the plan period. We contend that the arrangement of leases makes CPO unrealistic. If the residual allocation also has to deliver a school, then its capacity will fall further so that the plan period gap will increase to over 200 dwellings (at least).

1.35 Finally, the lack of an alternative allocation for the Midland Waste Depot within the Placemaking Plan is conspicuous by its absence, suggesting that there is uncertainty as to whether the Council actually intends to vacate the site. This would create uncertainty in respect of further 150 dwellings.

#### Student HMO conversions

1.36 The context for this discussion is amended Policy B5 of the Core Strategy which has been updated to include a clause on the housing market impacts of student growth. It says:

*Between 2011 and full Plan review the number of C3 dwellings permitted to convert to (Class 'N' Council tax exempt) C4 Houses in Multiple Occupation will be monitored and compensatory provision will be made if the achievement for 7,000 net additional dwellings for the city is at risk.*

1.37 The Article 4 Direction came into force in July 2013 (in the 2013/14 monitoring year) and from this time the Council has been able to monitor change to the stock (in combination with Council tax records) to determine how many HMO conversions are for student use. There is often a lag between permission being granted, the known occupants and therefore the supporting Council tax data.

1.38 There is an emerging trend that has been recorded for part of 2013/14, 2014/15 and 2015/16. Given that the Housing Land Supply Report was published in April, 2015/16 the relevant loss figures need rechecking due to the Council tax lag. Sometimes it is not until the following September/October that the true nature of occupation becomes evident. Nevertheless, the Council has rightly begun to

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record such changes as a net loss of housing and make a future allowance. In principle, this is correct but that the data needs to be monitored regularly and that:

(1) losses need to be recorded for 2011/12 and 2012/13, and

(2) an allowance of -15 per annum is too low.

- 1.39 We contend that it is unrealistic to suppose that there was not a negative effect on the housing market from this issue in 2011/12 and 2012/13. At this time the Article 4 direction was not in place and therefore student HMO conversions would have been higher. Indeed, in 2012/13 there would have been a spike in conversions within the year between the intention to bring in the Article 4 Direction being announced and it coming into force.
- 1.40 We draw the Inspector's attention to CD.PMP/B16/1, the Council's up to date Student Numbers and Accommodation Report (May 2016). Table 14 sets out the revised growth in student housing needs since 2011/12 and changes to bedspace supply. The conclusion is that there was residual need amounting to a growth in student HMO bedspaces of 747 since 2011/12 (row 21), equating to around 187 HMOs (row 24).
- 1.41 Turning to the housing trajectory; near to the bottom of the Bath trajectory are two rows identifying 43 losses (-8, -20 and -15) in the first 5 years of the plan period (but all since July 2013). There are two issues – the need to establish a reliable cumulative figure for losses since the beginning of the plan period, and a reliable allowance from 2016/17.
- 1.42 We contend that due to the lag between permissions being granted and confirmation of Council tax occupants being known, that the -15 figure for 2015/16 will now be higher (say 20) if the Council was to re-run its Council tax analysis of 2015/16 now, compared with in April 2016. This would see 43-48 recorded losses in the trajectory since July 2013 playing 187 losses identified in CD.PMP/B16/1. The difference is therefore 139. There is strong justification for assuming that in the two years and 3 months between the start of the plan period that there were indeed HMO losses, that they were at a greater rate of 20 per annum (as no Article 4 Direction was in place), and that with the forthcoming regulation being advertised, a surge in activity.
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- 1.43 139 over 27 months is around 5 per month, implying losses of 60 for per annum for the first two years and 15 in the months immediately before the Article 4 Direction was made. There is certainly no justification for a zero figure for the first two years of the plan period or a figure that is based on post Article 4 Direction trends. We suggest 60 per annum for 2011/12 and 2012/13.
- 1.44 Further, an allowance of at least -20 per annum for the remaining 13 years of the pan period as opposed to -15 is more reliable. That is an additional 65 losses to allow for.
- 1.45 Clause of Policy B5 states that compensatory housing provision will be made if the 7,000 net additional dwellings for the city is at risk. That risk has been identified and we are in a phase of Development Plan review. Therefore the examination of the PMP should be addressing this need for compensatory provision.
- 1.46 We contend that additional losses of 120 to date, plus 65 in the future allowance are factored into housing land supply picture.
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Other Site Specific Matters

Manvers Street (Bath)	-60	The University of Bath has recently taken over ownership the Police Station as administrative office space and there is no evidence whatsoever of an alternative feasible and viable site for the Royal Mail sorting depot, which has very specific requirements, and in Bath a central location. The site cannot be relied upon for mixed used redevelopment and 60 dwellings. The Place making Plan offers no enabling relocation strategy for the Royal Mail depot.
South Bank (Bath)	-100	Previously the LPAs approach was to allocate the site and prepare site requirement in case it became available, but it acknowledged that it was unwise to rely on it coming forward. It was not relied upon at adoption of the CS in the trajectory accompanying adoption. Now it relies upon its development, yet circumstances have not changed in respect of landowner intent.
Sydenahm Park Bath	<b>-250</b> (of 500)	The Council has changed its strategy for this area from one of city centre expansion (as set out in the CS) to one of housing-led redevelopment. It is now an eastwards extension of the Western riverside allocation. The anticipated capacity has increased from 300 (See 2014 trajectory) to 500. It is in multiple ownerships (as confirmed by diagram 11 of the PMP), which is not an insurmountable obstacle,

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		<p>but crucially, part of the ownership relates to Sainsbury's 'split' car parking (albeit immediately adjoining Homebase). This is needed operationally for Sainsbury's and in the absence of any strategy for its relocation within the area, is unlikely to be developable.</p> <p>The Homebase lease runs out in 2021 and the site is therefore available from this time, albeit the CS seek to reintegrate such town centre uses within town centre redevelopment. The PMP policy for this area risks running roughshod over CS Policy B2:h re the 'cleansing' of commercial/retail uses for housing. The significance this is accentuated as the Council is not planning to meet its full retail needs.</p> <p>The is scant design based evidence to show how 500 dwellings would be delivered on the entire area, nor what the capacity of just the British land (Homebase Area would be). Building height will have to respond to a number if issues, not least the scale of the 26 new townhouses built on the river frontage and the scale of Norfolk Crescent to the north of the river</p> <p>Further, it is not at all clear than the yellow land in diagram 11 is developable. It is in active use.</p>
Paulton Printing Factory	-130	No market demand for retirement housing community in this location, as set out by Savills on behalf of land owner. No primary

		school capacity and thus The Council would not approve a 'normal housing application here.
Haulage yard (Whitchurch)	<b>-40</b> (of 60)	As set out in the housing land supply report, only part of the land is allocated. The remainder is outside the Green Belt but also outside the HDB and there is not provision in the Plan for its development. An allocation would be needed.

*Q2 – Is the strategy for determining Housing Development Boundaries positively prepared, justified and consistent with national policy*

1.47 Accordingly, based on the analysis set out, the proposed Housing Development Boundaries are not positively prepared, justified and consistent with national policy. Additional allocations and amendments are needed, or greater flexibility in respect development outside HDBs at sustainable locations is needed.

1.48 If it has been 'pro-active' the Council will have been doing background work since April 2016 to rectify this matter as it believes that only 2-3 months would be needed for this.