

EXAMINATION INTO THE SOUNDNESS OF THE BANES PMP

INSPECTOR'S MATTERS AND ISSUES FOR EXAMINATION AT HEARINGS

MATTER 13: BATH'S UNIVERSITIES

POSITION STATEMENT ON BEHALF OF

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1. Introduction

- 1.1 This Statement sets out a brief response to the Inspector's questions in relation to Matter 13.
- 1.2 It should be read in conjunction with both the representors' submissions to the Submission Draft PMP, and their Position Statements relating to other matters identified by the Inspector for Examination.



2. Issue: Whether the Approach to Bath's Universities is Sound

Q1

- 2.1 It can only be appropriate to review Section 2F of the adopted CS in isolation from the general housing policies and the overall strategy for Bath, if the strategy to enable Bath's universities and other HE institutions to fulfil their revised growth projections only to the extent that they do not impact negatively on the realisation of wider, and apparently priority, planning requirements, is deemed to be sound. For reasons set out below, that strategy is not considered to be sound. *Ipsa facto*, since an appropriate strategy is likely to have implications for the general housing policies and overall development strategy for Bath, such review in isolation is considered to be wholly inappropriate.
- 2.2 The proposed revisions to Policy B5 incorporate a material change to the development strategy for the universities through extending the restrictions within the Central and Enterprise areas to teaching as well as student accommodation. The corollary is a requirement to deliver development to support increased growth aspirations on-campus, albeit not accompanied by a clear strategy to increase campus capacity through boundary extensions necessitating Green Belt reviews.
- 2.3 The requirements for accommodating the 'less modest' growth in the student population now expected therefore cannot appropriately be considered in isolation from general housing policies and the overall strategy for Bath pursuant to any strategy that seeks to not only 'objectively identify', but then to 'meet' the housing, business and other development needs of the area.

Q2

- 2.4 The strategy does not respond to the evidence in that it does not seek to meet objectively assessed needs for either student accommodation or academic space (see response to Q6 below). There is little evidence of consideration of reasonable alternatives, notwithstanding

that criticisms were levelled in this respect at the stage of consultation on 'Issues and Options' for the PMP.

- 2.5 The only 'option' considered by the Council is expansion of the universities to the extent that they can 'consume their own smoke' in development terms within the confines of their campus boundaries, and even then, in the case of the University of Bath, within the context of enhanced environmental policy constraints within those boundaries (see representors' original representations).
- 2.6 The Council will be expected to explain what reasonable alternatives they have considered, and therefore how the strategy is justified, at the Hearing.

Q3

- 2.7 Absent off-campus provision, the impact of the revised growth aspirations will be a significant uplift in the objectively assessed need for housing in Bath.
- 2.8 The PPG is clear that:

Local planning authorities should plan for sufficient student accommodation whether it consists of communal halls of residence or self-contained dwellings, and whether or not it is on campus. Student housing provided by private landlords is often a lower-cost form of housing. Encouraging more dedicated student accommodation may provide low cost housing that takes pressure off the private rented sector and increases the overall housing stock. Plan makers are encouraged to consider options which would support both the needs of the student population as well as local residents before imposing caps or restrictions on university-provided accommodation. Plan makers should engage with universities and other higher educational establishments to better understand their student accommodation requirements. (PPG, Paragraph: 021 Reference ID: 2a-021-20160401)

- 2.9 It is evident that the growth requirements of the universities cannot be fully accommodated through on-campus provision, meaning that off-campus provision will be a necessary prerequisite to comply with the PPG requirement to plan for sufficient student accommodation. Absent off-campus provision of bespoke accommodation, then, following

the PPG guidance, provision will need to be made through self-contained dwellings, which provision must be added to the objectively assessed needs for housing in the city.

Q4

- 2.10 The PMP may, *prima facie*, be effective in ensuring that any additional increase in the need for student accommodation will not reduce the supply of general housing in the sense of limiting the loss of development opportunity sites suitable for general housing to bespoke student accommodation. However, it cannot preclude the additional student population competing in the market for the general housing that the market brings forward on such development opportunity sites and displacing the non-student population. Moreover, competition by students for the general housing supply is more likely absent planning for sufficient bespoke student accommodation.
- 2.11 The policies in the PMP will therefore not be effective in ensuring that any additional increase in the need for student accommodation will not reduce the supply of general housing that is available for the non-student community. Although it is reinforced through the Article 4 Direction restricting conversion of further housing in the general stock to small HMOs in areas of high concentration, the effect of that direction is limited in that it:
- Its purpose is to restrict further HMOs in areas of existing high concentrations. The existing areas of high concentration tend to coincide with the high density Victorian terraces in the Oldfield Park area of the city, in which few of the city's development opportunity sites are located. In consequence, the HMO policy restrictions would not bite on most new general housing coming forward on development opportunity sites.
 - There remain large parts of the existing dwelling stock outside areas of high HMO concentration, and which are likely to be the focus of enhanced future pressure for HMO formation in the face of increased need for student accommodation for which insufficient planned provision is made.
 - The Article 4 direction is of limited effect since it does not affect shared properties of two persons or fewer, does not apply outside the city of Bath, and can be circumvented if one or more persons in a shared house are a co-habiting couple.

- 2.12 There is in consequence a risk that the PMP, in combination with the Article 4 Direction, could perversely exacerbate the reduction in the supply of general housing that is available to the wider community by forcing higher numbers of students to live in smaller homes which would require a greater of number of units to accommodate an equivalent number of students. Alternatively, or in addition, it is likely to result in new parts of the city of Bath, and indeed the wider district where the Article 4 direction does not apply, becoming a focus for student residences forced out from the traditional areas of high demand. Anecdotal evidence from local estate agents suggests that the secondary towns of Norton Radstock and Keynsham are already experiencing higher student demand for accommodation due to a combination of increased student numbers and restricted supply in Bath.
- 2.13 Re-direction of increased student demand to the second tier towns will contribute equally to reducing the supply of general housing since supply is calculated on the basis of the district as a whole. Moreover, it will have the added disbenefit of increasing travel demands and congestion through causing students to live in locations that are far less proximal to their venues of study.
- 2.14 The policies of the PMP are therefore unlikely to be effective in ensuring that any additional increase in need for student accommodation will not reduce the supply of general housing. Perversely, they may have the converse effect, as well as giving rise to wider sustainability disbenefits through increased commuting and consequential congestion.

Q5

- 2.15 The strategy seems wholly inappropriate it that it seeks to meet objectively assessed needs only to the extent that they can be accommodated on-campus, and even then to the extent that environmental prerequisites are upheld. As alluded to in relation to Q2 above, there has been little, if any, testing of alternative options, which ought properly to have included consideration of specific land allocations elsewhere in the city, release of land from the Green Belt adjacent to existing campus limits and/or elsewhere, such as a student village at the Sulis Club in the case of the University of Bath.
- 2.16 Notwithstanding the representations made in response to the PMP 'Issues and Options' consultation, there is no evidence that the Council has considered alternative options to meet the more recent indications/aspirations of the universities. On the contrary, rather than



responding positively to the increased growth expectations, the Council's approach through the PMP is to further restrict both on- and off-campus options through:

- Extending off-campus restraint in the Central and Enterprise Areas to teaching space as well as student accommodation:
- Re-defining the strategy to one of enabling the universities and other HE institutions to realise their growth ambitions and requirements only to the extent that they are compatible with other, priority strategic growth requirements; and
- Reining in capacity for on-campus provision through, in the case of the University of Bath, a raft of on-campus environmental policy constraints, including 'cordon sanitaires' ('clear zones') around the campus periphery, designation of the 'University Park' to protect the green core to the campus, and other criteria-based environmental imperatives with which development proposals must comply.

2.17 It is concluded that there has been inadequate consideration of alternative options to meet the growth requirements of the Universities. On the contrary, the Council's strategy is to preclude them from realising their aspirations if they compete with other strategic requirements, and in this the PMP, and through the revisions that it makes to the Core Strategy, does not plan to 'meet' objectively assessed needs.

2.18 It is incumbent on the Council to provided evidence to the contrary, to demonstrate that reasonable alternatives to not meeting objectively assessed needs have been considered, and to justify its policy approach.

Q6

2.19 The approach to Bath's Universities is inherently unsound since it is not NPPF-compliant.

2.20 A core planning principle is that planning should:

- *proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made objectively to **identify and then***



*meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth. Plans should take account of market signals, such as land prices and housing affordability, and **set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of the needs of the residential and business communities.** (NPPF, para. 17, third bullet, emphasis added).*

2.21 This core principle is embedded in the sustainable development provisions that follow. In paragraph 18, the Government's commitment to securing economic growth, building on the country's inherent strengths, is set out. This is endorsed in paragraph 19 through the pledged commitment to ensuring that the planning system does 'everything it can' to support sustainable economic growth, with the clear national position being that "*planning should operate to encourage and not act as an impediment to sustainable growth*", to which end:

... significant weight should be placed on the need to support economic growth through the planning system. (NPPF, para. 19)

To help achieve economic growth, local planning authorities should plan proactively to meet the development needs of business and support an economy fit for the 21st century. (NPPF, para. 20)

Investment in business should not be over-burdened by the combined requirements of planning policy expectations. Planning policies should recognise and seek to address potential barriers to investment, including ... housing. In drawing up Local Plans, local planning authorities should:

- *set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;*
- *set criteria, or identify strategy sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;*
- *support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate*

needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances. ... (NPPF, para. 21).

- 2.22 There can be little dispute that Bath's universities are big businesses. This is endorsed by the report by Oxford Economics relating to 'The Economic Impact of the University of Bath' (January 2016) that has been submitted as part of the University's representations to the PMP.
- 2.23 The report confirms that the University of Bath alone is the City's second-largest employer (after the Royal United Hospital), and supported a value added contribution to Bath and North-East Somerset's GDP of £294 million in 2014/15. Taking account of expenditure on suppliers elsewhere in the country, the University, its students and their visitors contribute an estimated £352.2 million to UK GDP overall.
- 2.24 The University therefore makes a very significant economic contribution, and is also a great profile-raiser, not only for Bath, but the UK and its academic, research and sporting excellence on an international stage. It is a university of choice for overseas students, which brings international wealth and potential investment into the country. The Spending Review and Autumn Statement 2015 also expressed the Government's views on the beneficial impact of international students on the UK economy:

International students are integral to the success of UK universities and the economy. The Government is committed to strong growth in students from outside the EU, supporting the £30 billion education exports ambition.

- 2.25 The University of Bath is currently part of the BIS-led Science and Innovation Audit of the South West of England and South East Wales. In November 2015, the call by the Department for Business, Innovation and Skills (BIS) for expressions of interest in Science and Innovation Audits outlined the rationale as follows:

Science and Innovation Audits build, in part, on the argument, set out in Sir Andrew Witty's review of universities and growth, that places can drive economic growth by focusing on their own research-driven sources of competitive advantage.



- 2.26 There is evidence cited in the Oxford Economic report to demonstrate how the University's academic and research prowess is nurturing knowledge-based businesses in Bath, thus making a further indirect contribution to the local and wider economies.
- 2.27 The University also contributed significantly to the success of the British Olympic Team at the 2012 London Olympics, and is likely to repeat that achievement at the current Rio Olympics. It has also nurtured gold medalists at the Winter Olympics in Vancouver 2010 (Amy Williams) and Sochi 2014 (Lizzy Yarnold), as well as supporting the Invictus Games.
- 2.28 In the wake of the Brexit vote and the economic and trading uncertainties that are consequential upon that, the international profile that the University raises, particularly amongst non-EU countries, is of enhanced importance. Those same uncertainties accentuate the importance of facilitating the growth and success of the University as one of the local economy's major economic drivers, through an enabling policy framework, rather than one that seeks to subordinate its growth to other strategic priorities.
- 2.29 For the reasons adduced it is considered that the plan falls well short of compliance with the NPPF in that:
- It does not plan proactively to meet the development needs of the district's key businesses and economic drivers;
 - It does not seek to address potential barriers to investment through making sufficient provision for student accommodation;
 - It fails to set out a clear vision and strategy that positively and proactively encourages sustainable economic growth, on the contrary, it tacitly acknowledges that the development strategy may frustrate one of its key economic drivers in realising their ambitions;
 - It fails to set criteria, or identify strategic sites, for investment to match the Core Strategy commitment to support the development and expansion of the city's universities, and to meet anticipated needs over the plan period. On the contrary, the PMP indicates that anticipated needs may not be met.



- It fails to support an existing business sector and to take account of its expansion. Moreover, the policies are insufficiently flexible to accommodate needs identified in the plan, let alone to respond to changes in circumstances, including emerging needs later in the plan period (beyond 2020) for which the plan does not anticipate.

2.30 The provisions of the plan relating to Bath's Universities are therefore considered to fail in the requirements that they are:

- **Positively Prepared:** they are not based on a strategy that seeks to meet objectively assessed development requirements.
- **Effective:** the plan risks neither the delivering the requirements for the Universities, nor *ipso facto* ensuring that the growth requirements of the universities will not reduce the supply of general housing, and perversely is likely to worsen the latter situation.
- **Consistent with national policy:** the plan will not enable the delivery of sustainable development in accordance with the policies in the Framework, on the contrary, it risks acting as an impediment to, rather than operating to encourage, sustainable economic growth.
- **Justified:** In addition, the plan is not considered to be justified since the strategy for the Universities, which effectively curtails their growth beyond existing campus limits, and then subject only to compliance with a raft of *prima facie* onerous environmental criteria, is not considered to be the most appropriate strategy having regard to the importance of the Universities to the local and wider economies and profile, and there is little evidence that it has been considered against reasonable alternatives.

2.31 For the foregoing reasons the plan is considered to fail the tests of soundness set out in the NPPF (para. 182).

Q7

2.32 There is a prima facie tension between Policies SB.19 and LCR5. However, it would seem to be resolvable by amending the wording to policy LCR5 to read:

Unless otherwise permitted by other policies or provisions of the Plan, development involving the loss ...”

Q8

- 2.33 The strategy would not seem to be sustainable over the plan period. First, and foremost, it only projects needs over a five year period to 2020/21, whereas the Plan period runs to 2029. If the growth trends post-2021 continue in accordance with the trajectory over the next five years, then it will require a fundamental change in strategy to accommodate new growth options.
- 2.34 Given that it is inherent within the strategy that it will not be possible to accommodate growth aspirations even in the period to 2021, the conclusion is that the strategy is not sustainable even over the five year period for which needs have been assessed.
- 2.35 The lack of sustainability of the strategy over the plan period is pathological, and reflects the Council’s failure to consider reasonable alternatives as early as the ‘Issues and Options’ stage. The clear message conveyed at that stage was that not planning to meet the objectively assessed needs of the universities was not a sustainable strategy and therefore not an option. However, it appears that those cautions were not heeded.
- 2.36 Since the provisions relating to Bath’s Universities would seem to be inherently unsound, and the unsoundness of those provisions go to the heart of the plan and have implications for wider provisions, the plan as a whole is considered to be unsound. It would seem possible to make it sound only by considering reasonable alternative strategies, which may in consequence require fundamental changes to the plan such that it is a new plan based on a revised development strategy.

