

North Somerset Site Allocations Plan Examination

Hearing Statement

Standard Life Investments

Matter 2 – Housing

April 2017

Prepared by

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This Statement should be read in conjunction with GL Hearn's representations on behalf of Standard Life Investments (SLI) and seeks to complement those representations, including by providing relevant background information, to assist the Inspector in determining the extent to which the Site Allocations Plan (SAP) meets the appropriate tests of legal compliance and soundness.

1 Background

- 1.1 GL Hearn acts for Standard Life Investments (SLI), which manages the Old Mill Road Business Park and Wyndham Way Retail Park in Portishead Town Centre on behalf of Phoenix Life Ltd, the life assurance fund which owns the sites.
- 1.2 The Old Mill Road Business Park and Wyndham Way Retail Park sites are referred collectively within the SAP, Schedule 1 as "Old Mill Road".
- 1.3 The Phoenix Life Property Fund as a whole comprises a diversified portfolio of UK Commercial Real Estate assets currently valued at c. £400m. The objective of the Fund is to provide long term growth from a combination of income and capital growth.
- 1.4 On behalf of our client, GL Hearn submitted representations to North Somerset Council (NSC) in April 2016 in respect of the Site Allocations Plan (SAP) Consultation Version which included confirmation of SLI's ownership of the Old Mill Road site and the adjoining Wyndham Way Retail Park, as well as details of the lease expiry dates of the site's current tenants. GL Hearn submitted further representations to NSC in December 2016 in respect of the SAP Publication Version.
- 1.5 The Old Mill Road site (excluding the retail warehouse units at Wyndham Way Retail Park) principally comprises light-industrial 'type' buildings. Current uses include storage and distribution (Class B8), car repairs, car rental (Sui Generis), fitness studio (Class D2), children's soft play centre (Class D2), retail (Class A1) and light industrial (Class B1) uses. All of the current leases held on the site are set to expire on or before March 2019. The adjoining Wyndham Way Retail Park includes stores for Homebase, Argos and McDonalds, with leases expiring in 2020 and 2025.
- 1.6 The site is within Portishead Town Centre.
- 1.7 The OMR site came under the management of SLI following SLI's acquisition of Ignis Asset Management Ltd ('Ignis') in 2014. Ignis had previously promoted redevelopment of the site for retail and other town centre uses, including informal discussions with NSC and representation to the (then) 'Sites and Policies Plan Consultation Draft' in 2013.

- 1.8 SLI proposes comprehensive redevelopment of the OMR site for a mix of town centre uses in line with the site's town centre status, NSC Core Strategy support for development within Portishead Town Centre (e.g.: Policy CS21), and the principle of the emerging SAP Policy SA3/Schedule 1.
- 1.9 SLI intends to put forward draft development proposals in early May 2017, via the Council's pre-application process, for a 'Phase 1' scheme. The Phase 1 scheme will not include redevelopment of the existing Wyndham Way Retail Park units.
- 1.10 Initial draft development proposals for the site are currently being finalised with the intention that formal discussions with NSC by way of the Council's pre-application process will inform and help frame the scope and scale of the intended subsequent planning application. A programme of community engagement and consultation on the redevelopment opportunity of the site, to run parallel to the pre-application process, is also expected to help inform the composition of the proposed development.
- 1.11 In the light of on-going site assessment, development viability and other technical work, which will ultimately support the submission of a planning application by September 2017, and ahead of formal pre-application discussions, the composition of the redevelopment proposal for the site is expected to include circa 15,000 sq.m commercial floorspace, including new retail and leisure uses, and potential for at least 100 residential dwellings.
- 1.12 Subject to securing planning consent, SLI would expect to take vacant possession of the site on expiry of the existing leases at March 2019, and commence delivery of the scheme thereafter. It is projected that the scheme, including the residential element, could be delivered in full by 2022.
- 1.13 The development intentions for the OMR site have been informally discussed with NSC at officer level (7 Jul 2016), local district & town councillors (3 Nov 2016) and NSC Councillors (between Dec 2016 and Feb 2017).

2 Would the scale of housing to be delivered on allocated sites in the SAP provide for new housing in accordance with the requirements of the CS in relation to:

i. The scale of development identified in Policy CS13

ii. the distribution of development in accordance with policy CS14

- 2.1 CS13 requires a supply of deliverable and developable land to be identified to secure the delivery of a minimum of 20,985 dwellings within North Somerset 2006–2026.

- 2.2 The distribution of this housing requirement is provided by CS14, which expects a minimum of 5100 dwellings within the main settlements of Nailsea, Clevedon and Portishead.
- 2.3 Policy CS31 provides a further breakdown of distribution between the respective towns, as
Clevedon 700
Nailsea 1100
Portishead 3300
- again these are minimum numbers of dwellings to be delivered within the plan period.
- 2.4 The SAP (paragraph 4.7) however, outlines a “*total anticipated housing delivery*” for the ‘Towns’ (Nailsea, Clevedon, Portishead) of 5028 dwellings. (Clevedon 695, Nailsea 1046, Portishead 3287). The SAP therefore proposes an under-provision of (a minimum) 72 dwellings within the towns.
- 2.5 The SAP thereby fails to meet the minimum housing requirement within the towns, which are expected by the CS to be the “*focal points for locally significant scales of development, including provision for the majority of district housing provision outside Weston*”. (CS, Para 3.195).
- 2.6 Accordingly, as drafted, the SAP does not accord with the distribution of development defined by CS14 and requires an uplift in delivery within the ‘Towns’.
- 2.7 The Proposed Further Amendments of Feb 2017 (SD20) proposes that the SAP’s current under-provision of dwellings within Nailsea, Clevedon and Portishead should fall further as a result of the proposed allocations for Portishead reducing from 373 (SAP, Table 1) to 353 (SD20, Consequential changes to Table 1 Housing Requirement). This proposed reduction to the already insufficient housing provision for Portishead is the result of the proposed amendment to Schedule 1 in respect of the housing capacity expectation for the Old Mill Road site.
- 2.8 Whilst the inclusion of additional sites identified by SD20 increases the overall housing supply to exceed the required minimum, the additional supply is gained not from additional provision within the towns including Portishead, but elsewhere, despite recognition within SD9 (echoing the SA) that the towns, with Weston-Super-Mare, “*are relatively sustainable and are deemed to be more suitable locations for development*”.