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North Somerset Core Strategy

Rebuttal Statement

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Contents

Introduction	2
Agenda 2 - Strategic Context	3
Agenda 3 - Housing Requirement	6
Agenda 4 - Housing Strategy	10



Introduction

This Statement has been produced following a review of the Council's submission in RED/12 and the associated appendices. We welcome the opportunity to respond to the Council's Statement as there are a number of significant shortcomings which it is helpful to address in writing in advance of the Examination.

We took the decision not to submit a Statement to the Examination as our previous representations cover our objections in detail. Our position is therefore set out in:

- our previous representations;
- our representations to the Sustainability Appraisal; and
- this 'Rebuttal' Statement.

Agenda 2 - Strategic Context

Is the Core Strategy prepared within an appropriate strategic context?

Strategic Context

The Council contend that the phrase “*an inward looking plan*” has been taken out of context. Whilst it may have been used in the previous Inspector’s Report with the preface “*at first sight*”, it is our view that the Core Strategy nevertheless is undoubtedly inherently inward looking.

This statement is intentionally critical of a plan which, in our view, fails to adequately address it’s strategic context.

At paragraph 9, the Council statement refers to Appendix B which, it contends confirms that there is no unmet need from the neighbouring authorities. This conclusion and the Bristol City Council Statement upon which it is based misses the point. It is not the housing requirement in the Bristol Core Strategy which is at issue but the housing need of Bristol. These are two very different figures.

The housing requirement within the Bristol Core Strategy has been derived from an understanding of *capacity* rather than *need*. The Inspector who examined the Core Strategy confirmed this in his note ID/32 for the Bath & North East Somerset Council Core Strategy. Here he states at paragraph 11:

“In Annex 1 to the report to Council 4 March 2013 (paragraph 3.5) there is a brief explanation as to why the SHMA has not addressed the Bristol HMA. It firstly refers to the adopted Bristol Core Strategy as not identifying any unmet need to be met outside its boundaries. However, I cannot see that is relevant, post NPPF. The Bristol Core Strategy does not clearly identify a housing requirement and takes primarily a capacity based approach.” [our emphasis]

This is not a criticism of the Bristol Core Strategy as there are clearly challenges in meeting the housing need within such tightly defined administrative boundaries. Furthermore, the Bristol Core Strategy was produced and adopted prior to the publication of the NPPF. At that time there was something of a strategic policy vacuum, with the Government having committed to the revocation of the regional strategies, but not having formulated, either in policy or in law, its replacement – the duty to cooperate. In the absence of the NPPF and the duty to cooperate, there was no requirement for the Bristol Core Strategy to be informed by an objective assessment of housing need for the housing market area.

In the circumstances, the capacity based approach was found to be reasonable but, as

the Inspector has since alluded to in his Note ID/32, this is not relevant post-NPPF.

Contrary to the assertions of the Council, there are very good reasons to conclude that there is an unmet need arising from Bristol. Two simple analyses of the statistics support this conclusion:

- i. The 2008-based and 2011-based Interim Household Projections show a need for 72,000 dwellings and 40,000¹ dwellings within Bristol City respectively. These figures are significantly higher than the Bristol Core Strategy target of 26,400 dwellings in the period 2006-26.
- ii. There has been annual net migration of 1,306 households out of Bristol into North Somerset alone during the period 2001-11. In tandem with this 28.3% of employees in North Somerset are commuting to Bristol for employment. These two statistics taken together indicate that there is an outflow of households moving from Bristol to North Somerset yet a heavy reliance on Bristol for employment. This strongly indicates that there is a need for housing in Bristol which is not being met within its authority boundary and which is being exported to the neighbouring authorities.

For the reasons set out above, we do not consider that the evidence from Bristol City Council appended to the Council's Statement is relevant to the North Somerset Core Strategy. The available evidence indicates that, on the contrary, there is a need for housing within North Somerset to meet the needs of Bristol.

Strategic Housing Market Assessment

The Council clearly has a strong relationship with its neighbouring authorities. This relationship is not in dispute, nor is the fact that the Council is proposing to put in place a joint planning strategy to work together effectively in the future. The commitment to work together in the future bodes well for the review of the Core Strategy. It does not however make this plan sound.

Despite the (apparent) strong working relationship between the authorities, the housing requirement for North Somerset has been derived solely from the Edge Analytics Report. As such it really makes no difference whether the Council has discussed the housing requirement for the Core Strategy at length or not at all with its neighbours. If the housing requirement has not been influenced by that cooperation then it cannot be said to have been the effective cooperation that was envisaged by the Government as a replacement for regional planning.

This criticism is particularly relevant to the Council's evidence in relation to the commuting assumptions which have informed the evidence base. In order to achieve the jobs target of the Core Strategy and deliver only 17,130 dwellings it will be

¹ The 2011-based interim household projections are provided for the period 2011-21 only and for transparency these have simply been doubled for this calculation.

necessary to significantly reduce out-commuting from North Somerset to Bristol for employment. Notwithstanding the fact that we do not consider there to be any robust evidence which supports this conclusion (a matter which we address later in this Statement), this assumption would impact upon the achievement of economic objectives in Bristol and / or the need for housing. Indeed, if the number of workers commuting from North Somerset to Bristol is reduced, then the housing requirement for Bristol would need to increase as a consequence.

The consequences of this on the Bristol housing market and residential land supply, along with the means of addressing this increased supply, must be informed by the 'duty to cooperate'. This is an explicit requirement of the NPPG, which states² that:

“Any cross-boundary migration assumptions, particularly where one area decides to assume a lower internal migration figure than the housing market area figures suggest, will need to be agreed with the other relevant local planning authority under the duty to cooperate. Failure to do so will mean that there would be an increase in unmet housing need.”

Nowhere in the Council's evidence on the 'duty to cooperate' is there any reference to this having been a feature of discussions between the authorities, never mind a factor which has influenced the housing requirement in the Core Strategy.

It is our contention, as evidenced in our representations, that there is undeniably a need for housing in North Somerset arising from Bristol. This need exists whether or not it is catered for in the Core Strategy. Either the Core Strategy plans for the requisite level of housing or the housing market of North Somerset will suffer the consequences, i.e. rising house prices, worsening affordability, an increase in the number of concealed households etc.

It is for these reasons that the NPPF requires local plans to make every effort to meet their objectively assessed needs in full, including unmet requirements from neighbouring authority areas where it is reasonable to do so³.

Review of Plans

The Core Strategy changes remove reference in Policy CS13 to a review, yet in paragraph 11 of the Position Statement it is confirmed that the Council will be amending the Local Development Scheme to incorporate a review to be adopted by 2021.

Notwithstanding this apparent contradiction, we welcome the commitment to a review of the Core Strategy. This does not however overcome the need to properly and fully address the housing requirement through this plan.

² ID: 2a-018-20140306

³ NPPF, Paragraph 182

Agenda 3 - Housing Requirement

Is the assessment made by the Core Strategy consistent with national policy?

For the reasons outlined in our representations we do not consider the housing requirement in the Core Strategy complies with the NPPF. There are a number of reasons for this. In summary:

- a) Paragraph 14 of the NPPF requires that local planning authorities “*positively seek opportunities to meet the development needs of their area*” and that “*local plans should meet objectively assessed needs, with sufficient flexibility to adapt a rapid change*”. The fact that the changes to Policy CS13 of the Core Strategy are not based upon a fully NPPF-compliant SHMA (as stated in paragraph 15 of the Council Statement) means that the Council do not know whether the plan is meeting objectively assessed needs or not.
- b) Paragraph 47 of the NPPF sets out five requirements for local planning authorities in order to ‘*boost significantly the supply of housing*’. The evidence in our Representations demonstrates that the proposed housing target of 17,130 will in fact reduce housing delivery to below the long term average.
- c) The first bullet point of paragraph 47 reinforces the requirement in the presumption in favour set out at paragraph 14 to ensure that “*local plans meet the full, objectively assessed needs for market and affordable housing in the housing market area*” [our emphasis]. Whilst the Edge Analytics evidence provides a scenario which could be used as a proxy for determining the needs of the housing market area, the Council has ignored this in favour of an inward looking scenario. The evidence is therefore available to produce a housing requirement which is closely aligned with the principles of the NPPF, however, the Council has elected not to use it.
- d) Paragraph 56 of the NPPF states that “*local planning authorities should set out the strategic priorities for area in the Local Plan. This should include strategic policies to deliver: ... the homes and jobs needed in the area*”. This again reiterates the need to plan for the delivery of the objectively assessed needs for homes and jobs.
- e) Paragraph 157 sets out a series of crucial requirements for Local Plans. The North Somerset Core Strategy in our view fails to achieve a number of these requirements including the production of a plan drawn up over an appropriate timescale and based upon cooperation with neighbouring authorities.

- f) Paragraph 159 of the NPPF again reiterates the requirements for a Strategic Housing Market Assessment (SHMA) to assess the full housing needs, “*working with neighbouring authorities where housing market areas cross administrative boundaries*”.
- g) Paragraph 182 requires, as a test of soundness, that plans seek to meet the objectively assessed needs of the area, including unmet requirements from neighbouring authorities where it is reasonable to do so. The evidence before the examination clearly demonstrates that there is an unmet need for housing in the neighbouring authority of Bristol. It is entirely reasonable for this to be accommodated in North Somerset, as was the case when the same set of circumstances led to the inclusion of an urban extension to South West Bristol in North Somerset in the draft RSS.

There are a number of inconsistencies between the Core Strategy housing requirement and the NPPF. On the basis of the current housing requirement it is considered that the Core Strategy fails the ‘*consistent with national policy*’ test of soundness.

Whilst a fully NPPF compliant SHMA will not be available in time for the examination of the Core Strategy, it is possible, on the evidence available, to derive an appropriate proxy for the needs of Bristol. This, we contend, is represented by the job-led scenario in the Edge Analytics evidence⁴.

Does the selected approach amount to a SHMA as required by the NPPF?

The Council’s Statement on this question implies that it is of the view that an NPPF-compliant SHMA is not necessary to inform the Core Strategy. In seeking to justify this position it quotes paragraph 21 of the approved Addendum Judgement (7 March 2013), contending that the Judge was not anticipating the need for a new SHMA.

The Addendum Judgement does not in our view support the position taken by the Council. On the contrary, a full review of the housing evidence is exactly what the Judge appears to be requiring in the concluding paragraph⁵. Here the Judge states that:

“In conclusion the following policies will be remitted to the Planning Inspectorate for re-examination: CS6, CS13, CS14, CS19, CS28, CS30-33 with a direction that they are to be treated as not having been recommended for adoption or adopted. In the light of the fact that the Council may have to carry out further work on its housing figures in the light

⁴ RED/06

⁵ OD/03 - Addendum Judgement, paragraph 24

of the lapse of time I do not consider it would be appropriate to restrict the examination to the question of whether the figure of 14,000 dwellings in CS13 makes adequate provision for latent demand.” [our emphasis]

Paragraph 18 of the Council Statement makes reference to the South Gloucestershire Core Strategy Inspector’s Report and his acceptance of the position put forward by the Council. Whilst we do not see the benefit in commenting on the specifics of the South Gloucestershire case, there is one fundamental difference between the South Gloucestershire Core Strategy and that currently being examined for North Somerset.

The South Gloucestershire Core Strategy recognises the influence of Bristol and focuses the vast majority of housing growth on the edge of the city. Whilst without an HMA-wide SHMA it is not possible to confirm whether the housing requirement is acceptable or not, there is nevertheless a considerable scale of development on the edge of Bristol which will contribute towards meeting its housing needs. In the short-term, and in advance of a review of the Core Strategy, there is therefore a considerable scale of development which will deliver housing on the edge of Bristol.

The North Somerset Core Strategy in contrast proposes no housing which will meet Bristol’s needs. If the South Gloucestershire Core Strategy had adopted a similar strategy then the circumstances of the Examination and conclusions of the Inspector may well have been different.

Does the selected methodology provide a full, objective assessment of market and affordable housing in the housing market area as required by the NPPF?

For the reasons set out earlier in this statement, we do not agree with the Council that, in the context of the NPPF, there is no need to provide housing to meet the needs of Bristol. There is one scenario in the Edge Analytics evidence which can be used as a suitable proxy for determining the extent of this requirement and it is that which we contend represents the most appropriate figure for the strategic housing requirement within the North Somerset Core Strategy.

Balance of housing and jobs

We recognise the desirability of enhancing self-containment at Weston-Super-Mare and reducing the need to travel for employment purposes. However, it is in our view a major failing of the Core Strategy that it rigidly adheres to this strategy in isolation, exclusively focusing on self-containment at Weston-super-Mare. In so doing it fails to acknowledge the different pressures on the housing market in North Somerset and the most sustainable strategy for addressing these pressures.

The alternative approach we propose in our Representations is the continued support for economic growth and enhanced self-containment at Weston-Super-Mare, alongside growth on the edge of Bristol which will meet the needs arising from Bristol

in the most sustainable manner. Further details are provided in our Representations.

Methodologies for identifying housing need

In terms of the broad methodology, we find the Edge Analytics Report to be a helpful and transparent assessment of a range of alternative scenarios. Where we strongly differ from the conclusions of the Edge Analytics Report and the Council is in the interpretation of the evidence within the Report. For the reasons explained in our Representations and elsewhere within this Statement, we consider that the job-led scenario contains the only appropriate and evidenced assumptions and thus represents the proper basis for determining the strategic housing requirement.

Affordable Housing

The Council Statement appears to have misunderstood both the NPPF and the concerns raised by those objectors who contend that there was a need to increase housing delivery in order to meet affordable needs.

The 2009 SHMA is the most up to date evidence of affordable housing need within North Somerset. Table 7.18 of the SHMA concludes that the affordable housing need within North Somerset is 904 dwellings per annum. Since this is far in excess of the scale achievable through Section 106 contributions, the affordable housing target in Policy CS16 is predicated upon an assumption based upon viability as opposed to need.

The issue which has been correctly raised by a number of objectors is that the evidence of housing need in the most up to date SHMA is in itself justification for a higher housing requirement. Indeed, the NPPF states at paragraph 47 that *“local planning authorities should: ... use their evidence base to ensure that their Local Plan meets the full objectively assessed need for market and affordable housing in the housing market area”* [our emphasis].

The housing requirement from the job-led scenario would go far further in meeting the affordable housing needs in the authority.

Agenda 4 - Housing Strategy

Would the Council's housing strategy be effective in delivering the Plan's objectives?

Delivery Rates

Paragraph 38 of the Council's Statement states that the Council has adopted the housing requirement from the Edge Analytics Report for the years 2011-13 despite completions for this period having been lower. The final sentence of paragraph 38 concludes that *"the use of 17,130 dwellings is therefore an additional boost to the housing supply"* [our emphasis].

This conclusion demonstrates the flawed and confused approach that the Council has adopted in respect of the housing requirement. Establishing a requirement based upon the Council's assessment of housing need will not 'boost' housing supply; it will ensure that the Council does not fall further behind in the delivery of housing.

Paragraph 40 of the Council's Statement makes reference to historic rates of housing delivery. We have used the same evidence of past completions in our representations to demonstrate that the proposed housing requirement would not lead to a 'significant boost' in housing delivery; it would in fact lead to a substantial reduction from past trends.

Notwithstanding, the Council seek to use this evidence to support the contention that it would not be possible to deliver in excess of 18,000 dwellings by 2026. We disagree with this conclusion and include evidence of potential market absorption within our representations.

In addition to this evidence we consider the following considerations to be relevant to this matter:

- a) the need for housing will not stop at the end of the plan period. Any allocations which have not been delivered in full during the plan period will be available post-2026 to ensure a continuity of supply beyond the plan period;
- b) limiting housing growth based upon a perception of deliverability would not constitute positive planning as required by the NPPF; and
- c) the Government and opposition party are committed to increasing housing delivery nationally. Artificially limiting housing development on the basis of a perception of market delivery would be inconsistent with the overall objective to increase the national rate of housing delivery.

In determining the strategic housing requirement it is not appropriate to limit this due to a perception of how the market will perform. The result would be a self-fulfilling prophecy and a continued under-supply of housing in North Somerset.

If the Council plan for a higher level of housing growth and allocate appropriate and deliverable sites to achieve this, then what are the downsides if the market were not to deliver the development at the requisite pace? It is our view that there are none. The residual elements of the allocation would remain available for beyond the plan period to ensure a continuity of supply. It would provide long-term certainty for local communities and also produce competition in the market, with beneficial consequences for housing affordability.

Self-containment, commuting balance and the dwelling requirement

Paragraph 52 of the Council Statement states that *“the employment-led approach and the objective of improved self-containment for Weston has a strong planning pedigree and was a key objective of the Regional Strategy (RPG10), draft RSS, the Joint Replacement Structure Plan and the Replacement Local Plan”*.

We do not dispute the pedigree of the self-containment objective for Weston, but what the Council fail to acknowledge is that in the higher level regional plans, the self-containment of Weston was never the only strategic objective for North Somerset.

Take for example the Regional Strategy (RPG10). Policy SS10 endorses limiting *“further housing growth [at Weston] until employment development is more closely in balance with housing”*. In addition to the policy objective for Weston, of relevance to North Somerset, RPG10 also states at Policy SS4 that:

“local authorities when preparing their development plans should:

- critically review the Green Belt to examine whether boundary alterations are needed to allow for long term sustainable development needs;*
- remove land from the Green Belt for development if, on balance, this would provide the most sustainable solution for accommodating future growth requirements;”* [our emphasis]

This specific requirement to review the Green Belt in North Somerset is reiterated in Policy SS8 of the Bristol Area. There is therefore a dual strategy for North Somerset which addresses the particular circumstances of Weston in one policy and the requirement relating to Bristol (via a review of the Green Belt) in another.

A very similar dual strategy is proposed for North Somerset in the draft RSS. Paragraph 4.2.22 of the draft RSS reaffirmed the need to balance housing and job growth at Weston, whilst at the same time Policy SR6 confirms that there is an urban extension proposed on the edge of Bristol to accommodate 9,000 dwellings (in North Somerset only).

Consistent with RPG 10 and the draft RSS, we do not object to the aspiration to enhance self-containment at Weston, however, this has not been and should not be the only strategic objective for North Somerset. The preceding regional plans have supported a review of the Green Belt on the edge of Bristol and the allocation of a strategic urban extension, respectively. It is our view that the same dual strategy for North Somerset should be applied to the emerging Core Strategy.

Commuting Ratio

It is claimed at paragraph 59 of the Council's Statement that the commuting ratio in North Somerset has reduced from 1.22 in 2001 to 1.18 in 2011. This conclusion arises from the Edge Analytics 'Review of Representations'⁶ (February 2014). The Review of Representations states that the analysis is based on 'workday population' statistics from the 2011 Census.

The Workday Population statistics are a measure of the population only and do not provide data on the number of jobs in North Somerset, nor the reasons why people were in North Somerset or had travelled outside of the authority area. Indeed, according to the explanation on the Nomis website⁷:

"The workday population is an estimate of the population during the working day."

There are highly likely to be elements of the population within North Somerset who travel outside of North Somerset during the working day but not for employment purposes. The most obvious example is students. It is for this reason that we consider only very limited, if any, weight should be attached to the use of 'workday population' data in establishing the commuting ratio.

Given these concerns, we have researched whether there are any other statistics available which could be used to assess the commuting ratio in 2011. The Edge Analytics 'Review of Representations' (February 2014) explains the methodology used. It states on page 6 that the commuting ratio:

"is calculated by dividing the number of people who are resident in North Somerset and who are in employment anywhere by the number of jobs in North Somerset".

Using this formula we have calculated the commuting ratio based on the economically active residents⁸ (97,563) and the Council's stated number of jobs⁹ (74,300). These

⁶ RED/15

⁷ <https://www.nomisweb.co.uk/census/2011/wd102ew>

⁸ 2011 Census: Economic activity, local authorities in England and Wales (Table KS601EW)

figures indicate that the ratio is in fact 1.31, higher than both the 1.18 and the 1.22 calculated on the basis of the 2001 Census. This would tie in with our understanding of the delivery of development in North Somerset in the period 2001-11 where there has been a significant increase in housing at, for example Locking Castle, with proportionately far fewer new jobs.

An alternative jobs figure is provided in the Official Labour Market Statistics published by NOMIS. This indicates that there was a total of 78,300 jobs in October 2009 - September 2010. Using this as the jobs figure indicates that the commuting ratio is 1.25, again demonstrating a reduction in self-containment from the 2001 Census.

Based on these figures, there has in fact been an increase in the commuting ratio. This, combined with the evidence from the Annual Population Survey¹⁰, shows that the percentage of people travelling from North Somerset to Bristol for employment has increased. **The available evidence does not demonstrate that there is any robust or credible basis for concluding that commuting has decreased since 2001, nor that it will decrease during the plan period.**

The commuting ratio goes to the heart of the Core Strategy. It is fundamental to the Council's self-containment strategy and to the proposed housing requirement. It should also, we contend, be the driving force in defining the spatial strategy for authority area. The evidence of self-containment must be recognised and addressed in the Core Strategy to ensure the distribution of development represents the most sustainable solution in light of all the available options.

As we stated in our representations, the evidence does not support the Council's case that there will be a reduction in employment commuting from North Somerset to Bristol during the plan period. In fact the evidence indicates that the residents of North Somerset are becoming more reliant on jobs in Bristol. On that basis, it must be assumed, as a best case scenario, that commuting ratios will remain static during the plan period.

The effect of this on the housing requirement is evidenced in 'Economic Growth Forecast' of the Edge Analytics 'Demographics Forecasts and Analysis'¹¹. This scenario indicates that to achieve the economic growth target of the Council will require the delivery of 1,400 homes per annum during the period 2011-2026. This equates to **25,950 dwellings** over the plan period¹².

⁹ North Somerset Council Joint Strategic Needs Assessment 'Economy and Employment' Chapter, Authored by David Turner at North Somerset Council, dated June 2011

¹⁰ See page 9 of our Representations.

¹¹ RED/05

¹² 4,950 completions + (1,400 x 15).