

# **North Somerset Council**

## **REPORT TO THE EXECUTIVE**

**DATE OF MEETING: 20 OCTOBER 2015**

**SUBJECT OF REPORT: CORE STRATEGY EXAMINATION OF REMITTED POLICIES, LOCAL DEVELOPMENT SCHEME AND DELIVERY OF HOUSING SHORTFALL**

**TOWN OR PARISH: ALL**

**OFFICER/MEMBER PRESENTING: DEPUTY LEADER**

**KEY DECISION: YES**

## **RECOMMENDATIONS**

To approve for consultation the statement on the Council's proposed amendments to the remaining Core Strategy remitted policies (Appendix A).

To approve the proposed changes to the Local Development Scheme (Appendix B) which includes the commitment to the preparation of the Joint Spatial Plan in partnership with the other West of England authorities.

To approve the overall approach and timetable for the identification of site allocations and the granting of planning permissions to address the identified housing shortfall over the plan period and to manage the 5 year supply position.

### **1. SUMMARY OF REPORT**

- 1.1 On 18 September 2015 the Secretary of State confirmed that he had reviewed the Core Strategy Inspector's conclusions but was satisfied that the recommended housing requirement of 20,985 dwellings 2006-2026 was appropriate. The approval of the new housing requirement means that Policy CS13 is now part of the development plan. The priority for North Somerset now is to finalise the Core Strategy through identifying broadly where any remaining housing is likely to come forward over the plan period. A fully adopted Core Strategy would provide more certainty in respect of the planning policy position, enable the Council to progress with the Community Infrastructure Levy and show commitment to following the plan led approach set out in the National Planning Policy Framework (NPPF).
- 1.2 The next stage in the Core Strategy process is to identify any proposed changes to the other policies sent back for re-examination as a result of the High Court challenge to take account of any consequences resulting from the increase in the housing target. The proposed changes (Appendix A) will be consulted upon and any responses received forwarded to the Planning Inspectorate who will arrange further hearings as appropriate.

- 1.3 The approval of Policy CS13 requires that the plan making programme as set out in the Local Development Scheme is updated to clarify the process for taking forward site allocations (Appendix B). This also provides the opportunity to set out the agreed timetable for preparation of the Joint Spatial Plan.
- 1.4 The Council needs to make urgent progress with identifying sites to deliver the plan period shortfall of 1,715 dwellings. Sites will be identified through the detailed plan-making process. The Council however also needs to ensure that there is a sufficient supply of immediately available sites to meet the 5 year supply requirements. This will require the release of sites in parallel with the emerging plan-making process.

## **2. POLICY**

- 2.1 The Core Strategy, Sites and Policies Plan and Joint Spatial Plan are all, or will be, parts of the statutory development plan for the area. The Corporate Plan supports the preparation of an up-to-date planning policy framework.

## **3. DETAILS**

### **Core Strategy**

- 3.1 The Core Strategy must identify in broad terms where it is anticipated the remaining housing will be delivered over the plan period to 2026. It is important to note that this is a separate process from the Joint Spatial Plan being prepared jointly by the West of England authorities to consider any additional development required for the roll-forward of the 20 year period 2016-2036, and which will in turn feed into a review of the North Somerset Core Strategy or a new replacement Local Plan. Addressing the current Core Strategy housing requirement will not require the use of Green Belt.
- 3.2 Having an adopted Core Strategy will, by following the NPPF supported plan led approach, provide certainty about the broad location of development, reduce development pressures particularly at villages, and is a pre-requisite to progressing with the Community Infrastructure Levy.
- 3.3 On 18 September the Secretary of State approved Policy CS13 and the housing requirement of 20,985 dwellings over the plan period. He reviewed the Core Strategy Inspector's conclusions but agreed with his recommendations. As a result of the Secretary of State's intervention, Policy CS13 is now part of the development plan. The letter concludes as follows:

*"The Government now expects North Somerset Council to move forward with the other elements of its Local Plan and to deliver the homes its communities need".*

Separately the government has also signalled that Councils need to make progress with local plans or risk intervention. The expectation is that all councils will have a local plan in place by 2017.

- 3.4 In normal circumstances the identification of the objectively assessed housing need would subsequently be subject to an assessment against factors such as environmental constraints and infrastructure requirements to determine whether it could be delivered in a sustainable way. This has not been the case for the Core

Strategy where the Secretary of State's decision has meant that the housing requirement proceeded straight to adoption. However, the evidence (such as set out in the Housing and Economic Land Availability Assessment) is that sufficient sites can be found to accommodate the shortfall in sustainable locations and without the use of Green Belt.

- 3.5 The final stage in the Core Strategy process is to consider whether the increase in the dwelling requirement will require any consequential amendments to the other policies remitted back for re-examination as part of the 2013 High Court Judgment. The Council's proposed statement is set out at Appendix A.
- 3.6 The Core Strategy sets out the broad framework for new development, with detailed allocations being brought forward through the Sites and Policies Plan. The strategic policies of the Core Strategy therefore contain some flexibility in terms of the precise dwelling target. As at April 2015, current capacity over the plan period (commitments and windfalls) totalled 19,270 dwellings, leaving a shortfall of a minimum of 1,715 dwellings to find. The statement at Appendix A demonstrates how this can be delivered without the need to significantly amend the remaining remitted policies.
- 3.7 Remitted policy CS14 (housing distribution) sets out broadly where it is anticipated that the dwelling requirement will be located. This provides a steer for the detailed allocations coming forward through the Sites and Policies Plan (Site Allocations). The updated table below sets out the proposed broad spatial location for completions, commitments and windfall and the anticipated distribution for the remaining shortfall of 1,715 dwellings. For Core Strategy purposes this is simply an indication as to where it is anticipated new residential development will be delivered, but the detailed figures will vary as sites are identified.

| <b>Area</b>   | <b>Completions, commitments and windfall</b> | <b>Location of shortfall</b> | <b>Net additional dwellings 2006-2026</b> |
|---|--|------------------------------|---|
| Weston urban area (excluding Weston Villages)       | 5,809  | 650                          | 6,459                                     |
| Weston Villages                                     | 6,250  | 250                          | 6,500                                     |
| Clevedon, Nailsea and Portishead                    | 4,626  | 350                          | 4,976                                     |
| Service Villages, other settlements and countryside | 2,585  | 465                          | 3,050                                     |
| <b>Total</b>  | <b>19,270</b>                                | <b>1,715</b>                 | <b>20,985</b>                             |

- 3.8 The justification for the anticipated spatial location for the shortfall of 1,715 dwellings is as follows:

Weston Villages: Potential to increase capacity within the existing boundaries of the development area to provide an additional 250 dwellings.

Weston urban area: The Prospectus for Change document signalled the Council's intention to deliver a step change in the functioning and perception

of Weston town centre, focussed to a large extent on increasing the proportion of housing within the town centre. Detailed proposals will be brought forward through the forthcoming SPD but could include sites such as Dolphin Square phase 4, the Walliscote Grove Area, and Station Approach. This, in addition to other potential development opportunities across the urban area, is expected to deliver at least a further 650 dwellings.

Clevedon, Nailsea and Portishead: While overall there is likely to be limited further capacity at the towns, there is a range of potential sites which could come forward, including Council-owned land.

Service Villages: There may be some scope at the more sustainable places where the necessary infrastructure exists, or can be provided, to support any additional growth. A figure of 465 dwellings (to make up the shortfall) is anticipated with locations to be determined.

Other settlements and countryside: Development is restricted in these areas in accordance with the Core Strategy approach. No additional growth other than windfall is anticipated at the infill villages.

Policy CS14 represents only a broad indication of where the housing is anticipated to take place over the plan period. The detailed allocations will be identified through the Sites and Policies (Site Allocations) Plan where possible.

- 3.9 As is set out in Appendix A, very few consequential amendments are proposed to the other Core Strategy remitted policies. The seven other remitted policies are listed below:

Policy CS6: North Somerset's Green Belt: No change to the policy wording. The Housing and Economic Land Availability Assessment (HELAA) demonstrates that there are sufficient sites in sustainable locations without needing to consider locations in the Green Belt to accommodate the shortfall.

Policy CS19: Strategic gaps: No change to the policy wording. The boundaries of the Strategic Gaps will be defined in the Site Allocations Plan taking account of the proposed allocations needed to address the shortfall.

Policy CS28: Weston-super-Mare: This is a supportive policy encouraging development opportunities such as envisaged through the Prospectus for Change. The housing numbers will be adjusted to reflect the anticipated delivery.

Policy CS30: Weston Villages: This policy provided the strategic framework for the delivery of Weston Villages. The potential residential capacity will be adjusted.

Policy CS31: Clevedon, Nailsea and Portishead: Inclusion of updated potential capacity figures for the three towns.

Policy CS32: Service villages: No change to the policy wording. The existing approach which states that 'where small scale residential or mixed use schemes which demonstrate clear local benefits are supported by the local community cannot be accommodated within existing settlement boundaries then these must be brought forward as an allocation in the Sites and Policies

Plan (Site Allocations) or a Neighbourhood Development Plan, including an amendment to the settlement boundary as appropriate' remains relevant. The Sites and Policies Plan (Site Allocations) will identify sites and/or make amendments to settlement boundaries as appropriate.

Policy CS33: Smaller settlements and countryside: The restrictive approach within infill villages and elsewhere will remain. No change to the policy wording.

- 3.10 The proposed changes set out at Appendix A will be consulted upon with all comments forwarded to the Planning Inspectorate who will appoint a new Inspector and arrange hearings as appropriate. A detailed schedule of changes to the policy text and supporting justification will be prepared for consultation at the same time.

The anticipated timetable for this final part of the Core Strategy process is:

| <b>Date</b>            | <b>Stage</b>  |
|------------------------|---|
| November-December 2015 | Consultation on proposed changes to the remaining remitted policies |
| January 2016           | Hearings  |
| February 2016          | Inspector's Report  |
| March 2016             | Adoption  |

### **Local Development Scheme**

- 3.11 The Local Development Scheme sets out the Council's proposed programme for the preparation of development plans. This requires updating in the light of the Secretary of State's decision on Core Strategy Policy CS13 and the need to progress the site allocation work. The proposed revised version is set out at Appendix B. This includes the timetable associated with the preparation of the Joint Spatial Plan for the West of England which will assess strategic needs across the wider Bristol Housing Market Area, and identify what additional growth is needed for 2016-2036. A new local plan will be required in parallel with the emerging JSP to cover the period 2016-2036. This will need to encompass a review of the Core Strategy but its scope and timetable for production have yet to be determined. A pre-commencement document will be published in early 2016.

### **Sites and Policies Plan (Part 2- Site Allocations)**

- 3.12 Progress with the Site Allocations Plan has been waiting for confirmation of the housing target. Given the Secretary of State's decision, progress is urgently required on bringing forward the housing and other allocations to ensure that new development is delivered in a co-ordinated approach in step with essential infrastructure.
- 3.13 The Sites and Policies Plan Draft for Consultation was published in 2013. Given the delays to the Core Strategy it was subsequently decided to prioritise Part 1 – Development Management Policies (this is currently at examination with hearings

taking place next month). We now need to make progress with Part 2 – Site Allocations. This will involve revisiting and, where appropriate, rolling forward the existing allocations from 2013 plus adding additional sites with the option of assessing settlement boundaries to address the identified housing shortfall.

- 3.14 The Site Allocations Plan will identify a range of different types of site allocations which, once adopted, will result in changes to the Proposals Map. The accompanying text will set out the Council’s approach to the consideration of development proposals affecting these designations. The site allocations will comprise:

Housing sites (including adjustments to settlement boundaries as appropriate).  
 Employment sites.  
 Mixed uses.  
 Community facilities – schools, allotments, cemeteries, community halls, places of worship, strategic open space.  
 Local Green Space.  
 Strategic gaps.  
 Allocations for other uses/policy areas.

- 3.15 The process and timetable for plan preparation will be as follows:

| <b>Date</b>   | <b>Stage</b>                                       |
|---------------|--|
| January 2016  | Consultation on draft document                     |
| April 2016    | Publication of and consultation on Submission plan |
| August 2016   | Submission to Secretary of State                   |
| December 2016 | Examination hearings                               |
| February 2016 | Inspector’s report                                 |
| March 2017    | Adoption   |

**Five year supply**

- 3.16 It is recognised that the plan-making process will be undertaken in parallel with both the re-examination of Core Strategy remitted policies and the determination of outstanding planning applications. The Council needs to balance progressing the statutory plan-making process with ensuring that there is a sufficient supply of immediately deliverable sites to meet the 5 year supply requirements. This means that meeting the housing shortfall requires a mix of short and longer term sites.
- 3.17 The Council has sought to argue that the 5 year supply housing requirement should be based on the assumption of the “Liverpool” methodology (backlog spread over the remaining plan period) as opposed to the “Sedgefield” approach (backlog made up within 5 years). In the letter to the Secretary of State requesting intervention (17 March 2015) the Council asked for clarity on the use of the Liverpool approach. The Secretary of State failed to respond to this request directly, although he stated that he was “satisfied that the inspector has taken a pragmatic approach to establishing the housing requirement for North Somerset in the context of national planning policy as a whole”. In his report, the Inspector’s pragmatic approach was to recommend that this issue should be dealt with at a later examination (paragraph 60), that is, at the examination of the remaining Core Strategy remitted policies.

3.18 The current 5 year supply position in relation to the two alternative methodologies is as follows. These both assume a buffer of 5%. It should be noted however that some developers argue that the buffer should be 20% claiming the Council is a persistent under provider. This is disputed by the Council but if the buffer is increased then this will have a significant adverse impact on the five year supply position.

|            |            |
|------------|------------|
| Liverpool  | 5.13 years |
| Sedgefield | 4.36 years |

At S78 planning appeals there are two particular hurdles to overcome. Firstly it is likely to be difficult to convince an inspector that he should recommend departure from the Government's default position of Sedgefield in advance of the further Core Strategy hearings. Secondly, as this figure is only just above 5 years, it is vulnerable to challenge as even a small change in the assessment of suitable sites would result in a figure below 5 years. A significant boost to the land supply position would make the Council's position much more robust in terms of resisting speculative development proposals. The identification of additional immediately available sites is a priority for the Council.

3.19 Given the specific pressures in relation to the plan-making process, the Council will have to consider approving planning applications for sustainable developments in parallel with the plan-making process. In dealing with these applications, the following criteria will be particularly relevant:

- The sites are necessary to contribute to any 5 year supply shortfall and will be delivered within 5 years.
- They are located at settlements which perform well in relation to sustainability criteria and where the necessary supporting infrastructure already exists or can be provided.
- They are not in the Green Belt.

It is proposed that a Member workshop is held in the next month to consider the Council's position in relation to site allocations and development.

#### **4. CONSULTATION**

4.1 The statement on proposed changes to the remaining Core Strategy remitted policies will be consulted upon. Consultation takes place on development plan documents in accordance with the Council's Statement of Community Involvement. |

#### **5. FINANCIAL IMPLICATIONS**

5.1 The costs of progressing the development plan documents is met from existing budgets. Defending planning appeals incurs additional costs.

#### **6. RISK MANAGEMENT**

- 6.1 There is an urgent need for the Council to demonstrate progress in terms of bringing forward development plans coupled with granting permission on suitable sites to improve the land supply position. Failure to make progress will increase the risk of speculative proposals being successful at appeal, potentially leading to poorly co-ordinated development taking place in less sustainable locations.

## **7. EQUALITY IMPLICATIONS**

- 7.1 No specific equality implications are identified.

## **8. CORPORATE IMPLICATIONS**

- 8.1 The Core Strategy and site allocations will have implications for future service delivery.

## **9. OPTIONS CONSIDERED**

- 9.1 Not proceeding with the Core Strategy would leave uncertainty over the future location of development, potentially leading to further speculative development pressures.

## **AUTHOR**

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## **BACKGROUND PAPERS**

Letter from Secretary of State confirming approval of Core Strategy Policy CS13: 18 September 2015.