



The Planning Inspectorate

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Mr Michael Reep,
North Somerset Council,
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Your Ref:

Our Ref:

Date: 6 July 2013

Dear Sir,

North Somerset Council – Core Strategy.

Introduction

I have been appointed to hold the re-opened Examination of the North Somerset Council Core Strategy (the Core Strategy) following the decision of the High Court to remit to the Planning Inspectorate for re-examination Policies CS6, CS13, CS14, CS19, CS28 and CS30-33 and the direction that these policies should be treated as not having been recommended for adoption or adopted.

I have read the Court's Approved Judgement and its Approved Addendum Judgement. I have also been provided with a copy of the Examining Inspector's Report on the original Examination of the Core Strategy. However, I have deliberately avoided reading this Report as I wished to approach the re-examination exercise in an entirely impartial and open-minded manner. My knowledge of the contents of the earlier Report is limited to the references to it which are made in the Judgements.

I have not had the opportunity to read the representations made in respect of the Core Strategy or the whole of the background papers which formed the evidence base. However, before undertaking this preparatory work, which is likely to be time consuming and could involve the Council in considerable expense, I am writing to you to inform you of the way in which I see the re-examination proceeding and to identify areas which will need to be explored.

The Re-examination

As the Judgements make clear, it was only the Council's adoption of Policy CS13 which was unlawful. The other policies were also remitted as any substantial change arising from the re-examination of Policy CS13 could have far-reaching consequential effects on the other policies' content. In these circumstances, it would seem sensible to first re-examine Policy CS13 and, only if this re-examination leads to conclusions

which have a bearing on one or more of the other policies, to then re-examine the other policies.

In re-examining Policy CS13 I note the opinion expressed in paragraph 24 of the Addendum Judgement that it would not be appropriate to restrict the re-examination to the question of whether the Plan makes adequate provision for 'latent demand'. Neither would my re-examination limit itself to changes which have arisen since the matter was previously examined. I am directed by the Judgement that the whole of Policy CS13 is remitted for re-examination. I cannot accept that any part of the Policy, or of the background from which it was derived, can be taken as agreed. I have not heard the evidence which supports the policy and I am not bound by the conclusions reached by the previous Inspector. In addition there may be other areas which I consider to be relevant which have not been previously examined. In examining whether Policy CS13 is legally compliant and sound, I will be considering the whole of the evidence which supports that policy. As I pointed out earlier, I have avoided reading the previous Examining Inspector's Report in order that I can approach the whole issue afresh. This approach will need to take into account up-to-date guidance and evidence including the National Planning Policy Guidance (NPPF) and the latest population projections.

In para 20 of the Addendum Judgement it was made clear that '... there is nothing unlawful per se about the policies remitted other than CS13 ... '. In these circumstances, my intention would be to first examine Core Strategy Policy CS13 and to issue a Report on that policy alone. If it were to be found sound there would be no need to re-examine the other policies. If it were to be found sound with amendments, it would be necessary to assess whether there are consequential effects on any of the other policies and to re-examine those as necessary. If Policy CS13 is found to be unsound the consequential effects are likely to be wide-ranging. There would be no point in a re-examination of the other policies until the unsoundness of Policy CS13 had been fully addressed. It may be that this could only be accomplished by withdrawal of the document.

In order to enable interested parties to make representations in respect of the changed NPPF guidance, the changed strategic context arising from the revocation of the RS, up-to-date population forecasts and any other relevant changes to the evidence base, it will be necessary to undertake a re-consultation exercise ahead of the re-examination of Policy CS13.

Matters to be addressed

In taking this approach to the re-examination, a number of issues, both in terms of procedure and content arise. I deal with these below.

Duty to co-operate and strategic context

The Core Strategy was submitted for examination on 8 July 2011. Section 33A of the Planning and Compulsory Purchase Act 2004 came into force on 15 November 2011 and, in order to maximise the effectiveness of the process, placed upon councils a 'duty to co-operate' with other local planning authorities in the preparation of development plan documents. The Judgement makes clear that the duty to co-operate did not apply in this case. However, when the Core Strategy was examined, there was a legal requirement that a development plan document should be 'in general conformity' with the Regional Strategy (RS) and this point appears to have been

addressed by the previous Inspector. However, since the time of the previous Inspector's Report, the RS has been revoked.

In my view the Government has not abandoned strategic planning. It has replaced the duty to be in 'general compliance' with the RS with a 'duty to co-operate' with adjacent local planning authorities. The government still envisage Local Plans being prepared under a 'strategic' umbrella – the difference being that previously this was handed down by the regional authority but now it is prepared by local planning authorities working together in concert. I accept that the Council can argue that it does not need to satisfy the legal test imposed by Section 33A of the 2004 Act. However, the need for co-operate between planning authorities is not new and para 157 of the NPPF makes clear that 'Crucially, Local Plans should: be based on co-operation with neighbouring authorities, public, voluntary and private sector organisations'.

The re-examination of the Core Strategy will, therefore, need to consider whether, having regard to the objective of contributing to the achievement of sustainable development, a proper degree of co-operation has taken place. A failure to demonstrate this in terms of housing provision could result in a finding that the Policy CS13 is unsound albeit that the legal test does not apply.

With particular reference to this point, I have noted the comments made in para 127 of the Addendum Judgement that the housing figures set out in the Bristol City Core Strategy (adopted 2011) were accepted because there was a restricted land supply for housing and this arose, in part, from 'the unwillingness of neighbouring authorities to consider urban extensions in the Green Belt.' It is planned that the Bristol City housing requirement would be reviewed within 5 years. At most, 3 of these 5 years remain. Having regard to:

- a) the geographical proximity of the Bristol urban area to the boundary with North Somerset;
 - b) the fact that the 2009 West of England Strategic Housing Market Assessment (SHMA) and the emerging SHMA identify a wide, multi-authority housing market area;
 - c) the fact that one of the objectives of the Core Strategy is to address the issue of out-commuting between Weston-super-Mare and Bristol; and
 - d) what appears to be the Council's unwillingness to consider urban extensions into the Green Belt around Bristol,
- it would appear difficult to argue that any analysis of the housing market of North Somerset could ignore the influence of Bristol.

Co-operation is required during the preparation stages of plan making. In my view, in order for the review of the Bristol City plan to be effective, co-operation should be being pursued now and North Somerset should be an active participant. The outcome of such a review is uncertain but, at least in this specific matter, the Council would need to clearly demonstrate that co-operation was taking place with adjacent Councils in an effort to work towards a sustainable result.

Housing requirements

Para 47 of the NPPF requires Councils to 'boost significantly the supply of housing' by, amongst other things, using the evidence base to ensure that the full, objectively assessed needs for market and affordable housing in the housing market area is met. Para 159 requires Councils to have a clear understanding of housing needs in their area. It advises Councils to prepare a SHMA to assess the full housing needs, working with neighbouring Councils where housing market areas cross administrative

boundaries, and specifies that it should meet household projections, taking account of migration and demographic change. Whilst a West of England SHMA was undertaken in 2009 and an up-dated version is currently being prepared, the Council's housing requirement does not appear to be reliant on this recommended standard of evidence. Instead, it relies on an assessment for the local authority area based on a jobs:houses multiplier approach.

In these circumstances, the re-examination of Policy CS13 will need to address the following:

- a) Whether the scope of the Core Strategy properly addresses housing issues in the wider area and whether the local housing market area is limited to the local authority boundary.
- b) Whether the Council's approach would enable the full, objectively assessed needs for market and affordable housing (including any backlog) to be identified in-line with NPPF guidance.
- c) Whether the Council's approach, which employs a jobs:housing multiplier, is an appropriate tool for the assessment of housing needs:
 - Does the methodology provide a realistic assessment of jobs created?
 - Does it properly assess the whole of the housing requirement including 'inherent demand'?
 - Is the 'multiplier figure' employed appropriate for this authority?
 - Is it proper to base the housing requirement for the whole of the plan period on such an assessment when it could be subject to wide fluctuations in economic activity?
 - How would the approach provide the degree of flexibility that is necessary to meet changed circumstances?
- d) Whether the Council's approach would enable the full, objectively assessed needs for market and affordable housing to be met in-line with NPPF guidance.
- e) Whether there are any adverse impacts which would significantly and demonstrably outweigh the benefits of meeting objectively assessed needs.
- f) What would be the likely effects of the Council's approach to meeting housing requirements:
 - On out-commuting?
 - On in-migration of the non-economically active?
 - On house prices?
 - On attracting employment?
 - On satisfying the housing needs of those who need to live and work in the area?

Conclusions

Until I have had the opportunity to study the representations and evidence base, and the matters which I have set out above are properly re-examined, I would not be able to reach any complete conclusions on the soundness of the Core Strategy. However, some matters already stand out as being problematic. The first is the issue of whether the document is in-line with NPPF guidance. Even at this early stage it would appear that, in terms of the way in which Councils should assess the need for housing and should plan to meet those needs, the Core Strategy does not comply with the guidance. The second issue is whether, in the light of the changed 'strategic' context, a document which is 'inward-looking' and does not appear to be based on addressing the potential housing issues of a wider area could be found sound. I consider that these matters would go to the heart of the Core Strategy and are unlikely to be capable of being addressed by making Main Modifications

Before proceeding further, I would suggest that the Council should give serious consideration to, what I consider to be, these fundamental issues and should assess whether it would be worthwhile to proceed further through, what is likely to be, a costly and time consuming re-examination process.

Yours faithfully,

Roland Punshon

INSPECTOR