JSP Technical Evidence Work Consultation

Business West Chambers of Commerce & Initiative Submission

7 January 2019

Introduction

1. Business West Chambers of Commerce & Initiative is the main business representation and leadership organisation for the West of England. We have been working on behalf of businesses in the region for nearly 200 years and now represent nearly 22,000 businesses, from new start-up companies through to the major private and public employers. We are also members of the board of the West of England’s Local Enterprise Partnership.

2. As a Chamber of Commerce we are not representing any specific business interests or sector, but are submitting evidence based on our independent view of the long term economic interests of the region and the whole spectrum of businesses who operate here.

3. We fundamentally recognise the importance of long term planning and the direct connection between housing supply, employment land and sustainable economic growth and strong communities.

4. We have also long encouraged the four West of England authorities to plan ambitiously for the long-term future in terms of housing, transport and employment and so very much welcomed both the Joint Spatial Plan and Joint Transport Study and the close working of the West of England authorities that underpins this. We believe this is vital in order to successfully plan our future housing supply and secure our future economic growth needs.

5. We have previously made detailed submissions to the West of England local authorities Joint Spatial Plan (JSP), upon which much of the framework for this Technical Evidence consultation is based. This included independently conducted evidence and analysis in the areas of housing need and employment land provision.

6. We have read through the new evidence presented by the West of England in this technical consultation. We continue to have significant concerns with the JSP, in relation to its overall ambition for the region and its findings in relation to housing need and planned housing numbers, employment land and the sustainability of some of its chosen spatial locations. We remain
concerned that the evidence presented by ourselves has not been responded to or led to any apparent changes to the JSP.

7. We continue to have an overriding concern about the sustainability of the current JSP framework, arising from weaknesses in the JSP’s Sustainability Appraisal process, weaknesses and fundamental shortcomings in the JSP’s Green Belt review and a lack of proper influence of the findings of the Joint Transport Study and its related evidence base upon the resulting Spatial Development Locations chosen by the West of England authorities.

8. We also have specific concerns that the JSP’s 2016 Economic Development Needs Assessment (EDNA) has significant flaws, including serious methodological weaknesses. These risk seriously under allocating employment land in our core economic centres and squeezing economic activity and growth potential. These concerns about methodological flaws have been borne out by the most recent update employment evidence for the West of England Authorities by Hardisty Jones associates. This new study itself, however, remains problematic and the evidence as presented does not support the case for the JSP to be found sound on this set of issues.

9. We continue to believe that the ambitions of the JSP remain limited in relation to the economic requirements of our region. We believe the approach of the JSP will lead to continued significant pressure on house prices and rents across the region. This will negatively impact upon the wider economy, the functioning of our labour market and upon individual employees and businesses. There are continuing issues in terms of affordability of rents and house-prices for lower income households.

10. We also believe the economic and business impact of unsustainable development will be negative for the West of England. We continue to believe that some of the Strategic Development Locations set out within the JSP are too far from employment markets, will generate too much congestion and the costs of mitigation for these locations is unjustifiably large compared to other available locations.

11. We set out these concerns in more detail below. This includes sections in this submission which address:
   - The growth ambitions of the JSP and the new technical evidence to support this ambition.
   - The sustainability of the JSP, particularly as regards its spatial strategy its choice of some Strategic Development Locations and the process and evidence used to make these choices.
   - The viability work of the JSP and the significant shortfall between the implications for mitigation costs for the current spatial choices of the JSP and plausible funding for these choices.
   - The continued weakness of the JSP and its evidence base in relation to employment need and assessment of future provision of employment land.

1 West of England JSP: Updated Employment Evidence, Final Report (WED006), Hardisty Jones Associates November 2018
Broad Concerns about Growth Ambitions

12. We remain concerned that the plans and supporting evidence set out within the JSP do not meet the future economic needs of the region. This includes an appropriate level of future housing to cope with our current and future housing pressures and labour market needs or in providing a sufficient level of employment land to meet the current and future growth needs of our business base.

13. The new Consolidated Sustainability Appraisal (WED009) states that “The Vision and Strategic Priority 2 make reference to the West of England as one of the fastest growing and most prosperous city regions in Europe and state that the economic growth objectives of the LEP Strategic Economic Plan are to be supported” (para 5.10). This implies a cap to growth and strengthens our previous submission evidence that the West of England is constraining future economic growth through the lack of provision for adequate future household and population growth.5.

14. We do not believe this level of ambition is supported by the details of the JSP.

15. Despite having strong growth potential3, the Bristol city region does not currently feature in the top twenty European Cities by GVA. Bristol city region has a lower productivity rate per worker than the 330 European cities average.4

16. The JSP and this Technical Evidence Consultation presents no new evidence of how this performance will be improved, relative to the ambition of other city regions, either in the UK or Europe.

17. We are disappointed that the JSP does not seek to set out an ambition which could help it meet its vision. We are particularly disappointed that the new Consolidated Sustainability Appraisal admits that current levels of ambition will mean seeking to achieve lower rates of growth than the region has achieved in the past, see the quote that: “the WoE local authorities consider the medium-high Oxford Economic [2015] forecasts to still be ambitious; although lower than previously achieved across the region.” (para 4.91 CSA – our emphasis)

18. We are disappointed that the West of England stance is to justify its lower economic growth ambition and forecasts on housing capacity grounds that do not sufficiently address the constraints that current housing availability, with its knock on effects for housing costs and labour market supply, have on sustainable economic growth.

19. For example, the new 2018 Consolidated Sustainability Assessment states that “Given that the WoE is close to full employment, it is reasonable to expect a slowing of jobs growth as a result of less slack in the labour market” (para 4.91). This implies a cap to growth and strengthens our previous submission evidence that the West of England is constraining future economic growth through the lack of provision for adequate future household and population growth.5.

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2 West of England JSP: Consolidated Sustainability Appraisal, November 2018
3 As set out in our previous submission, Bristol fares well compared to other UK cities on factors like business growth, patents per 100,000 population, economic structure
4 Centre for Cities, ‘Competing with the Continent’, London September 2016
5 See previous evidence submitted to the JSP from Business West, including ‘Planning for housing in the West of England — the scale of the challenge’, Professor Glen Bramley, November 2015 and ‘Further Analysis and
20. The new 2018 Consolidated Sustainability Assessment also states that the West of England economy will be “Growth in high value, knowledge based sectors (e.g. professional and tech services), which are driven more by quality rather than quantity of employment” (para 4.91). Yet this ignores constraints in the West of England’s own skills supply and the long held problems within our local training and skills providers of attracting sufficient levels of skilled labour from the domestic population for higher value businesses and sectors. The West of England has been a net importer of skilled labour for some time, from both internal UK and external international migration. The wider JSP strategy of limiting housing growth will make it harder for employers to recruit for these higher value sectors from outside the region, and thus threaten economic growth.

**Economic Growth Ambition**


22. As we stated in our previous submission, new 2017 figures from Oxford Economics on jobs growth forecasts are significantly higher (at 26,922 more jobs, or a 33% increase). The previous Oxford Economics 2015 forecast under a ‘medium-high growth scenario’ were 81,607 new jobs. The 2017 forecasts are for 108,529 new jobs under the same ‘medium high growth scenario’.6

23. Our previous submission noted our disappointment that the 2015 Oxford Economics figures were those on which the 2016 West of England JSP and 2016 SHMA were based.7

24. We are more surprised that these Oxford Economic 2015 forecasts have continued to be used as the basis of the further assessments carried out in the 2018 Updated Employment Evidence report and in the 2018 Consolidated Sustainability Assessment.

**Growth and Housing Ambition**

25. The West of England authorities’ new evidence continues to plan for housing numbers of “up to 105,000 homes”.8

26. As set out in previous submissions, in collaboration with Professor Glen Bramley from Herriot Watt University, our evidenced view is that the West of England needs to raise its current planned housing numbers if it is to significantly impact on outcomes around housing need, wider housing costs and the impact on the gap between households and employment opportunities. The number Professor Glen Bramley thought was appropriate was “at least 132,000”.9

27. Since 2016, the government has brought in a new Standard Methodology for calculating housing need. The Standard Methodology was amended in October 2018 to strengthen underlying

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6 Business West JSP submission, 10th January 2018
7 Business West JSP submission, 10th January 2018
8 West of England JPS: Consolidated Sustainability Appraisal, November 2018, para 4.5
9 See previous evidence submitted to the JSP: ‘Further Analysis and Commentary on the West of England Joint Spatial Plan’, Professor Glen Bramley, December 2016 / January 2018
household projection data. For the West of England, the figure the Standard Methodology produces is now 116,700 homes.\textsuperscript{10}

28. The current round of new evidence and in particular the 2018 Consolidated Sustainability Appraisal uses a now out of date figure of 110,000 as the Standard Methodology figure when considering “reasonable alternatives to the JSP”.

29. The planned housing numbers proposed in the JSP are not only well below the figure generated by the standard methodology, they also reference the now out of date, lower figures. We believe that the Consolidated Sustainability Appraisal needs to be updated to reflect the new 116,700 homes figure.

30. We are also concerned that the government’s Standard Methodology figure is not being taken seriously enough by the West of England authorities new evidence assessments. The Standard Methodology is now government policy for assessing housing need in order to “ensure local planning authorities plan for the right homes in the right places, in an open, transparent and sustainable way” in order to “deliver […] the homes this country needs, in the places people want to live”.\textsuperscript{11}

31. Yet, in the new Consolidated Sustainability Assessment, the West of England authorities call its Standard Methodology figure a “medium high scenario” (para 4.12) rather than a baseline.

32. The JSP Consolidated Sustainability Assessment says that the West of England authorities believed that other housing assessments “were not considered to be reasonable alternatives” (para 4.5) due to “assumptions used, underlying data quality or being based on future economic growth rather than demographic growth” (para 4.5). Yet it does not give sufficient detail as to why other housing assessments, including the government’s own Standard Methodology, are incorrect. We believe the West of England authorities need a stronger justification for not following and under providing compared to the government’s own preferred methodology or our reasonable alternative.

33. We welcome the fact that the new Consolidated Sustainability Assessment recognises that higher housing numbers would lead to more “significant positive effects for affordable housing and employment objectives” (para 4.18)

34. We also remain puzzled by some of the reasons given by the West of England for rejecting a more ambitious housing number. Given the high and rising housing costs in both housing and rental markets and the negative impact this has on the attractiveness of our city region, the West of England authorities reject a more ambitious approach on the ‘negative’ outcome that it “could enable more households to form independently” (para 4.6). Allowing more young people, young families and more people in housing need to form independent households is not seen as a negative from our perspective.

\textsuperscript{10} See \url{https://www.gov.uk/government/consultations/changes-to-planning-policy-and-guidance-including-the-standard-method-for-assessing-local-housing-need} 26th October 2018

\textsuperscript{11} Quotes taken from \url{https://www.gov.uk/government/consultations/changes-to-planning-policy-and-guidance-including-the-standard-method-for-assessing-local-housing-need} 26th October 2018
35. It is worth noting, that since the first publication of the JSP, one of the West of England authorities, Bristol City Council, has also publically stated that they do not consider that the 105,000 figure is ambitious enough.

**JSP Spatial Weaknesses relating to Sustainability**

36. As we have made clear in previous submissions, we are highly supportive of greater growth ambition within the region, including providing more homes, employment and growth opportunities for our businesses and people.

37. We also believe that this growth needs to be within a framework that ensures it is sustainable. Having growth happen in sustainable locations is critical if it is to ensure that the costs of growth are minimised whilst the benefits maximised. This means growth must occur in a spatial and infrastructural framework that maximises the opportunities for supporting transport and other infrastructure and enables our main employment and residential locations to be within close proximity.

38. We consider the current draft of the JSP and the latest evidence presented to continue to fall significantly short of what is required for sustainable development in the West of England’s plans, particularly the sustainability issues raised by the spatial elements of these plans.

39. We continue to have serious concerns over the approach in the JSP towards Strategic Development Locations in respect of movement and transport infrastructure, both for the Plan period and the implications for continuing growth beyond the Plan period.

40. As noted in previous consultations, we consider that the economic prosperity of the region needs to have a spatial plan that:

   - Delivers housing growth as close as possible to the main economic and jobs centres in the region.
   - Does so in a way that maximises the opportunity for sustainable travel.
   - Allows as close an alignment as possible between new development and existing sustainable transport infrastructure.
   - Creates a plan with Strategic Development Locations that have the strongest viability, to allow greatest capture of land value from future development and reduce the risk of either economic shocks or lack of provision of future infrastructure jeopardising delivery.

41. We remain concerned that the approach set out in the JSP continues to fail to achieve these goals and that this puts the overall framework for growth on a weakened footing, with potential detrimental impacts on the long term prospects of the region.

42. We are particularly concerned that the current spatial elements of the plan in general put development too far away from employment centres and are not well aligned with transport infrastructure and that this cuts against core principles of sustainable development. On certain
corridors which traverse the Green Belt it will lead to longer journey times from settlements at some distance from major employment centres, increased costs to business and individuals, increased congestion and air pollution along routes with inadequate provision or plans for realistic alternatives to car-based commuting.

43. We believe the current JSP proposals have not been the result of a credible process of assessing the sustainability of spatial locations. The new evidence presented does not change this fundamental assessment.

44. We continue to believe that the West of England have not fairly assessed the sustainability impact as required under the NPPF or conducted its transport studies in a way which has meaningfully influenced the outcomes of the JSP. The result is that the evidence and process of the JSP has not put forward objectively assessed locations chosen because of their relation to the West of England’s current or future employment markets or its current or future transport infrastructure.

45. The current JSP does not take satisfactory or consistent account of the core planning principle of achieving sustainable development as required by the NPPF.

46. In particular:
   - The West of England has not conducted a satisfactory or meaningful sustainability appraisal and a sustainability appraisal has not guided the key strategic decisions about spatial locations and allocations. The most recent 2018 Consolidated Sustainability Appraisal finds significant sustainability shortcomings from the JSPs spatial choices, but this has not resulted in any material change to the choices within the JSP or of clearly unsustainable Strategic Development Locations (SDLs).
   - The clear sustainability implications of the Joint Transport Study and recent transport topic papers and the 2018 Emerging Findings Transport Report have failed to properly influence and inform the decisions made by the West of England on proposed spatial locations. There is a continuing lack of a transparent transport evidence base linking JTS and transport analysis and JSP proposals.
   - There is a lack of proper consideration given to the connection between areas of housing need and jobs growth identified in the SHMA and the spatial locations proposed in the JSP.
   - The West of England continues to take key strategic decisions on spatial location in a way that is predetermined by a decision to protect the Green Belt and that takes little account of the need for Green Belt use to be set in the wider context of achieving sustainable development.
   - The previous and new evidence for transport, groups Strategic Development Locations (SDLs) for analysis, meaning individual SDLs have not been able to be assessed on merit or their individual sustainability impact.
   - There remains a high degree of uncertainty over the likelihood of securing the necessary levels of mitigation infrastructure funding in the times required, with very significant gaps remaining.

12 West of England Joint Spatial Plan: Consolidated Sustainability Appraisal November 2018
between likely available funding and required funding, particularly for the most unsustainable SDLs.

47. We address these concerns in more detail below.

The JSP spatial strategy fails to reflect key principles of the JSP and findings of its evidence base

48. The new Consolidated Sustainability Assessment says that “the JSP should reflect the following key principles” (para 4.79):

- “The use of greenfield locations should be minimised but if needed, locations well related to existing urban areas should be used, either by physical proximity or on existing or potential sustainable transport corridors.”
- “Recognition that locations in the Green Belt are likely to be needed...”
- “Some locations must be well related to Bristol to assist with meeting those parts of the housing need that it does not have the capacity to accommodate.”
- “Favouring locations which have cumulative benefits in infrastructure provision, in that they can both facilitate the provision of new infrastructure as well as addressing existing pressure on existing infrastructure”

49. The new JSP Consolidated Sustainability Assessment also sets out other policy objectives that the JSP is meant to follow.

50. “Spatial Objective 6 was to “Focus new housing and employment which facilitate public transport and active travel methods and limit substantial new housing and employment in locations which would exacerbate unsustainable travel patterns.”” (para 4.110 CSA)

51. “In the Towards the Emerging Spatial Strategy JSP in November 2016, it was stated that in order to support the additional development required as a result of the spatial strategy, the approach to infrastructure provision seeks to:
- maximise the effectiveness of sustainable travel choices and encourage mode shift (to rail, MetroBus, Park & Ride, bus, cycling, walking);
- maximise the effectiveness of non-car mode choices for both urban living and new development outside existing urban areas” (para 4.114 CSA)

52. Yet, the current draft JSP does not follow these principles when making its spatial choices. These principles have not been followed in the decisions made around SDL locations.

53. The new Consolidated Sustainability Assessment also makes the following observations about Green Belt:

“Seeking to avoid the Green Belt entirely would result in a strategy which would entail highly unsustainable patterns of development. Given this would fail to perform in transport terms and for which mitigation would in any event only be partial, it would be very difficult to deliver and would severely compromise the JSP’s Strategic Priorities. Therefore in light of the extent of the
need for housing, the need to prioritise the most sustainable locations, and the lack of reasonable alternatives in relation to the Housing White Paper options, the 4 UAs concluded that there were exceptional circumstances that justified the release of locations from the Green Belt in order to formulate the most appropriate spatial strategy for the JSP” (para 4.80 CSA).

54. Having recognised the exceptional circumstances test for Green Belt release has been met, the West of England authorities following spatial choices around Green Belt and ‘beyond the Green Belt’ locations then fail to follow these aims of achieving sustainable patterns of development.

55. We continue to have significant concerns that the West of England authorities have not conducted a robust and proper Green Belt Assessment and that this did not happen within the wider required NPPF guidance on achieving sustainable development (see previous Business West JSP submissions).

56. The new evidence presented by the West of England authorities does not address this, and there has been no attempt to address these weaknesses in the approach to Green Belt in the Technical Evidence presented.

The Consolidated Sustainability Assessment highlights weaknesses that the JSP does not then address

57. The November 2018 Consolidated Sustainability Appraisal highlights clearly that alternative spatial choices available to the West of England authorities (both Scenario 2: ‘Concentration at Bristol urban area’ and Scenario 3: ‘Transport focussed’) would achieve better sustainability outcomes than the current chosen spatial option of Scenario 1: ‘Protection of the Green Belt’ and that some of the current Strategic Development Locations are not currently, nor can easily be made, sustainable options.13

58. For example, the November 2018 Consolidate Sustainability Appraisal states:

- “Scenario 2: Concentration at Bristol urban area and Scenario 3: Transport focussed are likely to have the most positive effects because they include strategic development locations that are well related to Bristol and the larger settlements in the plan area and/or sustainable transport links. Therefore, there would be better access to a range of existing services, facilities and employment opportunities that would reduce the need to travel by car.” (para 4.49)

- “Scenario 2: Concentration at Bristol urban area would help to provide new growth at locations which are well related to the more developed locations of the West of England, particularly by sustainable modes of transport. As such, given that these locations provide access to the widest range of services and facilities, a significant positive effect is expected for this approach in relation to SA objectives 1c: access to healthcare facilities, 2c: access to community facilities, 2d: access to educational facilities, and 2e: access to town centre services and facilities.” (para 4.49)

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13 West of England Joint Spatial Plan: Consolidated Sustainability Appraisal November 2018
59. The Consolidation Sustainability Appraisal also notes “the more isolated locations of some of the SDLs” (para 4.62) and that “higher levels of car use are likely to occur as more locations with limited sustainable transport links would be developed.” (para 4.48)  

60. Other weaknesses in the JSP highlighted by the 2018 CSA include:
   - “Many of the areas located beyond the Green Belt have relatively poor travel choices and therefore pose challenges in improving travel choices and mitigation of their impacts. Development in Nailsea and Backwell, Banwell and Churchill, Coalpit Heath, Buckover, Charfield, Yate and Thornbury will increase travel distances and improvements will be required to travel choices from these locations. Banwell and Churchill are particularly problematic in transport terms” (para 4.132)
   - “Some more rural locations (including Buckover, and Banwell and Churchill at the M5 to A38 corridor) have been included as part of the spatial strategy as SDLs which would provide new settlements. These locations will have limited access to existing services and facilities, particularly those of a more substantial nature.” (para 4.73)
   - “The TESS spatial strategy supports growth at SDLs which would provide varying levels of access to the more developed locations of the sub-region as well as the major employment areas.” (para 4.76, our emphasis)

61. Yet these issues brought up within the new evidence have not merited an assessment of what chosen or alternative spatial locations means for transport mitigation costs, congestion costs and levels.

62. Despite the serious weaknesses it highlights in the spatial choices made by the JSP, we are concerned that the approach of the new Consolidated Sustainability Assessment is weak in making overall assessments of sustainability.

63. The areas in this assessment where the alternative scenarios (2 & 3) scored less than the current JSP are weaker in supportive evidence. For example, the new CSA suggests scenario 2 and 3 (transport focused) would “contain high concentrations of heritage” (para 4.56), but provides no evidence that this is the case vs the alternatives. This assertion seems questionable given that transport focused urban extensions are likely to be on green field sites away from existing concentrations of heritage.

64. The CSA also states that because “areas of Bristol have historically been subject to surface water flooding”, urban extensions to Bristol “could therefore result in increased levels of development in areas which are historically at risk of flooding” without providing any specific evidence that this would be the case on a site by site basis or exploring possibilities of flood-risk mitigation (para 4.58).

65. The CSA also states that “Scenario 1: Protection of the Green Belt would result in less development proceeding at greenfield land at locations which are in the open countryside thereby helping to protect its open, undeveloped and rural character” (para 4.57). But this is not true, because:

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14 West of England Joint Spatial Plan: Consolidated Sustainability Appraisal November 2018
The West of England’s previous Green Belt review prioritised for protection those Green Belt sites which were closer to urban areas and to transport infrastructure, giving a lower weighting to Green Belt in open countryside [see previous Business West submissions15]

Many of the SDLs chosen due to ‘protection of the Green Belt’ are in open countryside with an open, undeveloped and rural character. The only difference is that this open countryside happens to not be in the Green Belt.

The same Sustainability Assessment states elsewhere that “a high amount of greenfield land would be developed upon through the approach of the TESS spatial strategy considering the more rural location of the SDLs identified for development.” (para 4.77)

Transport and the JSP

66. The West of England set out to plan its future housing and employment land growth alongside its transport needs, through the parallel publication of the Joint Spatial Plan and Joint Transport Study (JTS). This is to be welcomed as an entirely sensible approach – given how interlinked the two elements are.

67. The current framework for spatial planning set out by the JSP for growth in housing, employment and urban living, however, remain at risk of being unsustainable and creating serious problems of future congestion, accessibility and undermining the region’s economic vitality.

68. The latest 2018 version of the NPPF sets out clear guidelines on the need to consider sustainable transport impacts during plan making. They include:

- NPPF Paragraph 102: “Transport issues should be considered from the earliest stages of plan-making and development proposals, so that:
  a) the potential impacts of development on transport networks can be addressed;
  b) opportunities from existing or proposed transport infrastructure, and changing transport technology and usage, are realised – for example in relation to the scale, location or density of development that can be accommodated;
  c) opportunities to promote walking, cycling and public transport use are identified and pursued;
  d) the environmental impacts of traffic and transport infrastructure can be identified, assessed and taken into account – including appropriate opportunities for avoiding and mitigating any adverse effects, and for net environmental gains”

- NPPF Paragraph 103: “The planning system should actively manage patterns of growth in support of these objectives. Significant development should be focused on locations which are or can be made sustainable, through limiting the need to travel and offering a genuine choice of transport modes.”

15 For example, Business West JSP consultation submission 10th January 2018
• NPPF Paragraph 108: “In assessing sites that may be allocated for development in plans, or specific applications for development, it should be ensured that:

a) appropriate opportunities to promote sustainable transport modes can be – or have been – taken up, given the type of development and its location;

69. We fundamentally do not believe that the JSP and the latest evidence assessments have followed these guidelines when making their spatial choices for development.

Transport Sustainability of Strategic Development Locations

70. Whilst Business West accepts that it is for the West of England authorities to decide on Strategic Development Locations based on a range of sub regional and local considerations, we believe that Many of the current proposed Strategic Development Locations set out in the JSP cannot be made sufficiently sustainable from a transport perspective, when compared to others which could have been reasonably included. This view is supported by the West of England’s own transport assessments and by its most recent Consolidated Sustainability Appraisal.161718 19

71. The current JSP and the concentration of Strategic Development Locations ‘beyond the Green Belt’ will lead to a significant diversion of financial resources, which the West of England estimates at £2 billion, including £1.8 billion of public subsidy20, towards transport investment that would be better spent elsewhere and which would be better able to support economic growth in the region.

72. The transport testing of strategic options set out in the appendices to the JSP Transport Topic Paper (November 2016) concluded with two key principles (p40):

• “Firstly, sites closer to the urban area are, in general, easier to serve with good quality transport options”

• “Secondly, many of the sites located beyond Green Belt have relatively poor travel choices and therefore pose challenges in improving travel choices and mitigation of their impacts”62

73. These findings by the West of England’s transport consultants, and contained in the West of England’s own transport topic paper, are highly critical of the ‘beyond the Green Belt option’. The WoE JSP Transport Topic paper concludes that:

“Test 1 [building beyond the Green Belt] has fundamental challenges. Locating development beyond the Green Belt results in large volumes of travel on sub-regional corridors, with poor travel choices in many cases. The road network has a number of capacity constraints, causing serious congestion problems at a number of locations. Particular problems are forecast at Yatton, Nailsea, Bristol Airport and routes from the Somer Valley to Bristol. In particular, the testing has forecast high volumes of traffic using M5, which will be difficult to mitigate. It is possible to implement measures to promote good travel choices and mitigate impacts, but the

17 West of England Joint Spatial Plan: Transport Topic Paper 8 (update), November 2018
18 West of England Joint Spatial Plan: Emerging Findings Transport Report, November 2018
19 West of England Joint Spatial Plan: Consolidated Sustainability Appraisal November 2018
The fundamental challenges of longer-distance travel remain. The mitigation package for Test 1 is estimated to cost £2.0 billion: this is the most expensive of the three tests, and even then the mitigation package cannot fully address the journey time impact of the developments in this test.” (Page 40)

74. At this point, to meet the requirements of NPPF 2018 paragraphs 136 and 138, the West of England authorities should have made adjustments to their spatial strategy, but they did not.

75. These transport studies were followed by a Transport Topic Paper in April 2018, a Transport Topic Paper 8 (Update) in November 2018 and alongside it, an Emerging Findings Transport Report, also November 2018.

76. The new WED007 Transport Topic Paper 8 Update continues to highlight the serious negative transport impacts of the proposed SDLs. This includes the observations that:

- “Many people living in rural areas, villages, small towns and suburban areas are heavily dependent on cars in meeting their movement needs” (page 23 WED007)
- “The residential allocations [from the SDLs] result in significant outbound traffic during the AM peak and inbound traffic during the PM peak” (page 22 WED007)
- “This poses a challenge of managing and accommodating heavy travel demands”. (page 22)
- “Forecast car trips to and from the urban living areas ... are substantially lower than those for the SDLs reflecting greater potential for trips by sustainable transport modes.” (page 22)
- “In the case of the SDLs, there is currently a relatively high level of dependence on travel by car in many cases. Large numbers of people commute from these communities... in many cases significant investment will be required to improve public transport choices. In many cases this will be challenging, due to relatively low levels of service provision and long journey times to key destinations.” (page 25)

21 Additional findings in the West of England’s JSP transport topic paper found that:

- “The costs [for building beyond the green belt] ... are higher because significant infrastructure is needed to improve travel choices and mitigate the impacts of longer distance traffic”. (Page 38)
- “This ... generates significant long distance travel, including traffic on the M5, which will be difficult to mitigate.” (Page 30)
- “There are significant numbers of trips on key routes, for example A370, A371, A38, A37, A39, A362, A367, B3116, A4 (East), A432 and B4058. The M5 is used by traffic from Yatton/Congresbury and Clevedon via Juncions 20 and 21. ... These routes would experience increased traffic delays, particularly at junctions.” (Page 30)
- “Overall, the traffic impacts of this [for building beyond the green belt] ... will be difficult to fully mitigate due to the long travel distances to key destinations.” (Page 31)
- “The proposed mitigation packages are substantial ... This is particularly the case for Test 1”. (Page 39)
- “Test 1 showed the largest increase in journey times across the network before mitigation is applied. This is due to the relatively long distances between new housing and key destinations, together with significant congestion impacts on the network. Tests 2 and 3 showed much lower increases in journey times before mitigation is applied. This is due to shorter distances between new housing and key destinations and more concentrated congestion impacts.” (Page 39)
- “However, in the case of Test 1, it was not possible to fully mitigate the impacts and overall journey times would be slightly higher” (Page 40)
- The SDLs “will generate large volumes of travel demand, which will be concentrated in key transport corridors” (page 26)

77. WED007 finds that the SDLs, “account for around 60% of additional vehicle trips” despite making up 40% of the housing allocated within the JSP. It also found “that the implied trip rate for additional dwellings not located in SDLs is around half that of those located in the SDLs” (both quotes page 23 WED007).

78. Additional traffic generated will lead to “significant impacts of the SDLs in the south east, south west and northern parts of the sub-region” (page 26). Whilst “the concentration of new housing and employment at the SDLs is forecast to result in significant delays on certain parts of the highway network” with “increases in traffic delays” on 18 highlighted roads, motorways and motorway junctions across the region. (page 29)

79. WED007 also finds that the JSP will lead to increases in congestion that will mean “the average delay experienced by users of the network would increase by 20%, which would contribute to an overall 4.4% increase in average journey times and a 4.5% reduction in traffic speeds across the West of England”. (page 26)

80. Despite these recent additional findings, the West of England authorities have made no adjustments to the spatial strategy within the JSP.

81. The publication of these later documents therefore do not change our concern about the sustainability of some SDLs or the need for a thorough Green Belt review to assess more sustainable development through either Scenario 2: ‘Concentration at Bristol urban area’ and also Scenario 3: ‘Transport focussed’ as set out in the Consolidated Sustainability Assessment.  

82. The Emerging Findings Transport Report include summary findings on study reports which have not been published. To appraise the soundness of the SDLs, these must be available as JSP documents by the time the spatial aspects of the JSP are considered.

83. We also believe the current JSP will lead to higher infrastructure costs and fewer resources being available from land value capture, thus making it harder to pay for infrastructure requirements or support the West of England’s ability to deliver the affordable housing it needs. This is backed up by our concerns over the recently published West of England Updated Viability Assessment.

The JSP, Viability and the WED005 Updated Viability Assessment

84. The delivery of the draft JSP will be linked closely to the ability to deliver the necessary supporting infrastructure – in particular for those SDLs which are currently unsustainable.

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22 West of England Joint Spatial Plan: Transport Topic Paper, April 2018  
23 West of England Joint Spatial Plan: Transport Topic Paper 8 (update), November 2018  
24 West of England Joint Spatial Plan: Emerging Findings Transport Report, November 2018  
25 West of England Joint Spatial Plan: Consolidated Sustainability Appraisal November 2018
85. The new Technical Evidence presented makes clear that the JSP will require a high level of funding for the recommended infrastructure and that the bulk of this will need to come from public sector sources.

86. For example, when discussing the proposed SDLs the new Consolidated Sustainability Assessment says:

- “Access to these areas from the more isolated SDLs will be dependent in part on the delivery and phasing of new infrastructure.” (para 4.19 CSA)

- “Many of the SDLs in areas which are less well related to the larger settlements in the plan area would be delivered in line with garden village principles and therefore it is assumed that new services and facilities would be supported”. (para 4.19 CSA – our emphasis)

- “SDLs at the more rural locations of Banwell and Buckover with higher levels of growth identified would be delivered in line with garden village principles and therefore it is assumed that new services and facilities are likely to be supported”. (para 4.62 CSA – our emphasis)

87. But from the perspective of preparing a sound plan, these assumptions cannot be guaranteed without substantial infrastructure and services funding from central government – of which there is significant doubt.

88. In the event that this is not provided to the extent envisaged, the suggested allocations, beyond the Green Belt in particular, will either be prejudiced or need to proceed without necessary infrastructure. The JSP should be more resilient to uncertainties over future levels of infrastructure funding.

89. The Treasury requires central government transport infrastructure funding to satisfy viability tests. Just because infrastructure meets local perceived needs does not mean that this will be accepted for funding by the Treasury. In addition to demonstrating viability, bids for funding will be compared with bids from elsewhere and accorded a priority.

90. The level of infrastructure funding that the West of England says it will require from central government will also be set, amongst other things, against the number of houses it can deliver. This does not compare favourably with other parts of the UK.

91. For example, an economic assessment of the Oxford to Cambridge corridor identified required transport and infrastructure funding costs totalling £9.2 billion. This was projected to deliver an additional 148,000 homes, on top of the 150,000 homes already identified in housing plans along the corridor26

92. In comparison, the West of England currently has identified a required £6.7bn investment for existing transport deficits to go alongside its existing committed 62,000 housing units. The West of England has also identified a further infrastructure investment of £6.3bn + £1.8bn to unlock the additional 44,000 units currently identified in the JSP.

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26 Centre for Progressive Policy, Funding the Infrastructure for the East West Corridor, October 2017
93. The West of England therefore has a total infrastructure ask of £14.8 billion, 30% higher than the Oxford to Cambridge corridor, to produce only 35% of Oxford to Cambridge’s possible housing output.

94. Although there is a strong argument to be made that the South West has received a lower level of infrastructure funding from central government than other regions of the UK, from the perspective of HM Treasury, the West of England’s infrastructure demand will be seen as unlocking a disproportionately small number of housing units. This raises serious doubts as to whether these funds will be realisable from central government, particularly given the current fiscal position of the UK.

95. The new or existing available transport evidence that the infrastructure required to allow the suggested strategic allocations to proceed, particularly taking account of infrastructure needed to address existing shortcomings and commitments and those SDLs beyond the Green Belt, remains in our opinion too weak to justify the spatial choices made in the current JSP. In particular it does not sufficiently address whether individual SDLs will meet the required viability tests of central government.

96. We do not have confidence that the general findings set out in the summary of programme affordability in WED007 have sufficient credibility for funding prospects for the transport infrastructure needs of a range of individual JSP SPL sites. Reliance should not be placed on strategic allocations unless there is a reasonable prospect that necessary infrastructure will meet viability tests.

97. In addition, many of the sites identified within the JSP process, notably some of the Strategic Development Locations, have very large gaps identified between the likely infrastructure funding raised locally and the cost of infrastructure mitigation measures identified in the JSP evidence papers.

98. The costs of mitigating a strategy based largely on sites beyond the Green Belt are the highest of the strategic options. While transport impacts might be mitigated to varying degrees, the funding required to achieve this is greater and substantial. There is no indication of an analysis which shows that the additional costs justify a lack of a meaningful consideration of alternative spatial options.

99. In the West of England’s WED005, Updated Viability Assessment, SDL total infrastructure requirements are based on a headline transport infrastructure contribution per dwelling of £5,000 (based on a well-connected and high value site at Filton, north Bristol).

100. The total contribution of SDL’s to transport infrastructure funding is seen as remaining at a simple multiple of this (para 3.4.15).

101. There therefore remains a significant funding gap between the transport mitigation costs required in the current JSP scenario and this contribution, noting “there will be a requirement for substantial investment from central government in new infrastructure” (para 3.4.16) or “funding from the West of England Investment Fund” which was created “with a strong focus on supporting economic growth”.

16
102. These funding gaps are particularly pronounced for some of the SDL sites within the current JSP. For example:

- **CHURCHILL** – $2675 \times £5000 = £13.4m contribution. Bypass cost (WED008 Table 6.3): £120m. Shortfall £106.6m
- **THORNBURY, BUCKOVER, CHARFIELD** (Taken together as costs combined in WED008) – $(500+1500+1200) \times £5000 = £16m$. Package cost (Table 7.3) £79m. Shortfall £63m.
- **BANWELL** – $1900 \times £5,000 = £9.5m$. Bypass cost (Table 6.3) £55m. Shortfall = £45.5m.\(^{27}\)

103. Business West recognises that there are other local factors that influence the decision for some of the proposed SDLs. However we remain unconvinced that the sub regional evidence which has been presented that makes the case that the JSP’s spatial choices, particularly around the SDLs, justify the additional infrastructure costs they will create versus other plausible alternative choices open to the West of England authorities.

**More detailed concerns about the Updated Viability Assessment and its relation to spatial choices made in the JSP**

104. We believe the Updated Viability Assessment remains at a too general level “a high level review” (para 1.1.11) to provide useful evidence about the choices made in the draft JSP

105. It fails to weigh the viability performance of the range of different possible spatial options, in particular the different range of possible strategic development locations – and therefore does not help inform whether the current spatial choices within the JSP are the right ones.

106. This viability assessment does highlight that performance varies across the region – including highlighting Business West’s previous concerns with some of the spatial choices favoured by the West of England authorities in the draft JSP.

- This includes the more marginal viability of sites in lower value areas, which are further away from the main centres of economic activity and jobs.
- It notes that these viability concerns intensify in South Gloucestershire and, notably, in North Somerset where market values are significantly lower than in BANEs and Bristol. (see tables in Figure 4, WED005)
  - A greater number of the test scenarios in both North Somerset and South Gloucestershire produce viability results that are “marginal” (e.g. para 3.2.21) or are “unviable” (e.g. para 3.2.23) and require a weakening of the Affordable Housing requirements to achieve viability.

107. We think the new viability assessment’s approach to the issue of Strategic Development Locations is weak, in that:

- It does not focus on the costs and benefits of all possible SDL locations, in terms of values and ability to contribute to higher levels of either affordable housing or infrastructure contributions.
- The approach to SDL infrastructure viability is simplistic

\(^{27}\) The above calculations set aside the issue of whether the packages are appropriate. For example the Banwell and Churchill package does not include M5 J21A and improvements to A38, which JTS Nov 2017 said were required for those sites.
o SDL locations are not assessed on their varying level of underlying infrastructure requirements and what this means for total mitigation costs
o There is no assessment of the trade-offs in different type of SDL location between infrastructure costs vs underlying site value or the clear trend that more remote SDL locations have both a lower market value and a higher mitigation cost.

o Although it quotes the previous Atkins study work around possible infrastructure costs and deficits (para 3.4.15), it does nothing to reflect of different viability implications of different SDL sites.

108. The approach to affordable housing and viability in SDLs is notably different to its treatment in the rest of the viability assessment and to the current top level affordable housing aims of the West of England authorities within the JSP.

- Elsewhere in the document, affordable housing test scenarios agreed with officers from the 4 UAs and WOE, are based on an objective of requiring a balance of 5% affordable rented tenure, 70% social rented tenure and 25% of an intermediate tenure (para 2.3.9).
- In the SDL affordable housing assessment, the testing assumes “both 75% affordable rent / 25% intermediate rent and 50% affordable rent and 50% intermediate housing” (para 3.4.10, bullet IX). There is no requirement for a, higher cost, social rented element.
- This exclusion of social rented tenure and the lower cost AH test scenarios departs from the West of England authorities stated affordable housing objectives and does not represent a proper costing of affordable housing requirements.
Employment Land

109. Having the right sort of employment sites in the right locations within the West of England region is vital for the future prosperity of the city-region and the employment opportunities available to local populations. Without appropriate availability of sites and premises we will be unable to attract inward investment internationally or from the rest of the UK. Businesses currently in the city-region and seeking to relocate or expand will be unable to do so locally and are likely to move away or have their growth ambitions constrained.

110. Rising commercial property prices in the West of England risk reducing our competitiveness in relation to other key regional markets from London and the M4 and M5 corridors, as well as weakening our position with the ‘Northern Powerhouse’ cities and Cardiff and South Wales – all of whom have aggressive strategies to drive growth and attract both national and international inward investments and relocations. Our region also faces growing international competition, given the global reach and supply chain structure of many of our region’s key economic sectors.

111. Our city region is currently facing a shortfall in suitable employment space for businesses – something that is being frequently highlighted to us by companies from a broad range of sectors: see for example a recent joint letter from our tech and creative SME members to the West of England authorities attached in Annex 2. It is also facing sharply rising costs as demand outstrips supply.28

112. In our previous submissions to the JSP we highlighted several very significant methodological flaws with the West of England’s 2016 Economic Development Needs Assessment (EDNA), including commissioned work from the employment land specialist, Chris Cobbold from Wessex Economics.29

113. We welcome the fact that the new WED006 Updated Employment Evidence recognises some of these methodological flaws and that this has resulted in substantial changes to the evidence base for the demand requirements for employment land for the JSP.

114. This new evidence clearly demonstrates the extent of shortcomings in the West of England’s previous EDNA. For example, the acceptance by WED006 Updated Employment Evidence that the West of England should have assessed net not gross supply changes, meant that it found that:

- Actual required supply of West of England office employment land **needs to be more than doubled** compared to the 2016 EDNA
- Actual required supply of industrial land **needs to go up by a factor of around 8 to 10 times compared to the 2016 EDNA**30

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28 See for example “How increasing demand for Bristol Grade A office space has resulted in record high costs”, Business Leader, Issue 24, October – December 2018
29 See ‘Future Requirements for Employment Floorspace and Sites in the West of England’, Wessex Economics, October 2017
30 These figures are based on approximate estimates using graphs within the new WED006 study. We asked the JSP team within the West of England authorities for the data behind these graphs in emails on the 13th December, 14th December, 18th December and the 20th December. We have yet to receive this data at time of writing (7th January 2019)
115. We have been pointing this flaw out to the West of England authorities since 2016, and are glad that this scale of error has now been taken on board.

116. The new WED006 study also says of the original 2016 EDNA “there were also concerns as to whether the data collated was on a consistent basis of measurements and assessment” (WED006 para 4.2.2).

117. We do however continue to have concerns that the new WED006 Updated Employment Evidence has significant remaining problems as a sound evidence base for considering future employment land. There are four main reasons for this concern:

- Basing calculations on the out of date 2015 Oxford Economics economic forecast, rather than the more recent 2017 forecasts.
- Weaknesses in calculations in the 2018 Study that give undue weight from data from just three years (2008, 2009 and 2010) which fails to take account of the changed policy and market context for the West of England employment land market – particularly around the issue of Permitted Development Rights (PDR).
- Significant errors in the supply identified by the new WED006 study which make their findings unsound and not a sufficient basis for the West of England authorities to conclude future supply and demand balance.
- A series of continued weaknesses, that we remain concerned with from our previous JSP consultation submissions. This particularly relates to:
  - Major spatial imbalances in the provision of industrial land, with an excessive reliance on land in Avonmouth and Severnside – these are not realistic substitutes for other areas of the city region where actual or potential demand is high.
  - Inadequate provision of future employment land in South Bristol – where housing has been prioritised in an area with significant issues of access to jobs.
  - A failure to take into account non B uses in future employment land demand
  - Weak evidence of the current balance of land between employment and residential land
  - A lack of large strategic site provision for future inward investment opportunities other than in Avonmouth and Severnside (see first bullet above).

Area of Concern 1: Out of date Employment Forecasts

118. The new WED006 Updated Employment Evidence study continues to use Oxford Economic growth forecasts from 2015.

119. As we stated in our previous submission\(^{31}\) and above, new 2017 figures from Oxford Economics on jobs growth forecasts are significantly higher (at 26,922 more jobs, or a 33% increase). The previous Oxford Economics 2015 forecast under a ‘medium-high growth scenario’ were 81,607 new jobs. The 2017 forecasts are for 108,529 new jobs under the same ‘medium high growth scenario’.

\(^{31}\) Business West JSP consultation submission 10\(^{th}\) January 2018
120. This 2015 forecast is then used to extrapolate against future demand for employment land per annum and over the plan period (WED006, para 3.2.2). Using the 2017 forecast would see a substantial uplift in the calculations of future employment land requirements.

121. We believe the WED006 should have based its assessment on these more recent growth forecasts.

Area of Concern 2: Weaknesses in the 2018 study in calculating likely future employment trends

122. The historic data the WED006 Updated Employment Evidence study uses is heavily affected by the 3 years of 2008, 2009 and 2010.

123. These three years strongly influence the average assessment of gross and net completions by the West of England in Office and Industrial supply (see WED006 para 2.2.1, figure 2.1, figure 2.2 and figure 2.5). We believe this distorts the findings in these areas to assume higher levels of gross and net supply delivery and lower net and gross losses in office (and also in industrial) than is justified.

124. The years 2008, 2009 and 2010 are atypical – in two important ways:

   o 1) they represent the height of the pre financial crisis bubble in commercial property, which is unlikely to be replicated,

   o 2) they were before the substantial change to the policy environment (and therefore the market dynamics of the employment land market) of Permitted Development Rights (PDR) / Change of Use reform.

125. Permitted Development Rights are a major policy change in the operation of the employment land market, and its relation to residential demand and land prices.

126. As stated in our previous submission, this policy change has affected Bristol and the West of England significantly – with higher uptake in Bristol than any other city outside of London.32

127. This policy change looks highly likely to remain in place for the foreseeable future.

128. This policy change has also recently been extended to some classes of industrial employment land, and looks likely to be extended further.33

129. We believe any robust Employment Evidence Study must take account of the impact of PDR if it is to be credible in assessing future supply and demand dynamics within the future plan period.

32 Business West JSP consultation submission 10th January 2018
130. Data since the introduction of PDR shows a much weaker supply response and a more substantial net loss of office and industrial through PDR – gross losses of office in Bristol are substantial, and net losses happen in completions in the years 2011, 2012, 2015 and 2016.

131. There are also total net losses for Bristol City Centre (particularly in industrial) for the whole 2007 – 16 period: which would be substantially larger if you examined these figures since the introduction of PDR.

132. We have asked the West of England authorities for the data relating to graphs set out in figures 2.1, 2.3, 2.4, 2.5, 2.6 and 3.2 of WED006 to enable us to provide more detailed comments on the above. The West of England authorities have been unable to share this information with us in time for the submission date of this consultation.  

Area of Concern 3: Major errors in future supply identified in the 2018 study

133. The WED006 Updated Economic Assessment sets out new estimates for both required B Use Class requirements over the plan period (2016-2036). This is split into ‘net additional’ and ‘replacement’ requirements (figure 3.1). As the WED006 rightly states: “replacement of lost stocks is vital to ensure an adequate supply of employment property to meet the needs of the economy at its existing scale” (para 3.2.4).

134. The combination of both net additional and replacement requirements then produce a range of needed supply, of which the lower end of the range “should be viewed as the minimum level of anticipated activity and supply should be identified to meet this” (para 3.2.14).

135. The “lower end of the range” for Office is identified as 972,000 sqm. The “lower end of the range” for Industrial and Warehousing is 1,419,000 sqm (Figure 3.1).

136. Yet, when the WED examines an updated future employment land supply, the figures it examines in detail (for example Table 4.1) suggests the total available supply in office is 588,900 sqm.

137. The WED acknowledges that “this is below the minimum estimate from a demand assessment”, but then sets out additional estimates of development land required by hectare to meet the range of needs. It then states that a “high level review of the sites comprising the mixed land by LSH commercial agents indicates that sites could have potential suitability to deliver up to 180 ha of office development” (para 5.2.6 – our emphasis).

138. Using this newly identified additional supply which “could have potential suitability” the WED006 concludes that “there is more than sufficient supply to meet the minimum levels (lower end of the range)” (para 5.2.8)

139. We looked at both these sets of newly identified supply in detail (see below). This includes both the 588,900 sqm of office supply and also the additional 180 HA of potential office supply set out in WED006 and in WED006 Annex 3. In both cases we find significant questions and shortcomings to these assessments, to which we set out below.

34 Email correspondence between Business West and the West of England authorities, 5th, 11th, 13th, 14th, 18th and 20th December 2018 and 4th and 7th January 2019.
Part 1: Shortcomings in the 588,900 sqm of newly identified office supply in WED006

140. The West of England Authorities have found very significant additional supply of office and industrial land in the 2018 study compared to the 2016 study, due to “the original schedule of sites within ... the EDNA did not contain all sites which could contribute to the employment land supply for the West of England” [para 4.2.2].

141. This includes a huge additional discovery of office land in the Bristol Temple Quarter Enterprise Zone – which has gone from 186,000 sqm identified in the EDNA to c260,000 sqm in this study: a 70% increase in office capacity in the plan period. Most of it appearing to be available in the first part of the plan period.

142. Business West have, working with the Bristol Property Agents Association (BPAA), made an assessment of this new supply identified in WED 006A Employment Evidence Appendix 3 Supply Schedule. We include this assessment in Table 1 below.

143. This assessment identifies a significant number of sites identified by the WoE as new supply that have significant doubts attached to them. This includes:

- Sites that have already been developed, and therefore cannot be counted as additional supply.
- Sites that have already been partially developed, substantially reducing the level of employment space available from that claimed by the West of England.
- Sites that have been already been granted permission for residential development by the planning authorities.
- Sites that have dual consent for residential and commercial, so cannot be guaranteed as providing future employment space.
- Sites where planning permission has been granted for non B use (hotels, restaurants, car showrooms, supermarkets) and so cannot be counted as either industrial or B use office supply.
- Sites where the current masterplan approved in the pre application process has half the level of employment land approved than that stated by the West of England authorities.
- Sites where the current occupier has no plans to leave and is occupying the site on a long lease.

144. Worryingly, the new employment land evidence also includes in its focus on the Bristol city centre Temple Quarter Enterprise Zone (the West of England’s largest central employment land area), sites that have been already been listed as non B use or non-employment land use within Bristol City Councils own adopted ‘Temple Quarter Spatial Framework’ (see Annex 1 – Temple Quarter Spatial Framework map).

145. The sites which we identify as having doubts attached to them come, for B use office supply, to a total of 247,260 sqm. This represents over 40% of the total 588,900 sqm of office floor space identified by the new Employment Land Study.
Table 1 – B Class Office Sites Identified by the WED006, Annex 3, as part of the 588,900 sqm of new office supply which we believe have doubts attached to them.

<table>
<thead>
<tr>
<th>Site</th>
<th>WoE Claimed Size</th>
<th>Business West / BPAA Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Glassfields</td>
<td>36,500 sqm</td>
<td>Actual Sqm will be lower due to re-configuration of the site, including the construction of a 200 bed hotel. This means we now estimate office space to be approx. 17,600 sqm.</td>
</tr>
<tr>
<td>2 Former Petrol Filling Station, Bath Road</td>
<td>1,000 sqm</td>
<td>A residential application is lodged for this site, which means unlikely to come forward at B use</td>
</tr>
<tr>
<td>3 Plot 3 Temple Quay, The Friary</td>
<td>5,250 sqm</td>
<td>A pre application has been lodged for a hotel on this site. Bristol’s adopted Temple Quarter Spatial Framework classifies this site as “Leisure emphasis development (D2, C1)” not B use.</td>
</tr>
<tr>
<td>4 Anvil Street Plot/4 Glass Wharf (ND9)</td>
<td>25,965sqm</td>
<td>Site has dual consent for either residential or commercial, so it is unlikely to be built as 100% employment.</td>
</tr>
<tr>
<td>5 3 Glass Wharf Plot (ND5)</td>
<td>14,316sqm</td>
<td>This has already been built as offices for HMRC, so does not represent new supply.</td>
</tr>
<tr>
<td>6 Former Petrol Station Site, Temple Gate</td>
<td>2,000 sqm</td>
<td>This site is currently let to a petrol company on a long lease with a potential large contamination liability. The site has been identified in the Bristol’s Temple Quarter Spatial Framework as ‘mixed use development’ where “residential comprises up to 60% of the total floorspace”. The claimed figure of 2,000 sqm seems high for this small site.</td>
</tr>
<tr>
<td>7 Temple gate Peugeot Site</td>
<td>7,000 sqm</td>
<td>The site has been identified in the Bristol’s Temple Quarter Spatial Framework as ‘mixed use development’ where “residential comprises up to 60% of the total floor space”.</td>
</tr>
<tr>
<td>8 Plot 6 Temple Quay, The Friary</td>
<td>5,000 sqm</td>
<td>The site has been identified in the Bristol’s Temple Quarter Spatial Framework as “Leisure emphasis development parcels”. It is also subject to investment for a transport interchange, dependent upon, as yet to be secured, large scale Network Rail investment in Bristol Temple Meads station.</td>
</tr>
<tr>
<td>9 Fish Dock/Kwik-Fit Site</td>
<td>5,100 sqm</td>
<td>Agents believe this is an overly optimistic view of what sqm will be achieved on this site</td>
</tr>
<tr>
<td>10 Silverthorne Lane</td>
<td>21,000 sqm</td>
<td>Current masterplan for the site has been through pre ap and only has 10,000 sqm of B use employment. The site has been identified in the Bristol’s Temple Quarter Spatial Framework as ‘mixed use development’ where “residential comprises up to 60% of the total floor space”.</td>
</tr>
<tr>
<td></td>
<td>Site Description</td>
<td>Area (sqm)</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>11</td>
<td>Fowlers, 2-12 Bath Road</td>
<td>564 [industrial]</td>
</tr>
<tr>
<td>12</td>
<td>Finzel’s Reach</td>
<td>35,011 sqm</td>
</tr>
<tr>
<td>13</td>
<td>Redcliffe Way Corridor and Redcliffe Wharf</td>
<td>4,000 sqm</td>
</tr>
<tr>
<td>14</td>
<td>Additional Sites with Permissions (South Bristol)</td>
<td>6,638 sqm (office only)</td>
</tr>
<tr>
<td>15</td>
<td>Additional Sites with Permissions (Avonmouth and Severnside)</td>
<td>3,277 sqm (office only)</td>
</tr>
<tr>
<td>16</td>
<td>“Other sites across Bath”</td>
<td>47,638 sqm</td>
</tr>
<tr>
<td>17</td>
<td>Bristol City Centre outside EZ</td>
<td>79,065 sqm</td>
</tr>
</tbody>
</table>

**TOTAL IN DOUBT B USE: 247,260 sqm**

**Part 2: Shortcomings in the 180 ha of newly identified office supply in WED006**

146. As mentioned above, the WED006 sets out additional estimates of development land required by hectare to meet the shortfall of the range of needs for office and industrial, including the shortfall required from the gap between the identified 588,900 sqm of office floor space identified and the ‘minimum’ need for 972,000 sqm required by the “lower range” needs estimates of the new study. **This is a shortfall of 383,100 sqm.**

147. WED006 then states that a “high level review of the sites comprising the mixed land by LSH commercial agents indicates that sites could have potential suitability to deliver up to 180 ha of office development” (para 5.2.6 – our emphasis).

148. We have asked the West of England for full details of where this 180 ha comes from, to enable us to make an informed comment about its suitability in meeting future employment land needs.  

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35 Email correspondence between Business West and the West of England authorities, 13th December 2018 – 4th January 2019.
149. The West of England authorities told us that this 180 ha comes from a “high level review” of 282.9ha of mixed land, identified in Annex 3 of WED006. The breakdown of sites within Annex 3 of this 282.9 ha is not clear, as it includes both sites from the sqm sites listed (which may have already been included in Table 1 above) and sites listed in ha.

150. From either the main WED006 report or Annex 3 of the WED006, there has been no breakdown published as to how the 180 ha figure was arrived at from the 282,9ha figure. The West of England authorities confirmed this to us that “no breakdown of this has been published” or planned to be published.

151. This lack of published information about the sites that comprise the 180 hectares put forward in the WED006 make it hard for us to comment on its soundness as future identified employment land. It also means we are unable to comment on its spatial balance, its suitability as employment locations or how much is available or is “uncertain” in terms of future supply.

152. Of the sites identified as ‘mixed’ in WED006 Annex 3, we have identified 40.9 hectares which we believe have significant doubts in relation to their ability to count as future supply – see table 2 below.

153. Of the remaining identified ‘mixed’ employment land in WED006 Annex 3, which could contribute to the West of England’s 180 ha figure, another 91.4 hectares of land are given to Strategic Development Locations – which in previous versions of the JSP had no employment land allocated to them. All of these SDLs are categorised as “uncertain” in WED006 Annex 3.

154. As noted above, we believe several of these SDLs have significant doubts attached to them, due to the sustainability of their location and the ability to secure infrastructure funding to make them viable or give them a real prospect of delivery.

155. We also have concerns that some of these SDL locations may not be suitable employment locations, as they are in untested commercial locations which are geographically remote from the region’s main centres of economic activity.

156. There is little to no evidence or assessment in the new JSP supporting documents as to how well they meet existing demand for office and employment space within the region, nor assessment of what their remote location means for their viability as employment land. As noted in previous Business West submissions, demand for, and shortfalls in, office space are most acute in the city centre locations of the West of England and lack of availability in central locations does not mean businesses will therefore chose remote alternatives.

36 Email from West of England authorities to Business West, 2nd January 2019
37 Email from West of England authorities to Business West, 4th January 2019: “I also can’t see any breakdown within Annex 3, or the main WED006 report, of how the 180 ha figure was arrived at from the 282.9ha figure – and the balance it has between the sites listed. This makes it hard to assess whether this 180 ha figure is plausible and also assess the spatial balance and the balance between short term / medium term / long term and uncertain.

No breakdown of this has been published.”
38 See Business West JSP consultation submission 10th January 2018 and ‘Future Requirements for Employment Floorspace and Sites in the West of England’, Wessex Economics, October 2017
157. **Based on the above, there is therefore a total of 132.3 ha out of 180 ha which we have identified as having doubts as to being suitable for future office supply.**

158. We are unable to assess the remaining balance of 47.7 hectares, as the WED006 or the West of England authorities has not told us what these sites are or published the assessment that has given them the 180 ha figure.

**Table 2:** B Class Office or Mixed Sites Identified by the WED006, Annex 3, as part of the 180 ha of new office supply which we believe have doubts attached to them.

<table>
<thead>
<tr>
<th>Site</th>
<th>WoE Claimed Size</th>
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</tr>
</thead>
<tbody>
<tr>
<td>18 Airbus UK (Rodney Works)</td>
<td>3.3 ha</td>
<td>This site has already been built out and occupied by existing occupiers, Airbus, so does not represent new supply</td>
</tr>
<tr>
<td>19 Rolls Royce (East Works)</td>
<td>26.6 ha</td>
<td>The entire site is 26.6 hectares, of which it is considered that only 23.4 ha is developable.</td>
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<td>12.5 ha has been developed and is already occupied and therefore cannot be considered new supply.</td>
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<td>Balance of the site 10.9 ha of which hotel and car showroom have either been or are being developed on 3.8 ha.</td>
</tr>
<tr>
<td>20 Northern part of Filton Airfield</td>
<td>5.9 ha</td>
<td>Planning approval is imminent for a Lidl store and other applications which are not B employment uses.</td>
</tr>
<tr>
<td>(Charton Hayes)</td>
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</tr>
<tr>
<td>21 Harlequin Office Park</td>
<td>1.8 ha</td>
<td>Only a small part of this development (0.3 ha) will be office, most will be a pub, a hotel and a drive through which has already been through pre application approval with policy and economic development support.</td>
</tr>
<tr>
<td>22 Emersons Green East (Vertex Park)</td>
<td>7.7 ha</td>
<td>The majority of this site will be a care home, school and district centre, yet it is included as B1/B2/B8 use. Of the Vertex Park development only 1.94 ha is under development speculatively and 0.6 ha is available for sale. The remaining land has either been developed for DPD and ALD or acquired by an owner occupier WDM for development of a facility for their own occupation therefore cannot be considered supply.</td>
</tr>
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</table>

159. **Given these significant doubts raised and potential shortfalls in actual land available, we do not believe the current West of England evidence on employment land supply can currently be considered sound.**
Significant spatial imbalance in the provision of Industrial Land

160. The JSP and its employment evidence base continue to identify Avonmouth and Severnside as the major source of future industrial land supply.

161. WED006 states the “industrial and warehouse supply is heavily concentrated in Avonmouth and Severnside. This accounts for more than 80% of industrial and warehouse supply excluding mid B Use Class land” (WED006 para 4.4.3 – our emphasis)

162. This spatial concentration of industrial and warehouse supply in one location is a major weakness of the plan and is counter to NPPF guidance on the need for a choice of sites in a range of employment locations.

163. As we set out in our previous submissions, a significant amount of Avonmouth and Severnside have major infrastructure requirements needed before becoming available for market use.39

164. Avonmouth and Severnside also suffer from a serious lack of plausible transport connectivity, with very poor or non-existent public transport connectivity, including from our main labour supply from Bristol, particularly south and east and the ‘North fringe’ of Bristol. We do not believe that assessing or planning for these additional labour market driven transport movements have been properly assessed in the JSP’s transport studies.

165. This poor connectivity is something that is already highlighted to us by the major employers already in Avonmouth and Severnside. This includes weak public transport connections and a mismatch between public transport provision and the shift work required by the businesses located here. New employers recently established in Avonmouth & Severnside – for example Lidl and The Range - have had notable difficulties in recruiting staff

166. Stagecoach have separately highlighted to us their view that existing bus and train provision to Avonmouth and Severnside from the ‘Northern fringe’ of Bristol and from central, southern and eastern Bristol are very poorly served.40

167. We believe concentrating future employment land so far away from the major labour markets of the city region, and in particular the likely source of blue collar labour required in the industries located there, is a significant weakness to the sustainability of the JSP.

168. The JSP transport papers or sustainability assessment have made little to no effort to assess what locating the major supply of industrial land in Avonmouth and Severnside will mean for either sustainable development or future transport investment. This is particularly the case for Avonmouth and Severnside, but the wider lack of proper sustainability assessment of new employment locations within the JSP is striking.

169. This is a major weakness in overall soundness of the plan.

39 See Business West JSP consultation submission 10th January 2018 and ‘Future Requirements for Employment Floorspace and Sites in the West of England’, Wessex Economics, October 2017
40 Discussion and presentation from Stage Coach at a Business West Chamber of Commerce Planning and Transport Group meeting, 28th November 2018, Clarke Willmott.
Exclusion of South Bristol

170. This concentration on Avonmouth and Severnside is contrasted with the almost total lack of focus on south Bristol – which has a large supply of labour and long running concerns about inclusion in labour markets and from the wider economic benefits within the region. This lack of economic inclusion is often rooted in poor transport connectivity to employment areas – something recently highlighted by Bristol City Council’s commissioned work on ‘Inclusive Growth’.$^\text{41}$

171. The new Consolidated Sustainability Assessment says the West of England authorities considered greater employment allocations for South Bristol, but “this was rejected as a reasonable alternative due to the pressure for housing in the broad area” (para 4.94, CSA).

172. Business West does not think that it is acceptable for employment land allocation in South Bristol to be ruled out completely because of a preference for housing development on brownfield land. We believe this means the employment element is fundamentally imbalanced and needs to be reassessed, with a proper attention to labour market availability and access to and connectivity to proposed future employment sites.

Other remaining weaknesses in the Employment Land Evidence

173. There remains no mention of Non B uses or assessment of its impact on B use demand and supply. As our assessment of sites in Table 1 and 2 demonstrates above, non B uses are often in direct competition with B uses in both central and other city region locations. Given that this is an important parts of future demand in the city region and is currently impacting on supply, we think this is a significant oversight.

174. Given the substantial errors we have identified in the West of England’s potential employment land supply figures, including inaccuracy in relation to local authorities own planning permissions and Enterprise Zone Spatial Framework, we are not confident that the new Employment Land study has been robustly assessed alongside the West of England’s ambitious brownfield housing land supply assessment and plans. These errors highlight the possibility that there is ‘double counting’ of land supply for both employment and residential use which could undermine the soundness of the evidence within the JSP.

175. There has been no attempt in the JSP to assess the availability of larger employment sites for future key strategic employers, given agent feedback we have that previous enquiries for larger sites have been difficult to fulfil – and whether the JSP needs to better consider this. The latest evidence provided by the West of England has not examined this issue.

176. We believe that the above current shortcomings mean that the West of England’s Employment Evidence base cannot be considered a robust assessment of future employment land needs.

$^\text{41}$ See https://democracy.bristol.gov.uk/documents/s25861/b%20ISEGS%20Final%20Draft%20v3%20CLEAN.pdf
177. Without a robust EDNA, we do not believe the elements of the JSP relating to employment land, or their related elements on the use of brownfield land within the draft plan, can be considered sound.

178. The West of England needs to conduct significant further work in order to help strengthen the current weaknesses in the JSP for addressing its future economic and employment needs.

179. It is important that other evidence put forward by the West of England is now changed to recognise that the 2016 ENDA is substantially wrong and that the new 2018 Updated Employment Evidence also has substantial evidence weaknesses.

180. The most recent 2018 West of England Consolidated Sustainability Assessment states that “the [2016] EDNA concluded that there was sufficient employment land at the strategic level of the WoE to meet the demand forecast in both the 2015 Oxford Economics medium-high and high forecasts. Therefore, a detailed consideration of alternative development locations for employment growth was not required.” (para 4.95 – our emphasis)

181. The most recent 2018 West of England Consolidated Sustainability Assessment also states that: “the [2016] EDNA concluded that no additional employment land beyond that already identified within the Strategic Economic Plan and Local Plans was required.” (para 4.101)

182. We therefore would recommend that the West of England authorities further recalculate its current employment land supply and demand calculations to reflect the short comings we have identified above.

- Reassessing and removing the identified ‘supply’ in Appendix 3 of the WED006 which cannot be reasonably assumed to be supply for B use or industrial use and should not be included in the West of England’s future supply calculations.

- We believe doing this may show that the West of England does not have a sufficient level of future identified land supply available, in particular in the core economic centres of the region, for both office and industrial land.

- We believe this will require a revisiting of top level assessments of employment land supply within the EDNA and a detailed consideration of alternative development locations for employment growth and possible additional employment land supply.

- It is important that the authorities also present evidence that it has reassessed their assessment of future ‘supply’ of housing in urban and brownfield areas, given the apparent risk of ‘double counting’ between the 2018 Updated Employment Evidence and the previous levels of ambitious brownfield residential development.
Annex 1 – Temple Quarter Spatial Framework Map
26 February 2018

Dear Tim, Marvin and Steve

Tech and Scale Up Employment Space

We are writing to you as fast-growth tech focused companies based in Bristol and the West of England. We have chosen to base ourselves here, we love Bristol and we appreciate and benefit from its many strengths as a thriving, connected and diverse city.

We are however worried about the availability, affordability and suitability of the space that our businesses and sectors need to grow and remain competitive in a global marketplace.

Over the past few years, space suitable to our current and future needs has reduced, become more expensive and the type of space we require to fulfil our growth plans is increasingly hard to find. Some of us now face options that are very unattractive for our businesses due to the lack of choice in the market – speculative office space rather than space tailored to the needs of companies like us.

We believe this is due to a number of factors – our growing business and employment base, growing competition for brownfield sites, a lack of available employment land both within the city centre and in the expanding north fringe, more expensive land prices and the rise of student accommodation and other non-office uses removing cheaper office space via Permitted Development Rights. As a result commercial developers are generally unwilling to develop appropriate accommodation, both in the city centre and north Bristol where our businesses, and our staff, want to locate.

We believe this situation is now harming our ability to grow and poses a threat to our respective sectors. It is a particularly pressing current problem for the start-up businesses who want to leave
incubator space and ‘scale up’ into larger business units - the businesses that are most important in
driving our long-term economic success.

We have some very successful developments supporting early stage businesses – Engine Shed, Unit
DX, Future Space, Bristol and Bath Science Park to name the obvious examples but there are others.
Even these are rapidly reaching saturation and there will a real need to add to capacity. Critical as
well is grow-on space for businesses which need a larger footprint than these facilities are able to
provide. Increasingly we see our most successful grow-on businesses having to look to the standard
offer of (over-priced) commercial office and commercial premises when what is needed is more
innovative and imaginative provision to support the continued development of our most dynamic
companies. We have the possibility to create a new and dynamic ecosystem for are most successful
tech-based businesses.

We ask you to:

- Review the long term plans of the West of England to ensure enough employment space is
  being provided for our city centre through its formal spatial plans.
- Investigate the role of Permitted Development Rights in removing office stock, raising land
  prices – and whether restrictions on PDR or other interventions could be introduced to
  safeguard remaining employment space.
- Consider WECA or Bristol City Council taking a head lease on a building that would allow a
  multi-occupancy operator to move into the city and create suitable grow-on space that is so
desperately needed.
- Look at how Bristol can ensure a greater supply of ‘Grade B’ or smaller scale office space
  (between 5- 10,000 sq ft).
- Work with the Universities, workspace providers, local authorities and developers to provide
  solutions, new development and greater diversity within our current offer to businesses
  aimed in particular at meeting the needs of our dynamic, scale-up businesses graduating
  from our excellent facilities for early-stage entrepreneurs.
- And finally, but crucial, not forgetting the need to build on provision for early-stage
  entrepreneurs – Engine Shed 2 will be a key element but there is wider need and demand
  across the city region.

We would value the chance to meet and discuss these issues with you and your teams.

Best wishes

Matt Griffith
Director of Policy, Business West, on behalf of – see overleaf:

Dave Sproxton, Aardman Animations   Silas Adegunke, Reach Robotics
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<thead>
<tr>
<th>Name</th>
<th>Company/Position</th>
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<tbody>
<tr>
<td>Samantha Payne</td>
<td>OpenBionics</td>
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<td>Barry Dennington</td>
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<td>Steve Allpress</td>
<td>FiveAI</td>
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<td>Angela Hicks, the Hive</td>
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<td>Ben Trewhella, Opposable and VR hub</td>
<td>Neville Catton/Rob Heaton [WHICH?], Carbon Law</td>
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<td>Andrew Thompson, Synseer</td>
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