

Examination of the Bristol Local Plan

Matter 7: Other Housing Policies

On behalf of Watkin Jones (Consult ID: 437)

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1. Introduction

- 1.1. This Hearing Statement has been produced by Pegasus Group on behalf of our client, Watkin Jones. It focuses upon the Inspectors Matters, Issues and Questions which relate our client's previous representations in respect of Issue 7.2 only under Matter 7.
- 1.2. It is understood, due to the transitional arrangements set out within paragraphs 234 and 235 of the December 2024 NPPF, that the plan will be examined against the September 2023 version of the NPPF. All following references made to the NPPF are to the September 2023 version, unless otherwise stated.
- 1.3. Our client wishes to ensure that the emerging Bristol Local Plan is prepared in a robust manner that passes the tests of soundness contained in paragraph 35 of the 2023 NPPF, namely that the plan is:
 - Positively Prepared;
 - Justified;
 - Effective; and
 - Consistent with national policy.
- 1.4. Our client submitted representations to the various stages of plan production including the 'Submission (Regulation 19)' version.
- 1.5. Watkin Jones has a number of interests in Bristol across several key regeneration areas. Our client considers that significant modifications are required to ensure the emerging Local Plan is found to be sound.
- 1.6. Our client is a national residential and mixed-use developer with an excellent track record of delivering high-quality sustainable developments within this area. Watkin Jones develop a range of housing including traditional housing, as well as Purpose Built Student Accommodation (PBSA), Build to Rent (BtR) and Shared/Co-Living accommodation.

2. Response to the Inspector's Matter 2 Issues and Questions

2.1. We welcome the opportunity to comment on the Inspector's Matters, Issues and Questions (MIQs) and provide the following responses to selected questions. Our client reserves the right to respond to specific issues raised by the Council and other parties within the hearing session in so far as they relate to our previous representations.

Issue 7.2: Whether the remaining policies relating to housing delivery are positively prepared, justified and consistent with national policy and would they be effective in securing sustainable development?

Policy H4: Housing Type and Mix

Q7.2: *Is Policy H4 justified, consistent with national policy and effective? In particular:*

a) Is the policy clearly written and unambiguous about what type and mix of housing would be expected, or what information would be used to inform a decision?

2.2. The policy is considered generic in tone leading to uncertainty upon interpretation.

2.3. Specifically, concern is held over the listed bullets as follows:

- Bullet 1 on density is presumed to relate to Policy UL1 and UL2, and this should be made clear to prevent uncertainty;
- Bullet 2 and Bullet 3 could be considered to be effectively synonymous and so infers that Bullet 2 is intended to relate to existing housing stock and Bullet 3 is intended to relate to housing need/demand – this should be made clear;
- Bullet 3 does not define what evidence is to be used beyond 'local housing evidence' with supporting paragraph 6.42 referring only specifically to the Local Housing Need Assessment which only presents authority wide data such that bullet 6.42 requires further clarity as to what sources should be used; and
- Bullet 4 provides no clarification upon what constitutes a harmful housing imbalance – see below.

2.4. The last paragraph seeks an "appropriate proportion" and "various sizes" within areas of growth and regeneration in accordance with the defined policies and any relevant supplementary planning documents, masterplans or spatial frameworks. As set out in comments on Matter 4, not all of the growth and regeneration areas have such documents in place, or in a number of cases these have been superseded by events and are therefore out of date. Even where these comment on mix these documents have also not been subject to the same scrutiny as a local plan and yet are being relied upon to define the policy test under the local plan.

2.5. The Council have experience of such an approach before with the still retained SPD10 dedicated to the St Paul's area (2006). This sought 20% family sized accommodation on all development based on local community feedback, but was consistently not sustained at

appeals leading to the intention being no longer sought. The Council may find itself repeating history while leading to delays in delivering the development the city needs.

- 2.6. Reference to the area specific policies do not refer to a housing mix beyond generically asserting "*new homes with a mix of types, sizes and tenures*" or inconsistent referencing to student accommodation. No reference is made to Build to Rent throughout these (with the exception of Policy DS3) despite references in Policy BTR1 to Policy H4 for determining mix.
- 2.7. As such, the reference to the area based policies and supporting documents linked to these requires review and omission if they can be delivered soundly.
- 2.8. It is also not clear whether the policy would be applied at a development or area/community level. The first paragraph of the Policy and introductory text at paragraph 6.40 discuss housing mix at a 'community' scale level and the last paragraph of the policy infers a broader area by reference to the growth and regeneration areas, whereas the explanation at paragraph 6.42 refers to "*an appropriate mix of housing within the development*" [*our emphasis*] suggesting an individual site basis. It is considered that such analysis should only be applied at an area level to prevent precluding smaller scale development.
- 2.9. Paragraph 6.41 references "*a focus on the provision of homes intended for permanent occupation*" whereas the policy makes no reference to tenure. It is not clear what this is intended to address – e.g short term tenancies, holiday accommodation, etc. – and what mechanism would be applied and without this the reference should be omitted.

b) Is the policy, or reasoned justification, clear about what "harmful imbalances" it is seeking to redress?

- 2.10. The policy sets out no framework for defining "*harmful imbalances*"; the geographical scale of an "*area*" to which this is applied or how an application's inferred contribution to "*redress*" is to be assessed.
- 2.11. Given the above commentary about the criteria, much greater clarity is required to be provided upon what this could constitute and by what metrics this would be informed to be deliverable.
- 2.12. Any 'justification' for "*harmful imbalance*" should also be seen in the context of the Council's unmet housing need discussed under Matter 2 and Policies UL1 and UL2 seeking to maximise the efficient use of land to deliver residential quantum. Failure to consider these matters holistically results in the plan not being positively prepared or effective.

Policy H6: Houses in multiple occupation and other shared housing

Q7.4: Is Policy H6 justified, consistent with national policy and effective? In particular:

a) Is the policy clear and unambiguous in respect of proposals needing to avoid a local imbalance? Paragraphs 6.63 and 6.64 sets out the circumstances in which a local imbalance is likely to arise. To be effective, should these circumstances be set out in the policy?

- 2.13. Watkin Jones has concerns about these criteria as expressed in their Regulation 19 comments with regard to the plan grouping co-living accommodation under Policy H6 and

would therefore not endorse the inclusion of this type of housing within the policy. Such accommodation has markedly different impacts than traditional HMO accommodation given this is often purpose built, has on-site management, has large scale communal space and does not cater to specific occupations/groups.

- 2.14. This format also overlaps with Build to Rent (BtR) which is addressed within Policy BTR1 and does not refer back to Policy H6, but instead the more general provisions of Policy H4. As such, Policy H6 should therefore actively exclude co-living and BtR.

b) Will it be clear to the decision maker how to react to proposals when assessing the individual criteria in parts (i) and (ii) of the citywide criteria? Is there any justification to include any additional criteria?

- 2.15. As above, Watkin Jones has concerns about the policy being intended to apply to co-living development and consider that the plan should positively prepare for this form of development.

- 2.16. It is unclear how part (ii) will be applied given there is no clear policy tests for interoperability of the quantitative tests for HMOs and PBSA. See comments below and on Policy H7.

c) Is the policy approach towards 'sandwiching' of residential properties justified?

- 2.17. See above comments related to b) with regard to application to co-living development.

d) Is the 10% threshold of the total dwelling stock of a defined area as set out in the policy justified and will it be effective in achieving the aims of the policy?

- 2.18. The Council already apply this criteria under the published *Managing the development of houses in multiple occupation Supplementary Planning Document*. The 10% threshold applied has been placed arbitrarily. No comparison/consideration of alternative thresholds was entertained/tested in adopting the SPD and objections to the SPD in this regard were simply dismissed.
- 2.19. The text at paragraph 6.63 states "*local imbalance is likely to arise*" [*our emphasis*], as does the SPD, implying that it does not necessarily arise. Our experience is that officers apply this without discretion. It is however considered that at best this should represent a 'rule of thumb' test for reasoning explained below and this should be made clear within the plan.
- 2.20. HMO accommodation within the city is often linked to higher density areas along arterial routes, within or close to centres, where family accommodation is less attractive and those without access to a private car can comfortably reside and the harms under criteria (i) of the policy are less likely to be relevant. Such locations are also suitable for co-living accommodation that can deliver high-density accommodation to meet the city's unmet housing need.
- 2.21. The 10% threshold would serve to push possible locations for such uses to less attractive locations, more suited to family accommodation, where they could less likely be viably sustained harming the delivery of such accommodation to meet the city's needs.
- 2.22. The 10% threshold also applies to dwelling stock, leading to a risk of 'false positives' within mixed use areas with low HMO coverage by area, but high coverage by 'dwelling stock'.

2.23. Under the above circumstances, it is considered that application of this policy to co-living schemes would serve to reduce the ability of the city to meet its housing needs. This is not justified as such development is purpose-built managed accommodation not intended to serve the student market and has substantively lesser impacts under the tests within the Policy.

Policy H7: Managing the development of purpose-built student accommodation

Q7.5: *Is Policy H7 justified, consistent with national policy and effective? In particular:*

a) What overall need for purpose built-student accommodation has been identified and would the policy be effective in ensuring this is met?

- 2.24. The draft policy sets out provision for a total of 8,950 bedspaces in certain locations. This is linked to the supporting text, which states that the University of Bristol (UoB) have projected further growth in student numbers over the plan period and this will create a need for some 8,800 additional bed spaces city-wide by 2040.
- 2.25. The Joint Impact Statement prepared by the UoB and University of the West of England (UWE) (January 2023 – See Appendix E to UoB Regulation 19 Representations) identifies that the University of Bristol currently has 30,000 full-time students and is planning to grow to 36,000 in 2029/2030 and 42,000 by 2039/2040 whilst UWE currently has 33,000 full-time students and is projecting growth to 42,000 by 2029/2030 and to 48,000 in 2039/2040.
- 2.26. The combined student population of UoB and UWE is currently 63,000 students. This has increased steadily in recent years – by 13,000 since 2019/2020, and is projected to increase over the next two to three decades; to c79k at the end of this decade and up to 90k by 2040 (i.e. 2% per annum – a very modest level of growth compared to the recent past).
- 2.27. The Local Plan evidence base underestimates growth forecasts, stating that both higher education providers are to grow to around 66,000 students by 2030. This is 13,000 fewer students than that outlined in a Joint Impact Statement prepared by both universities.
- 2.28. There is therefore concern that the provision of PBSA outlined in the draft Local Plan will not be sufficient to address the current shortfall in bedspace provision together with the future demand for student accommodation aligned to the growth aspirations of both higher education institutes. The draft Policy is therefore not positively prepared as it does not meet the area need for PBSA.
- 2.29. In addition to the above, the need for PBSA identified by the Council is solely based on projected growth from the UoB. This ignores the fact there are a number of other higher education providers, including UWE which predict significant growth in student numbers in the city. The Council indicate with limited evidence in *the Council's Response to Inspectors Document IN2 (EXA024) PQ84* that the growth at UWE will not generate demand within Bristol and this position is not justified.
- 2.30. The Council therefore assume growth at UWE will either not give rise to accommodation needs or that this will be solely accommodated within South Gloucestershire Council's area. There however is and will be a high level of demand from UWE students to live within Bristol, due to the main Frenchay campus being within c.500m of the authority boundary, the

attractive nature of locations close(r) and well connected to the city centre, as well as the location of other UWE campuses at Glenside and Bower Ashton within the Bristol City Council area.

- 2.31. Furthermore, it does not account for existing significant shortfalls of PBSA. The *Council's Response to Inspectors Document IN2* (EXA024) answer PQ85 indicates no acknowledgement of existing under supply despite such evidence being presented (and accepted by officers and Councillors) on the majority of PBSA developments that are determined by the Council. The evidence shows a growth in student numbers of 18,650 from 2013/2014 to 2023/2024 compared with a supply of only 6,295 bedspaces (UoB Regulation 19 Representations Appendix A), and with only 5,000 bedspaces with permission as per the Council's Topic Paper (TPC006).
- 2.32. It is clear that the need for student accommodation growth has not been adequately justified and this is contrary to the PPG Guidance as set out in our comments on Matter 2 and leads to the plan not being effective in meeting the needs of the city. Therefore, the PBSA limits, both locationally within the city centre and by total number of beds as set out within Policy H7 have not been justified and the Plan cannot be considered sound.
- 2.33. The figures therefore at the very least require revisiting, with additional flexibility provided for delivery beyond those areas (see below), further allocations and/or the areas based 'up to' figures being increased, removed or expressed as a minimum.

b) How does the provision of student accommodation contribute to the overall housing numbers and is this justified?

- 2.34. It is well established that PBSA provision counts towards an authority's overall housing target (NPPF paragraph 62) and at a ratio of 2.5 student beds equivalent to 1 conventional Use Class C3 dwelling (based on the government's Housing Delivery Test) provides an important component of the overall housing supply.
- 2.35. Given the density of PBSA such uses represent a more efficient means of addressing overall housing supply (where PBSA demand is not met) compared with traditional housing.
- 2.36. Moreover, the Council's position also fails to recognise existing undersupply and opportunities to reduce demand for HMO accommodation. There is therefore also an argument to go beyond existing undersupply and future growth to impact the HMO market thereby releasing such accommodation back into the general housing market (as per PPG Reference ID: 67-004-20190722).

c) Is the principle of the numbers and defined locations/distribution as set out in the policy (for the University of Bristol sites, Bristol city centre, Bristol Temple Quarter and St Philip's Marsh, Broadmead, Frome Gateway and Central Bedminster) justified?

- 2.37. The wording of the Policy H7 sets out the locations where development of PBSA will be acceptable and sets limits of bedspaces in these locations. The supporting text states that development counting towards the bed space limits for all defined areas set out in the policy includes all development completed, started, or with extant planning permission since March 2019.
- 2.38. The relevance of the March 2019 date is not clear on the basis that this pre-dates the plan period. The Local Plan is to guide development and growth in Bristol from 2025–2040.

Applying this backward-looking target means that some growth and regeneration areas will have already been met and/or exceeded their allocated requirement for PBSA under the Local Plan. Factoring in past delivery means the plan is not positively prepared for future needs and means that this policy is not effective.

- 2.39. There is no justification presented for the defined location caps within the Council's evidence beyond asserting these as having been broadly agreed with the UoB within the relevant Topic Paper (TPC006).
- 2.40. This can be evidenced readily in the UWE Bristol Regulation 19 representation for example, which make clear that UWE is exploring the potential of consolidation of its City Campus activities into Bower Ashton Campus (including from its Frenchay/Glenside Campus) and that in the next 10 years it is anticipated there could be a further 2,500 students studying at Bower Ashton, taking the total to 4,000 students. A major challenge to these plans is the constrained supply of PBSA in the city at present and the lack of provision for PBSA around the Bower Ashton area.
- 2.41. As noted above, there is a lack of evidence and reasoning behind the distribution of PBSA across this city. The approach taken has not been justified and lacks transparency and as such fails the soundness test outlined in the NPPF.
- 2.42. Draft Policy H7 should be amended to remove the maximum limits on student bedspaces across the different areas. This would ensure the policy is 'positively prepared'.

d) Will it be clear to the decision maker how to react to proposals when assessing them against the three bullet points in the first paragraph of the policy? How does this relate to the final paragraph of the policy relating to general provisions? Are the general provisions also capable of being assessed appropriately?

- 2.43. With respect to the first three bullets:
- The first bullet appears to seek to control the quantum and location of development. It however does not define "no adverse effects on existing communities". The expectation of 'no adverse effects' from a development of any kind is an unreasonably high bar for development and could be used to resist any PBSA development. As set out in Watkin Jones' Regulation 19 representations this should be amended to seek to 'minimise' effects to prevent undermining delivery of much needed PBSA. While Paragraph 6.86 provides some context to the possible intentions and 6.87 a possible metric for assessment of a 'local imbalance' (much akin to Policy H6), neither of these are clearly correlated, assert clear adverse effects or how such effects are to be assessed. Furthermore, the metric at paragraph 6.87 is not justified.
 - The second bullet appears to simply cross reference other policy objectives within the plan and the necessity of this is questioned.
 - The third bullet point relates to the discussions above, where it is clearly set out that the draft plan will not match the provision of PBSA to the growth in student accommodation and the plan as drafted will therefore not comply with this bullet.
- 2.44. With regards to the general provisions the following observations are noted:

- Bullet one is not clearly articulated and it is unclear how this would be assessed, particularly with regard to 'integration with communities', with the presumption being that this would be handled through management plans as is industry best practice¹, but which is addressed via bullet two;
- Bullet two is readily conducted on such developments already within the industry but should arguably be amended to capture the community integration aspect of bullet one;
- The first part of bullet three is self-explanatory. The second part is less clear, given legal queries over the ability to secure/enforce lack of car ownership/parking upon public roads by tenants. The phrase 'discourage' should be used in place of 'deter' for application via management plans at bullet two. Alternatively, it is well established that PBSA residents will not have access to parking permits in areas of the city subject to Residents Parking Schemes and this would be a clearer standard to apply.
- Bullet 4 is self-explanatory in itself but also at odds with bullet three. With many conversions or new build sites within dense centre locations limited opportunity is available for on-plot parking or in many cases even on-street Traffic Regulation Orders to create such parking facilities. Additional flexibility should be provided for depending on the site/surrounding circumstances.
- Bullet 5 is open to interpretation with 'active uses' currently often including ground floor communal spaces for residents that can serve to animate spaces. This should be explicitly included.

2.45. The final paragraph appears to simply cross reference the remainder of the plan and is therefore considered unnecessary.

e) Are the suggested main modifications to Policy H7 in response to PQ86 regarding the support needed of the relevant higher education provider necessary for soundness? Is this part of the policy justified and will it be effective?

2.46. The definition of 'large scale' is considered preferable than without definition. However, this part of the policy overall is considered unnecessary for soundness and to be unjustified, such that it should be removed.

2.47. The provision appears predicated on the UoB being able to take control of such facilities when many such facilities are intended for the private market rather than for letting directly via the university. This serves to stifle innovation in the market.

2.48. Moreover, as evidenced within Watkin Jones' Regulation 19 Representations (see graph to page 8), this approach within the London Plan has resulted in a significant reduction in delivery of PBSA due to the challenges in securing such agreements.

¹ e.g. welcome pack for residents on local community groups, advice on behaviour, etc

2.49. The implication of such a policy test also places an effective ransom upon PBSA developers, controlled by parties that operate as landlords within the PBSA market.

2.50. The requirement is therefore not only unnecessary for soundness, but is considered to actively contradict it, being unjustified and undermining the effectiveness of the plan in delivering PBSA to meet the needs of the city.

f) Are the suggested main modifications to Policy H7 in response to PQ88 regarding the support of local communities necessary for soundness? Is this part of the policy justified and will it be effective?

2.51. The changes are considered preferable, but this part of the policy is considered unsound. Experience within the Bristol market has evidenced that, even in areas where such development has been actively encouraged by the adopted plan and community engagement has been sought, community opposition often remains encountered on the principle of PBSA over other uses. Indeed, the chief outcome of the policy is likely to be an incentive for communities to adopt a non-supportive position to oppose PBSA and so be actively ineffective in meeting the need for such accommodation.

2.52. Given the above observations on the plan's failure to meet PBSA need through its defined PBSA delivery locations, this component of the policy will need to be relied upon to meet the PBSA needs of the city (including where exceeding the caps within the defined areas given the triggering of the remainder of the policy). This will consequently serve to prevent the delivery of PBSA to meet the city's needs and so undermine the effectiveness of the plan.

2.53. While concerns of local communities over PBSA are acknowledged, it is the role of the local planning authority to engage with such concerns on any development and weigh matters in the balance than to simply require community support for development.

2.54. This component of the policy is not considered justified.

g) The part of the policy referring to 'Other locations' indicates that proposals for purpose-built accommodation should form part of mixed-use locations. When considered with the other bullet points in this part of the policy, will it be effective?

2.55. The expectation for mixed used developments is considered to imperil the effectiveness of the plan given the wider context set out above as it will reduce the yield from PBSA sites, thereby reducing the quantum of PBSA delivered and the scale of housing need met by schemes.

2.56. PBSA uses present significant challenges for integration with standard housing, and affordable housing in particular, due to the nature of shared facilities and how these are often utilised to activate ground floors. Such mixes are consequently often only feasible on larger sites capable of separate buildings/entrances.

2.57. Commentary is provided below upon bullet 1 to this part of the policy. Bullet 2 simply reiterates other components of the plan and is considered unnecessary.

2.58. Further commentary on bullet 3 is provided below with regard to affordable student accommodation. The policy as drafted does not directly address this but makes clear that self-contained accommodation will be treated as standard class C3 accommodation and

so traditional affordable accommodation will be sought within a PBSA development. This serves to ignore the inherent principle that such accommodation sits within a single planning unit sui generis use class. The need for separate entrances, cores, servicing, etc places greater challenges on space requirements and scheme viability.

- 2.59. Such self-contained accommodation is normally targeted at the post-graduate or foreign student market, but is increasingly relevant to the wider student market. These spaces will retain access to shared facilities as part of the wider planning unit, but may contain a simple cooking facility to distinguish them from other forms of student accommodation with shared kitchens. Such accommodation is often integrated under a wider mix of student accommodation as part of catering across the student market. As such, it does not reflect standard housing or accommodation that registered providers would seek to acquire. This part of the policy would simply serve to discourage the market from serving the demand for this type of student unit. Most importantly it would imperil scheme viability due to reliance on this accommodation type to deliver viable development (see Watkin Jones Regulation 19 representations Appendix 1). It would therefore not provide further affordable accommodation and impede the delivery of PBSA to meet the city's needs. It is therefore neither justified or effective and should be removed.

h) Paragraph 6.87 sets out the circumstances in which a local imbalance is likely to occur. To be effective, should these circumstances be set out in the policy and is the approach justified?

- 2.60. As with Policy H6's 10% threshold, it is considered that any such analysis should only ever be used as a 'rule of thumb' test and therefore not included within the policy. Moreover, the test is fundamentally disagreed with for compromising the delivery of PBSA and undermining the effectiveness of the plan as set out in the Watkin Jones Regulation 19 representations for similar reasons as Policy H6 above, including:
- The areas and quantum have not been justified or alternatives tested. If impact is to such a tightly drawn locality or smaller number it could serve to impede the ability of the plan to meet need without meaningful effect upon a wider community. For example, outside of the city centre a standard PBSA scheme of at least 200 bedspaces would inherently exceed this standard.
 - It is not clear how this policy interrelates to Policy H6 on HMOs as discussed above.
 - It is unclear where the point of distance measurement would be taken from.
 - It is not clear how PBSA within areas defined as suitable would be allowed for, or not, on proposals close by under such an approach.
 - It is not clear if, or how, a proposal's mix of uses would apply to such a calculation, given the content of a development could serve to improve the mix and balance of an area.

- 2.61. In the case of the purported harms set out at paragraph 6.86, PBSA is considered less relevant to these as inherently *purpose built* and *managed* accommodation that will in almost every case offer more housing to reduce pressure for HMOs in an area. These impacts would also be lessened where located close to other centres and arterial routes as the market requires, where greater levels of activity would be expected and uses to meet the market demands of the student population would be best directed.

- 2.62. The methodology (as set out in the Topic Paper – TPC006) used to calculate the threshold outside of the city centre (and the residential areas within the city centre shown on diagram 6.2) is predicated solely on seeking to prevent any particular concentration outside of the listed areas. No alternative approach appears to have been considered/tested.
- 2.63. This serves to treat all locations beyond the city centre equally, thereby preventing any form of concentration (beyond the caps for the identified locations) within other designated centres outside of the city centre or along arterial routes connecting UWE to the city centre, where market demand would otherwise be concentrated.
- 2.64. Overall, it is considered that the test at paragraph 6.87 is unclear, unjustified and, given the observations on the unmet PBSA need within the draft plan set out above, the PBSA market will be reliant on addressing these criteria to deliver the city's needs such that it will serve to undermine the effectiveness of the plan's intent to meet PBSA needs. As such, it is recommended that this is removed.
- i) The policy states that development in all locations will be expected to include an appropriate proportion of affordable student housing to meet identified need. Is this approach justified, based on viability evidence and will it be effective?***
- 2.65. To be sound the policy would need to explicitly define the provisions set out within the supporting text at paragraphs 6.88a–6.88d. The fact that the Council intend to conduct an ongoing review indicates a lack of surety to their position and inconsistency with national policy guidance (PPG Reference ID: 23b-004-20190901).
- 2.66. Overall, it is considered that this element of the policy is not sound and should be removed.
- 2.67. The requirement is inconsistent with national policy. The PPG makes clear that affordable housing is to meet those in 'affordable housing need' defined as those households whose needs are not met by the market and are eligible for one or more of the types of affordable housing as defined in annex 2 of the NPPF (PPG Ref ID 67-005-20190722). The affordable housing product proposed does not meet this definition.
- 2.68. The policy is not justified. No evidence is presented within the Local Housing Needs Assessment (EVEH03) with Paragraphs 4.13 and 5.62 confirming that this is not addressed. The viability of this matter is interrogated in detail within the Watkin Jones Regulation 19 representations. Appendix 1 to those representations demonstrates that rental increases in the Bristol PBSA market have not been excessive when compared against the wider housing market, and other comparable university cities. Increased demand, alongside the lack of delivery of PBSA have been the key driver of rental increases across the UK and in Bristol. Appendix 2 sets out that Watkin Jones do not consider that the draft Local Plan and its evidence base fully reflects the viability of delivering affordable student accommodation. It concludes that the marketing information presented is opaque with the inputs not cited and undertakes their own assessment based on their activity in the market. This concludes that a standard scheme under such provisions would reach a negative residual land value.
- 2.69. Based on the evidence presented by Watkin Jones it is recommended that further market and viability analysis is required before introducing a policy requirement which will have a negative impact upon the supply of PBSA within Bristol.

- 2.70. Should the Inspector conclude that the principle of this part of the policy is sound Watkin Jones request that the policy is modified to secure flexibility, including:
- The provision of an assessment of viability if policy levels cannot be secured, and
 - A significantly reduced level of affordable PBSA expectation – including percentage of bedspaces; level of discount to market rents; and/or percentage split of studios and clusters.

2.71. It is also unclear how the policy would be enacted. Paragraph 6.88c states that this will be managed by the higher education provider, but many developers operate within the private market. This therefore indicates a contractual arrangement being required with a university for either the entire development, the impact of which has been commented on above, or solely the affordable component which would add even further complexity/challenges based on the issues raised above. Allocation to 'most in need' is also unclear given the threshold is simply access to the full government maintenance loan.

2.72. Overall, the approach is not considered justified, consistent with national policy or effective, with its most likely repercussion to serve to undermine PBSA delivery by imperilling scheme viability. The best mechanism to reduce the cost of student accommodation, is to facilitate the PBSA market to meet the existing undersupply and future projected growth.

Policy BTR1: Build to Rent Housing

Q7.7: Is Policy BTR1 positively prepared, justified, consistent with national policy and effective? In particular:

a) Are the thresholds and requirements, including tenure split, based on a robust assessment of viability and consistent with national policy and guidance?

- 2.73. With regard to the 'general provisions' the following commentary is offered:
- Bullet two – the mechanisms referenced should be defined within the plan;
 - Bullet five – These are not considered consistent with the PPG, which only refers to rent levels with regard to affordable homes and actively refers to rent review on tenancies of over three years (Reference ID: 60-010-20180913); and
 - Bullet six – On-site management is not required in all instances as off-site management 24/7 is both possible and effective.

2.74. Provisions on affordable tenure are explicitly contrary to national policy for Build to Rent development and is not justified by the evidence presented by the Council, as set out in the Regulation 19 representations. The Council's answer to question PQ92 infers that this is permissible under PPG Reference ID 60-004-20180913. However, this position is not consistent with the PPG defining affordable rent as the default tenure, but allowing alternatives. This differs with the Council's position under Policy BTR1 of social rent and shared ownership being the default where possible, before allowing affordable rent.

b) Paragraph 6.121a refers to a rolling programme of review of the percentage of affordable housing to be sought, which will be set out in the Affordable Housing Action Note. Is such an approach justified, consistent with statutory function of the

development plan and national policy, including those relating to plan viability and planning obligations?

- 2.75. Watkin Jones do not support the inclusion of further review which should be set out and tested through the plan making process in accordance with national policy guidance (PPG Reference ID: 23b-004-20190901 and 10-001-20190509).
- 2.76. The obligation to review the plan every five years provides the relevant process for updating such a position.
- 2.77. Such an approach is therefore considered unjustified and inconsistent with national policy.

c) Are the suggested main modifications to Policy BTR1, as set out in EXA002.1, necessary to make the Plan sound?

- 2.78. Reference to individual blocks is welcomed. However, concern remains on Paragraph 6.121 as set out above.

Town & Country Planning Act 1990 (as amended)
Planning and Compulsory Purchase Act 2004

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