

REPORT 6 South Somerset's Scale of Growth workshop discussion paper **March 2011 – Yeovil**

Introduction

The Draft Core Strategy proposed a District total of 16,600 dwellings of which 8,200 dwellings should be distributed towards Yeovil. This figure was further broken down by urban area (4,500 dwellings) and 3,700 dwellings as an Urban Extension.

Summary of issues

The following bullet points highlight the key issues raised during the Core Strategy consultation period:

- Yeovil target should raise from 8,200 to 9,000 on sustainability grounds.
- Draft RSS sought 68% of development to be distributed to the SSCTs, South Somerset has failed to do this directing 58% to Yeovil, Yeovil's figure should be increased to 9,600 dwellings. Numbers should be redirected from Chard to Yeovil.
- The Yeovil Urban Extension should be 5,000 dwellings.
- An up to date review of population projections is needed.
- If a rural windfall allowance is given this could negate the need for an urban extension.
- As Regional targets have now gone there is no requirement for this scale of growth.
- There is no local support for an Urban Extension.
- Proposed level of growth in Yeovil will result in infrastructure issues; traffic, services.
- There is insufficient housing land to accommodate proposed growth levels.
- Detriment to local biodiversity, loss of Grade 1 agricultural land and impact on local villages.
- HEA for Yeovil has failed to consider the capacity of the Greenfield area to absorb more development.
- The proposed completion rate at Yeovil's urban extension is optimistic, further proposals for new housing should be identified at Market Towns to bridge this gap.
- Yeovil is taking a disproportionate amount of growth relative to its size. Yeovil currently has 27% of the population but it is proposed to take 49% of all growth and an Urban Extension that will take 22%. A more balanced approach is needed.
- There are opportunities to increase densities on existing commitment's that may reduce the need for Greenfield land.
- Have housing projections taken the current level of unoccupied housing into account within the region?
- The oversupply of housing would encourage economic stagnation and deprivation across the District.
- Significant proportion of the population work at RNAS Yeovilton inflating the 20-35 age group. Yeovil has a high proportion of the population employed in public sector work which is generally shrinking. South Somersets high knowledge content economy is dependent to an extent on inward migration and older couples.
- The Core Strategy has not taken into account the impact of the Strategic Defence and Spending Review which will result in significant job losses at AgustaWestlands, Yeovilton, MOD Civil Service.

Response to issues

In September 2010, Baker Associates were appointed to review South Somerset's economic, population and household formation projections and identify a robust housing target for the District as a whole, split between Yeovil and the rest of the District to 2026.

PPS12 states 'the time horizon for the Core Strategy should be at least 15 years from the date of adoption'. As the Core Strategy is not expected to be adopted until 2012 / 2013 the plan period for, which the Core Strategy covers has been extended from (2026) to (2028) to ensure a 15-year 'time horizon'. Given the extension of the Plan period by 2 years SSDC have updated the Baker Report to reflect this change.

For clarity, both sets of data are presented throughout the report for comparison purposes and all statistics will be given a clear identifiable plan end date to avoid confusion.

This paper considers the implications of the Baker Associates report & SSDC update on Yeovil housing numbers.

Growth Scenarios

The Baker Study has considered three different approaches to derive a range of housing figures.

1. A demographic projection based approach – meaning the numerical consequences of accepting the likely trends in birth and death rates and particularly in net migration levels, and applying trends in household formation
2. A economic based approach – looking at the reasons for making provision for housing in relation to economic development, access to housing, and the maintenance of communities
3. A delivery based approach – looking at the capacity of the area to provide housing in environmental terms, from a housing market delivery perspective and in terms of the potential to bring empty homes back into use

Baker Associates have recommended that an economic led approach to the growth of Yeovil as it is considered to most closely align with South Somerset District Councils objectives.

Economic Growth Scenario

Under an economic led approach, Baker Associates suggest a Yeovil housing requirement of 7,500 homes (based on 5,600 jobs – ie 50% of the District's job growth), assuming in-commuting is not addressed. There is however an opportunity through additional housing to attempt to reduce net in-commuting by 5 – 15%. This would lead to a housing requirement of 7,900 – 8,700 homes (Table 1).

Table 1: Housing requirements at Yeovil and the rest of the district (2006-2026)

Yeovil (Economic growth scenario 1 - 50% of jobs directed to Yeovil ie 5,600 jobs)	Rest of the District	District total
7,500 (Net commuting unaltered)	8,500	16,000
7,900 (Net in-commuting reduced by 5%)	8,100	16,000
8,300 (Net in-commuting reduced by 10%)	7,700	16,000
8,700 (Net in-commuting reduced by 15%)	7,300	16,000

This economic scenario has been updated by SSDC to reflect the extended plan period and demonstrates a new Yeovil housing requirement of 8,600 (again assuming 50% of the District job growth – 6,250). Similarly, if in-commuting is to be addressed by 5 - 15% this would lead to a housing requirement of 8,600 – 9,890 new homes (Table 2).

Table 2: Housing requirements at Yeovil and the rest of the district (2006-2028)

Yeovil (Economic growth scenario 1 - 50% of jobs directed to Yeovil ie 6250 jobs)	Rest of the District	District total
8,600 (Net commuting unaltered)	8,600	17,200
9,030 (Net in-commuting reduced by 5%)	8,170	17,200
9,460 (Net in-commuting reduced by 10%)	7,740	17,200
9,890 (Net in-commuting reduced by 15%)	7,310	17,200

Market Capacity

The Baker Associates report recognises that to achieve these housing scenarios it is important to understand future market capacity and supply within the planning and development system. The Baker Report considers market capacity of the Yeovil Urban Extension in greater detail at paragraphs 8.18 - 8.24, as the following conclusion para 8.29 – 8.33 is of direct relevance to this report it is reproduced below for convenience.

*The Yeovil urban extension has an estimated capacity of 3,720¹ dwellings. Taking account of the emerging core strategy programme, the market has the capacity to deliver a total of about 2,640² dwellings at the Yeovil urban extension in the plan period to 2026. **The total deliverable supply between 2006 and 2026 at Yeovil is 7,219 dwellings³.** This represents the market capacity taking account of existing commitments and development allocations in the emerging Core Strategy, realistic start dates on major sites, the capacity of developers to deliver completions, in addition to an allowance for windfall development 2022 - 2026.*

The market capacity for additional development at Yeovil is a function of the number, scale, and location of urban extensions, after which there are no further completions on the north side of the town, with the urban extension to the south coming on stream. Whilst three separate urban extensions could each produce about 360 annual completions, the one development area south of the town at East Coker/Keyford/Barwick will only deliver about 250 dpa on average, thus limiting annual market capacity.

The overall market capacity of Yeovil could be raised by increasing the number of urban extensions available for development after 2016, when a more constrained supply is apparent. After 2016, the theoretical maximum capacity of urban extensions at Yeovil would be achieved by spreading development across about 4 urban extensions (including the existing YUE), assuming an average of two developers on each at any one time, each completing about 40 dpa, with an additional 40 affordable units. :

The Baker Associates report conclude that if the Council intends to promote a housing target greater than 7600⁴ homes at Yeovil, it should consider including more urban extensions in other locations, which would have the effect of expanding the market. These

¹ 2026 end date

² 2026 end date

³ 2026 end date

⁴ 2026 end date

could be located in other areas adjacent to Yeovil, not in the vicinity of the Urban Extension. In addition to the market capacity of 7600⁵ at Yeovil, there is potential to raise the market capacity of the town to 11,900⁶ dwellings, subject to making more land available as urban extensions.'

The data presented in the Baker Associates report has been updated by SSDC to reflect the extension to the Plan period. The consequence on Market Capacity for Yeovil is *that the total deliverable supply between 2006 and 2028 at Yeovil is considered to be 7,739 dwellings*⁷. This figure has been calculated by rolling the Yeovil Urban extension, housing trajectory forward by 2 years (260 dwellings x 2). It should be noted that the Urban Framework figure has not been rolled forward on the same basis as this provision is considered, constrained by a finite resource of brownfield sites. It should also be noted that the total Plan target for the rest of the District has been increased to 17,200⁸.

Land Availability

The Strategic Housing Land Availability Assessment (SHLAA) published in March 2010 conclude that the supply of deliverable and developable sites within the Yeovil Urban Extension (preferred option as presented in the Draft Core Strategy) can accommodate 1100 dwellings (SHLAA reference S/EACO/0014) this is approximately 1/3rd of the anticipated level of growth. The Baker Associates report recommends that this site needs to be examined further in terms of market capacity, as well as making reasonable assumptions about the likely start date and build rates. It notes critically that the SHLAA panel has assessed housing capacity and deliverability on an individual site basis, rather than taking a collective view. Land capacity is therefore not considered a limiting factor.

Critical Mass

As the Yeovil Urban Extension has received Government funding to explore eco-town standards some consideration should be given to its aims and objectives for development. The Eco-town PPS explains that a new town should make provision for a minimum of 5,000 homes as planning on this scale allows the development to exploit a number of opportunities and benefits. The TCPA 'Best practice in Urban Extensions and New Settlements' clarifies that a critical mass of 5,000 – 10,000 dwellings is required as it should be large enough to support a secondary school, communities that do not provide for their children are not considered sustainable. This scale of development brings with it other advantages associated with scales of economy in respect of sustainable transport options and renewable energy generation as well as the opportunity to maximise self-containment.

Spatial Vision

The Sustainable Community Strategy (SCS) and Regional Spatial Strategy (RSS) recognise Yeovil as the prime economic driver within the District and a centre for employment and service provision that is well linked to the rest of the District.

Environmental Constraints

A number of representations have referred to specific location constraints on Yeovil's periphery that could restrict growth at Yeovil. These constraints include landscape capacity, high biodiversity value, impact on villages and the historic environment. The scope of this report is to consider the scale of growth for Yeovil and not the location these issues are deferred to an associated report on Yeovil's growth direction.

⁵ 2026 end date

⁶ 2026 end date

⁷ 2028 end date

⁸ 2028 end date

Infrastructure Capacity

A number of representations have cited infrastructure capacity issues as potential limiting factors to housing capacity. These issues can be summarised as road infrastructure & capacity, services, education and health capacity. As the scope of this report is to consider the scale of growth for Yeovil and not the location of development these issues have been deferred to a sister report on Yeovil's growth direction. Further information on infrastructure capacity will be made available within the Council's Infrastructure Delivery Plan expected in draft form in June 2011 in time for Core Strategy submission.

Conclusion

The Baker Associates report recommends an economic led approach to the growth of South Somerset and Yeovil, as this strategy is most closely in line with South Somerset's objectives. Under an economic led approach, the Baker Report recommends a Yeovil requirement of 7,500 until 2026. This figure has been updated by SSDC to 8,600 dwellings to 2028. The Baker Report notes that should there be a desire to reduce net in-commuting this split could be altered further into Yeovil's favour.

Baker Associates have tested growth scenarios against market capacity and concluded that the total deliverable supply between 2006 and 2026 at Yeovil is 7,219 dwellings (Appendix 1 – Baker Associates estimated delivery). SSDC has updated this figure as a Yeovil market capacity of 7,739 between 2006 and 2028 (Appendix 1 – Footnote). This total supply being constrained by the single urban extension currently planned at Yeovil within the Draft Core Strategy.

Land availability, environmental constraints and infrastructure capacity, were not considered restrictive issues in the context of this report.

As identified by Baker Associates & updated by SSDC the growth figure for Yeovil is constrained by market capacity. A range however of 8,600 and 9,890⁹ homes is considered necessary to fulfil the SSDC aspiration to reduce in-commuting. An increase in Yeovil's housing numbers is also considered necessary to fulfil Yeovil's ambition set out in the Vision for the District and to achieve an appropriate critical mass within the Urban Extension.

To address these competing aspirations it is proposed that a second scenario (Appendix 1 – SSDC estimated capacity) should be explored that would see Yeovil's Greenfield Urban Extension raised to 3,700¹⁰ dwellings and consequently the total Yeovil provision raised to 8,279 dwellings until 2028. Given that market capacity impedes this scenario by identifying a potential shortfall, it is suggested that Yeovil's market capacity is explored further within a follow up paper.

Recommendation

The plan period is extended for Yeovil to 2028.

Yeovil's housing growth target has increased from the level set at the Draft Core Strategy to 8,600¹¹ split between 4,579¹² within the urban framework and 4,021¹³ dwellings within an urban extension.

This growth target is depended on an increase of Yeovil's market capacity to be explored within a follow up paper.

⁹ 2028 end date

¹⁰ 2028 end date

¹¹ 2028 end date

¹² 2028 end date

¹³ 2028 end date

Appendix 1: Yeovil Housing Supply

	<u>Baker Associates estimated delivery (2006 - 2026)</u>	<u>SSDC Update estimated delivery (2006 – 2028)</u>
<u>Housing Supply</u>		
Completion (2006-2010)	726	726
Under Construction (Non Allocated)	369	369
Commitments (Non Allocated)	117	117
<u>Key Sites</u>		
Luffton	620	620
Lyde Road	717	717
Brimsmore	830	830
<u>Urban Framework</u>		
Urban Area (YV1) (Windfall allowance 2022-2026)	800	800
Urban Village (YV3)	400	400
<u>Urban Extension</u>		
Urban Extension (YV2)	2640	4,021 ¹⁴
<u>Yeovil Total</u>	<u>7,219</u>	<u>8,600¹⁵</u>
<u>District Total</u>	<u>16,000</u>	<u>17,200</u>

¹⁴ Market capacity estimated by SSDC as 3,160 until 2028

¹⁵ Market capacity estimated by SSDC as 7,739 until 2028