



Mr P Crysell
C/o Kath Thorne
Programme Officer
South Gloucestershire Core Strategy Examination

Date: 7th June 2013
Your Ref:
Our Ref:
Enquiries to: Patrick Conroy
Telephone: 01454 863469
Fax: 01454 863116
Internet: PlanningLdf@southglos.gov.uk

By Email

Dear Mr Crysell,

South Gloucestershire Council - 5 Year Housing Land Supply

I write further to the Council's letter of 3rd May in which we drew to your attention the need for the Core Strategy to provide an adequate supply of housing land to meet the next five years' housing requirement and the recent Engine Common appeal decision which concluded that in applying the housing requirement in the Core Strategy the Council did not have a five year supply. As you are aware, you are required to be satisfied that a five year supply can be demonstrated in order for you to conclude that the Plan is found sound, under paragraphs 47 and 182 of the NPPF.

It was agreed that the Council would provide a response to you on this issue by 7th June and this letter contains its response on the 5 year Housing Land Supply (HLS). As such it should be read alongside your Main Modifications (September 2012), Further Main Modifications (March 2013), the Council's respective responses of 16th November 2012 and 3rd May 2013, the latter incorporating the Council's response to the implications of the CLG household projections for the period 2011-2021 for the South Gloucestershire Core Strategy.

As we made clear in our letter of 3rd May, this issue needs to be resolved through the Core Strategy examination process to find the Plan sound in a way which minimises any further significant delay to the Plan's adoption timetable and reduces the risk of a legal challenge. We also understandably want to reduce *ad hoc* applications for residential development that may be presented to the Council prior to the Plan being adopted. As we also explained, it is our intention to work with you to seek a suitable way forward.

In this context, we remain of the view that given the very advanced stage the Core Strategy has now reached substantial weight can be given to your confirmation that the strategic housing requirement is 28,355 dwellings over the period 2006 to 2027, the 5 year housing supply requirement is 9,345 (as at April 2012) and the approach to dealing with the historic shortfall is the 'Liverpool' approach.

Following the publication of the Engine Common appeal decision, the Council has appointed and commissioned an independent assessment of the deliverability of its proposed housing sites. This assessment has been undertaken by the BNP Paribas consultancy following an open tendering process. A copy of their report is enclosed with this letter.

BNP Paribas are housing market experts who have detailed knowledge of both the national and more specifically the South Gloucestershire housing markets. In preparing their report they have reviewed the findings of the two appeal decisions for Engine Common and Morton Way North, Thornbury, as well as the delivery rates of sites highlighted in the actual evidence presented at both appeals, in order to provide a robust, evidentially based position

on the housing land supply. The opinions of BNP Paribas have been incorporated into the latest update to the AMR which is also enclosed with this letter.

The BNP Paribas' report – Findings

The BNP Paribas' report provides a detailed assessment of the current state of the housing market in South Gloucestershire and provides a detailed commentary on the likely future delivery rates of the sites considered at the Engine Common Appeal.

Incorporating the conclusions of this independent assessment of the challenge sites (i.e. those sites appraised at the most recent planning appeals) into an updated AMR and also taking account of the 2012/13 completions, **the Council is able to demonstrate a deliverable supply of houses amounting to 10,393 dwellings**. Please note at the Engine Common appeal this was presented to be 9,387 dwellings including the site at Morton Way North Thornbury.

Taking account of the need to update the requirement for the 5 year period 2013/14 – 2017/18, including the 20% buffer, based on the annulisation/ equalisation (Liverpool) method with the shortfall fall spread over the remaining Plan period, as set out in your draft Main Modifications and Further Main Modifications, the 5 year land supply target at April 2013 is **9,660** dwellings. Having commissioned an independent assessment, we therefore consider in the light of the conclusions of that assessment that the current housing land supply amounts to **5.38 years/ surplus of 733 homes**, when set against the 5yr requirement including the 20% buffer as presented in the table below.

Assessment of Five Year Supply against South Gloucestershire Core Strategy Policy CS15 (Inspector's Draft and Further Main Modifications)			
			Plus 20% Buffer
A	Net provision required 2006 to 2027	28,355	
B	Net provision delivered in Core Strategy period to date (2006 to 2013)	5,810	
C	Total net provision required 2013 to 2027 (A minus B)	22,545	
D	Number of years remaining	14	
E	Remaining annualised provision required (C/D)	1,610	1,932
F	Five Year housing requirement 2013 to 2018 (Ex5)	8,050	9,660
G	Total identified deliverable supply 2013 to 2018	10,393	10,393
	Five Year supply surplus or deficit (G minus F)	2,343	733
	Five Year supply (G/Fx100)	129%	108%
	Five Year supply (G/E)	6.46	5.38

Please be advised that BNP Paribas have recommended that the Core Strategy makes an allowance of large site windfalls from sites of 10 units or more in size. The revised AMR and table above **makes an allowance of 270 units in the next 5 year period from large site windfalls and 130 units from known sites which have come into planning since March 2013**. The Council is content that this figure should be included and that the findings of BNP Paribas fully justify this approach in light of current market conditions and the likely supply of available sites. However, although this is a new matter, the Council is not wholly dependent on the windfall allowance to achieve its 5 year land supply and even without this source of supply a 5 year land supply can be demonstrated.

Clearly this independent assessment constitutes highly material and robust evidence and should be afforded substantial weight. Moreover, although the Engine Common appeal Inspector concluded the Council did not have a 5 year land supply he did not have the benefit of an assessment independent of both the development industry and the Council when reaching that conclusion.

The Council considers that this independent assessment of its housing supply provides you with clear evidence to enable you to justify a conclusion that there is a 5 year deliverable housing supply. We therefore maintain the position that as at 7th June paragraph 49 of the NPPF is not engaged and the Council can demonstrate a 5 year housing land supply without the need to allocate additional sites or significantly extend further the duration of the EiP.

The Council understands that you are likely to want to consult with all participants on the enclosures to this letter and considers that this can be undertaken by way of written representations, following consultation with PINS. This would enable you to complete the remaining examination stages to an agreed timetable which would lead to your Report being presented to the Council no later than 23rd September 2013. With this in mind a suggested draft timetable is enclosed with this letter.

Request for early release of your report covering the Stoke Gifford Transport Link.

As an interim measure, the Council would like to request that you provide an extract from your final report relating to the release of the Green Belt at East of Harry Stoke and the safeguarding of the Stoke Gifford Transport Link ahead of your main report being issued and that this is provided by the 31st July 2013.

As the Council explained at the EiP the principal major scheme to be delivered in South Gloucestershire is the North Fringe - Hengrove Package. This will be part of the West of England rapid transit network. The package is designed to facilitate a significant shift from the private car onto more sustainable modes to tackle congestion, improve air quality, facilitate sustainable development and meet national and local objectives for economic development, health, accessibility and quality of life which will provide a significant improvement in the quality and frequency of public transport to the North Fringe.

The delivery of this major new transportation scheme is being progressed with funding from DfT. To secure this funding it is critical the major scheme progresses to its agreed timetable and that the planning policy framework, as set out in the up to date development plan, is supportive of the transport scheme to ensure there are no delays or impediments given a planning application is needed to progress the scheme.

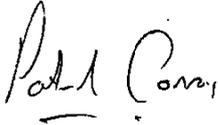
Based on the existing adopted South Glos Local Plan, the Stoke Gifford Transport Link would represent a departure given the currently defined Green Belt boundary, however, the policy position is resolved through the Core Strategy by virtue of Policies CS5, CS7 and CS27. The Council therefore requests that you provide an early release of the section of your report covering the Stoke Gifford Transport Link. This would allow the Council to progress to approve the submitted planning application based on this as a very significant material consideration, thereby ensuring this major transport scheme is progressed to the DfT timetable and funding is secured so as not to jeopardise the delivery of the Greater Bristol Bus Network scheme.

In summary the Council looks forward to your considered response to its 5 year housing land supply position and the new independent assessment which supports this, and to its request for the early release of the part of your report covering the Stoke Gifford Transport Link.

To support this letter we have included three enclosures:

1. BNP Paribas' Assessment of Deliverable Housing Sites
2. Updated Annual Monitoring Report (AMR) extract covering 5 year housing land supply May 2013.
3. Suggested Core Strategy timetable

Yours sincerely

A handwritten signature in black ink, appearing to read 'Patrick Conroy', with a horizontal line underneath the name.

Patrick Conroy
Strategic Planning Policy and Specialist Advice Team Manager

Suggested South Gloucestershire Core Strategy – Reporting Timetable

1. 7th June Inspector receives South Glos response following Engine Common appeal decision
2. Week commencing (w/c) 17th June – Inspector issues Note setting out his response to South Gloucestershire and his preferred way forward and seeks comments on South Glos 7th June letter and enclosures for a 4 week consultation period (as per time given when published 10th January 2013 Note).
3. w/c 15th July – reviews representations received and completes report
4. w/c 5th August – send draft report to PINS for validation process
5. w/c 26th August revise report in light of comments received from PINS
6. w/c 2nd September send report to Council for fact check purposes.
7. w/c 23rd September – final report sent to South Gloucestershire Council.