South Gloucestershire Core Strategy

Justification for the Strategy for Housing to 2026

March 2011

South Gloucestershire Council

List of Appendices

South Gloucestershire Core Strategy – Justification for the Strategy for Housing to 2026

Introduction

1. The purpose of this paper is to set out the rationale behind the approach to the overall level of housing provision and the spatial distribution of growth in the submission South Gloucestershire Core Strategy. The Council considers that the planned housing requirement is deliverable, justified and appropriate and represents a coherent expression of the district's strategic and local priorities set in the context of social, economic and environmental objectives, in accordance with the principles of sustainable development.

2. Work on the Core Strategy started in 2007 and has continued within a changing national policy context. Until May 2010 the higher level strategic guidance on the scale and location of future housing provision in the district was set out in the emerging South West Regional Spatial Strategy (RS). This document provided a number of different housing scenarios during its development, up to the point in July 2008 when progress on it stalled.

3. In May 2010, the incoming government immediately announced its intention to abolish Regional Spatial Strategies so that housing numbers and locations could be set locally. While there have been legal challenges to this approach, and the Localism Bill which will provide the legal framework has yet to be enacted, it is considered that the localism agenda in planning has material weight as a framework for the preparation of planning policy. Given that the draft RS does not form part of the development plan, has not reached the adoption stage and there is now no prospect that it ever will, it carries limited weight.[1]

4. The following factors have therefore been taken into account in determining the level of housing growth in the South Gloucestershire Core Strategy:

    A. Our strategic objectives for the authority, as expressed in the Sustainable Community Strategy;

    B. The authority's contribution to the overall vision for the West of England as a sub-region;

    C. The views of our communities determined through extensive public consultation;

    D. Detailed technical evidence about how much growth the area could accommodate and sustainability appraisal work;

    E. Evidence of past completion rates in the district;

[1] Confirmed in appeal decision re Land at Williams Green, Longwell Green APP/P0119/A/10/2138335 March 16 2011

F. Assessment of the infrastructure required to deliver growth and its planned delivery;
G. Technical assessment of population growth, housing need and the economic growth process;
H. Recent changes in national policy – the localism agenda.

A. Our strategic objectives for the authority, as expressed in the Sustainable Community Strategy

5. PPS12 – Creating Strong Safe and Prosperous Communities through Local Spatial Planning, requires that;

   "The (Core Strategy) vision should …closely relate to any Sustainable Community Strategy for the area."

6. The South Gloucestershire Core Strategy sets out a spatial vision and an approach to how future development should be managed. This relates closely to the higher level priorities set out in the Sustainable Community Strategy to deliver mixed and balanced communities, secure future housing development which is vibrant, cohesive, sustainable and well integrated with our existing communities, sustain independence and personalised care for our older people in later years and deliver a transport system that rivals any major European city through innovative partnership working.

7. This is set out in the Core Strategy at page 21 which illustrates how the 8 key issues that form the basis of responding to the challenges of delivering sustainable development in South Gloucestershire connect to the 7 Sustainable Community Strategy priorities. This inter-relationship sets the context for the Core Strategy. The level and distribution of future development planned accords with the objectives of this higher level plan.

B. The authority's contribution to the overall vision for the West of England as a sub-region

8. Having experienced rapid growth for the last 20 years, South Gloucestershire is fully aware of the advantages that economic prosperity brings to its communities. However, it is not the intention of the West of England Partnership (which brings together the four unitary authorities - Bath & North East Somerset Council, Bristol City Council, North Somerset Council and South Gloucestershire Council) that South Gloucestershire should continue to be the principal focus of economic expansion for the next 20 years. While development is expected to come forward within the South Gloucestershire part of the Bristol urban area, its function in strategic spatial policy terms is to support, rather than be the focus of, the development of the Bristol urban area over the next 20 years.

9. For the West of England therefore, a key objective is to enable, through positive planning, the ambitions and potential of the whole of the sub-

region to be realised and to share the economic prosperity which South Gloucestershire has benefited from over the last 20 years. This requires a sub-regional strategy with a clear vision and purpose to unlock the wealth generating potential of all the communities of the West of England Partnership.

10. For South Gloucestershire the strategy is to continue to improve the balance between homes and jobs, while maintaining the quality of life and environmental assets across the district. To fulfil these objectives it is imperative that housing growth in South Gloucestershire is contained within sustainable limits and set in the context of the vision and objectives of the West of England. Too little housing and the long term aim to address the homes/jobs imbalance will be unsuccessful. By contrast, too much housing, and/or housing in the wrong places, will undermine all the effort being made to meet the employment and economic needs of all residents in the sub-region and to address the worst effects of sprawl and car dependent development.

11. The housing provision made in the Core Strategy, therefore, provides the planning expression of the West of England vision and wider place making objectives for the area.

C. The views of our communities determined through consultation

12. The Core Strategy has been developed as a result of extensive on-going engagement with our communities, partners and other stakeholders. Prior to the publication of the Issues & Options document, a residents' questionnaire and parish council workshop were conducted, as well as a more targeted workshop with key stakeholders, to establish the views of our communities on the key issues and objectives for the district. The results of this initial consultation helped to inform the draft visions, objectives and options in the Issues & Options document.

13. With the publication of the Core Strategy Issues & Options document, a programme of publicity and events was undertaken. Results of responses to the document were used to inform the preparation of the Pre-Submission Draft Core Strategy. From the representations made and the numerous letters and comments that have been sent to the Council, it is clear that the Green Belt and open countryside is widely cherished by many people. There was particular strong opposition to options for potential urban extensions within the RS areas of search East of Kingswood and East of Chipping Sodbury.

14. Communities considered that the urban extension East of Kingswood would have unacceptable effects on the Green Belt, important views and landscape features, access to the countryside, and existing rural communities and had concerns about lack of transport infrastructure. Objections to development at Chipping Sodbury focussed primarily on the impacts on existing services, the Cotswolds AONB and areas of flood risk.

(Summary of Responses to Issues & Options March 2010). The Council also was mindful of the strong public objections to the level and location of housing proposed for South Gloucestershire in the RS Panel Report (Cabinet Report Oct 6th 2008)

15. The Pre-Submission Publication Draft Core Strategy was published in March 2010 and proposed changes to the document, as a result of representations made, were published in December 2010. In accordance with the Council's procedure for progressing strategic sites as set out in the Statement of Community Involvement (SCI), continuing engagement is taking place with relevant stakeholders to progress the master planning work needed to support the new neighbourhoods and Thornbury Housing Opportunity area. This will contribute to ensuring that the proposals in the Core Strategy are deliverable and appropriate.

D. Detailed technical evidence about how much growth the area could accommodate and sustainability appraisal work

16. Technical work to inform the Council's response to the emerging RS began in 2006. This included the Strategic Green Belt Assessment (2006) and the identification of environmental constraints and infrastructure issues in the areas of search proposed in the Draft RS. South Gloucestershire Constraints to Development (March 2007), which set out detailed landscape character and constraints information was presented to the RS EIP (Ref 3003 Matter 4.1) in support of the Council's position that the proposals for housing levels and distribution in the RS would significantly encroach into the countryside and markedly change its character. Collectively this evidence formed the justification for the Council's view that the scale of development proposed by the RS was too locationally specific to be justified by the evidence presented to support it, resulting in unrealistic and unsustainable proposals for development, both in terms of the overall amount of housing and locations, particularly in the East Fringe of Bristol.

17. Previous Labour government housing policy set the context for both the RS Panel Report and the Proposed Changes to give greater weight to housing need, identified through trend population and economic growth projections, than to deliverability, environmental constraints and sustainability. Notwithstanding this, South Gloucestershire Council has continued to consider that environmental and sustainability considerations should play a more prominent role in the overall planning balance to establish the housing strategy. Consequently it has used strategic landscape and constraints mapping and evidence based sustainability appraisal work to inform and justify the emerging Core Strategy. This was used to inform the development of the draft visions, objectives and spatial options in the Core Strategy Issues & Options document. The explanation of how the evidence informed Issues & Options was published for consultation in the Initial Sustainability Appraisal Report in appendices 1 - 4 & 7(May 2008).

18. Further detailed work on constraints and infrastructure requirements relating to proposed areas of growth was prepared to inform the Pre-Submission Publication Draft Core Strategy in 2010. The Sustainability Appraisal Report provides clear evidence which supports the Core Strategy and how alternatives were considered. It explains the consequences of developing in alternative locations and shows the unacceptable effects, for example on travel patterns or on valuable environmental or heritage assets, that have informed the assessment process. In addition the Core Strategy is supported by the Strategic Housing Land Availability Assessment (December 2010) which demonstrates that the sites which make up the 21,500 housing figure are suitable, available and deliverable.

19. To depart from the Plan's spatial strategy would be to accept unsustainable patterns of development. This would be contrary to national guidance which requires the protection and, where possible, the enhancement of the quality and character of the countryside, and the duty to support sustainable development. The removal of top down targets, as formerly set out in the RS enables the Council, based on the local technical evidence it has prepared, to develop a strategy for the district which gives stronger consideration to environmental constraints and more fully reflect the principles of sustainable development.

E. Assessment of the infrastructure required to deliver growth and its planned delivery

20. The Core Strategy sets out the level of new development that can be provided over the next 15 years to support mixed and balanced communities. The strategy focuses on planning with some certainty for development in the first five years of the plan period, with the necessary infrastructure in place or programmed. It gives spatial expression to the priorities identified by our communities and provides a delivery mechanism by which these can be realised allied to future development (set out in the Infrastructure Delivery Plan).

21. The provision of transport infrastructure is central to the delivery of the development proposed in the Core Strategy and has been a major consideration in determining the location of areas for growth. During all stages of the RS preparation, prior to work being stalled in 2008, the RS relied on the evidence provided in the Greater Bristol Transportation Study (2006) to justify housing requirements and locations. The Core Strategy has, however, reflected changes in circumstances relating to transport infrastructure planning since 2006 in determining its locational strategy, particularly in relation to the East Fringe of Bristol. This is set out in detail at Appendix 1 which shows that the assumptions made on the delivery of transport infrastructure which justified the housing requirement at the various stages of the RS are fundamentally flawed because the RS did not reflect actual changes in the planning for new strategic transport infrastructure that have taken place since 2006.

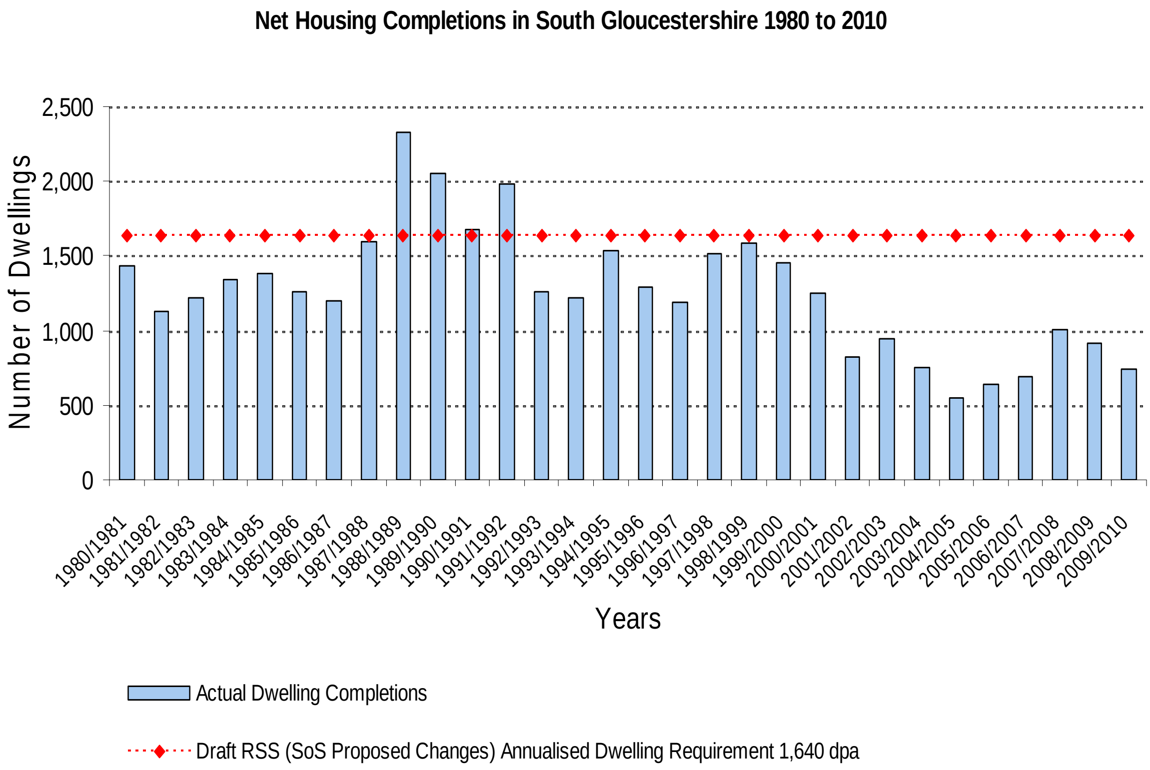
22. In essence therefore, there is strong evidence to refute the case that the level of development proposed by the RS could be supported by available investment in strategic transportation infrastructure. In contrast the Core Strategy is able to demonstrate a good strategic fit with our delivery partners and their investment plans and strategies. The Core Strategy's alignment with high level strategic investment programmes demonstrates that priorities are clear, that the best possible delivery framework is identified, which recognises the need for realism about what can be delivered in this new and challenging financial environment, and makes best use of and co-ordinates private and public investment.

F. Evidence of past completion rates in the district

23. The growth rates for the district set out in the RS Panel Report represent an annualised figure of 1,640 homes. However, analysis of completions in the past 30 years set out in Figure 1 shows that this rate has only been achieved in 4 of the last 30 years. These high levels of completions were achieved during the four years of peak delivery of Bradley Stoke. However, the full capacity of 8,000 homes on green field land at Bradley Stoke took 20 years to complete and, in the peak delivery years, up to 30 separate developers were working on the site.

24. Mindful of the historic problems of undersupply, the Council is now very aware of the need to provide an adequate supply of housing land. The Council's Major Sites Team is working closely with our developer partners to renegotiate planning obligations and bring forward sites to secure housing delivery. Notwithstanding this, based on developers own assessment of future delivery, it is very unlikely that build rates and the scale of construction activity that was seen at Bradley Stoke would be repeated in the current and foreseeable future. It is therefore unrealistic to assume that these conditions can be replicated for each year up to 2026. This adds considerable weight to the Council's view that, in establishing the housing requirement, the ability of the market to actually deliver must be a key consideration, especially when the impact on environmental sustainability and the openness of the Green Belt are the high level factors that go to the heart of establishing the planning balance.

Figure 1



G. Technical assessment of population growth, housing need and the economic growth process

25. The need to provide new housing in South Gloucestershire is closely related to the existing and future supply of jobs in the area and projected population growth. Work on the RS was largely carried out around five or more years ago and in very different economic circumstances. The draft RS clearly acknowledged that the level of housing provision contained within the Plan was premised on the central forecast for economic growth of 2.8%. However, the draft RS also rightly cautioned as to the robustness of this level of growth being able to be sustained for the next 20 years. As demonstrated in Appendix 2, this view has proved to be very material. Notwithstanding this, the EiP Panel Report and the Secretary of State Proposed Changes considered the economic growth rates of the draft RS would continue and were a key justification for increasing the level of housing provision from the draft RS.

26. It is clear that the economic forces driving many of the assumptions that underpinned the RS have now changed. This was taken into consideration in preparing the Pre-Submission Publication Draft Core Strategy (para 4.4).

27. The Strategy for Development set out in the Core Strategy is justified in the light of the downturn in economic growth which started with the

banking crisis in 2008/9. To support this, the Council has commissioned a study to appraise the robustness of the housing totals proposed in the Draft Core Strategy in the light of current national and local economic prospects (Appendix 2). The three key tests examined and the broad conclusions reached are set out below.

28. *Is housing growth sufficient to support likely economic growth levels?* The housing total of 21,500 was judged against three alternative local economic forecasts each tested at three potential national growth scenarios. It was concluded that the 21,500 dwellings proposed in the strategy for development would result in a ratio of new dwellings to jobs of between 1.6 and 0.98 and thus provide sufficient scope for accommodating future economic growth in South Gloucestershire.

29. *Are affordable housing requirements identified in the SHMAA likely to be achieved?* The level of affordable housing need in South Gloucestershire identified in the West of England Strategic Housing Market Assessment (June 2009) results in an average net need of over 900 dwellings per year, almost the entire proposed dwelling figure in the Core Strategy. However, to achieve this by providing affordable housing as a proportion of all new development would require a total building programme of almost 60,000 dwellings in the district to 2026. Although the force of evidence set out in the SHMA for higher levels of affordable housing delivery is material, the obvious and formidable practical barrier to delivery indicates that in practice the often very high total need figures indicated by SHMAs are not, on their own, a sufficient base for determining levels of affordable housing requirements/targets. Viability and practical barriers to delivery indicate that a pragmatic approach which aims to maximise delivery of affordable housing provides the best basis for LDF strategic policy.

30. In this context, a total of 21,500 houses are projected to support the delivery of 5,330 affordable houses. At an average rate of 333 new affordable houses annually, this represents an important achievement and compares well with the average of 207 units built between 2006/07 and 2009/10 and will result in a substantial improvement in the provision of affordable housing in the district given the current financial climate.

31. *Is housing growth sufficient to meet trend population growth requirements?* PPS 3 specifies that in determining the level of local housing provision the Government’s latest household and population projections should be taken into account.

32. The Government’s latest household projections for South Gloucestershire - the DCLG 2008-based sub-national household projections, suggest that there will be a requirement for 32,000 new households in the district over the plan period (2006/26). These latest projections are lower than the 2006-based projections (33,000 households) on which the RS housing requirement for South Gloucestershire was established.

33. A major component of the 2008 sub-national household projections is the ONS sub-national population projections, the latest version of which, the 2008-based projections, were published in May 2010. It is important to note that these projections are based solely on recent population trends (2004-2008) in the levels of births, deaths and migration.

34. The 2008 based population projections suggest that the population of the district will increase by 56,100 over the plan period (2006-26). The projections for South Gloucestershire are less influenced by the high levels of international in migration experienced by many other local authorities between 2004 and 2008. However, analysis of official ONS data reveals that the population of the district is still projected to increase at a much higher and more consistent rate than has been experienced over the past three decades, despite the fact that the district experienced very high levels of housing development during this period.

35. Based on documented evidence of longer term historic population trends and the recently published ONS mid-year-population estimates for 2009, the ONS 2008-based population projections for South Gloucestershire are considered likely to over inflate the projected level of population growth over the plan period. In the 17 year period 2009/10 – 2025/26, the population of South Gloucestershire is projected to increase by 50,400 (an average of 2,965 persons per annum). In contrast 'actual' growth in the preceding 17 year period 1992/93 – 2008/09 was much lower at 36,600 (an average of 2,153 persons per annum). It should also be noted that more recent ONS mid-year estimates for 2009 are significantly lower than the equivalent figures for 2008/09 published in the ONS 2008 based population projections. The 2009 mid-year-estimates use more recent data than the 2008 projections and are considered by ONS to be more accurate. Further detailed explanation is set out at Appendix 3.

36. Furthermore, developing at the simple trend rate illustrated by the DCLG projections ignores the essential influence of local policy objectives in planning for change, becoming a simplistic exercise in 'predict and provide'. Consequently, the high rate of projected growth in the DCLG/ ONS projections, which has its basis in the assumption of high levels of in-migration (particularly from other parts of the South West and the UK, but also from overseas) that have been seen in the past, continuing unabated in the future do not take into account any policy changes, housing development or other factors which might influence future population levels.

37. The conclusion reached is that the latest projected population growth forecasts are not an acceptable basis for justifying higher levels of housing growth and that the Core Strategy proposal for 21,500 dwellings is linked more closely to employment growth within a regime of plan-monitor and manage.

H. Recent changes in national policy – the localism agenda

38. Following the general election on 27th May 2010, the Secretary of State announced the government's intention to abolish Regional Spatial Strategies. Although primary legislation (the Localism Bill) has not yet been enacted, the government has clearly stated its intention to dismantle the regional planning system. The government has indicated that it is now for local authorities to set and justify their own housing numbers and distribution. Sections of PPS3 will remain relevant; however, the Government's localism agenda has increased the emphasis on bottom-up plans that express the visions of local communities and the importance of achieving a better consensus in determining the balance between the impact of development and economic, environmental and social issues when setting housing targets.

39. Although prepared before the new government was elected, South Gloucestershire's Pre Submission Publication Draft Core Strategy reflects the principles behind the localism agenda. In departing from the high levels of growth and locations set out in the Secretary of State's Proposed Changes to the RS, the level of housing growth and distribution set out in the strategy for development reflects local circumstances and the views of local communities and partners. It is supported by a significant evidence base and sustainability appraisal. In particular the key principles of avoiding development on Green Belt land, while providing growth to rebalance our communities, and strengthening town centres form the basis for the housing numbers and distribution.

Clear Rationale for Core Strategy Housing Requirement

40. At the heart of the Core Strategy is the spatial vision. The vision for 2026 is distinctive to the district and includes ambitions which are challenging yet realistic for protecting the natural environment, improving people's quality of life, maintaining a prosperous economy and providing a strategic direction for the creation of mixed and balanced communities over the next 20 years and beyond. The vision has taken account of the visions of the Sustainable Community Strategy and the West of England, as well as the concerns, issues and priorities which have come through our engagement work.

41. The Core Strategy – Strategy for Development sets out the amount and locations of growth which will achieve this vision. It has been developed through a sound process which has involved continuing consultation with communities and other partners and gathering supporting technical evidence. The strategy has been subject to sustainability appraisal to ensure that the most sustainable choices have been made. As a result our strategy enshrines the following key principles:

    - Maintaining the strong character and identity of existing communities and places.

- Respecting the importance of the quality of the environment and heritage and recognising that this poses significant constraints to future development.
- Ensuring a prosperous economy and local employment growth within a regime of plan, monitor and manage.
- Supporting the protection of the Green Belt and the open countryside as an asset that is cherished for its openness, for its value for informal recreation and distinctive character and qualities by our residents and businesses.
- Helping to reduce carbon emissions and responding to climate change
- Promoting locations for future development which are in line with the high level objectives of the Sustainable Community Strategy.
- Prioritising infrastructure investment which supports growth and the delivery of sustainable communities.
- Meeting the need for housing in a sustainable way

42. These objectives are clearly expressed in the development strategy set out in Appendix 4:

43. As an area that continues to experience high levels of growth, the Council is committed to delivering sustainable development. The Core Strategy clearly identifies the infrastructure needed to support future development and how this will be delivered. It also establishes a strategic framework with which to co-ordinate and secure the necessary investment to support planned growth. This inter-relationship is critical as it establishes the basis against which the overall vision of the Plan for communities and places in South Gloucestershire will be realised.

Conclusion

44. South Gloucestershire Council recognises the importance of having an up to date and robust spatial planning policy framework which expresses in land use terms, the Council's, our partners' and communities' strategic objectives and the means by which these will be delivered in accordance with the Council's commitment to sustainable development. The Plan represents a pragmatic and positive approach that can be put in place quickly to provide an updated policy context to deal with the challenge of climate change, the expected market recovery, manage development in accordance with the requirements of PPS3, PPG2 and PPS7, and ensure new growth is phased with the delivery of the necessary infrastructure required to support sustainable communities as required by PPS12. The Core Strategy therefore provides a clear spatial vision and development strategy and sets a robust, durable and effective sustainable strategy for managing the pressure for future development.

South Gloucestershire Core Strategy - Transport Infrastructure

1. Planning for housing growth cannot be separated from the requirement for infrastructure to support this growth. This paper sets out the process of infrastructure planning that has informed the RS and the Core Strategy and concludes that changes in circumstances in relation to planned infrastructure provision justifies different conclusions in relation to housing requirements than that set out in the RS.
2. Planning Policy Statement 12, states that, 'Core strategies must be effective: this means they must be: deliverable' (para 4.44). 'Core Strategies should show how the vision, objectives and strategy for the area will be delivered and by whom, and when' (para 4.45). "The outcome of the infrastructure planning process should inform the core strategy and should be part of a robust evidence base" and the test should be whether there is a reasonable prospect of provision (para 4.10).
3. Transportation forms such a significant component of any delivery strategy and particularly of the infrastructure requirement of the plan that it deserves focussed attention. It generates cross border issues, is capital intensive, requires long-term planning and is strongly influenced by shorter-term commercial decisions about development viability. These characteristics of transport investment make it particularly problematic.

Context

4. '*The Greater Bristol urban area is densely populated with a compact highway network and a relatively high level of car ownership. Peak hour traffic speeds, at an average of 15 mph, are the slowest of the English `core' cities. At peak periods, 21% of travelling time is spent stationary, and Department for Transport data indicates that there has been a steady decline in average speeds over the last decade…"* (para 2.2 - Congestion Delivery Plan – WEP 2009 Update). Further growth over the next 20 years will significantly increase the population of the area. This will generate further increases in travel demand on the main corridors to Bristol city centre and the North Fringe. These main corridors in the context of South Gloucestershire are identified as the:
   - A4018 (Gloucester Road) Bristol CC to the North Fringe
   - A432 Bristol CC to Mangotsfield / Downend
   - A420 Bristol CC to Warmley via Kingswood, and
   - A4174 Ring Road

Greater Bristol Strategic Transport Study

5. A comprehensive transport study to assess the current and future strategic transport needs of the West of England region up to 2031 was completed in 2006. Known as the Greater Bristol Strategic Transport Study (GBSTS), this was commissioned by the Government Office for the South West in partnership with the Highways Agency and the West of England Authorities. GBSTS went on to develop a series of transport strategies for all modes for the sub-region for the period up to 2031. Key to this programme is the development and implementation of a comprehensive rapid transit network – a major element of the delivery of a step change in the quality of public transport in the sub-region.

6. GBSTS set out the plan for the development of a rapid transit network, identifying corridors that would serve many of the potential new residential and employment developments in the sub-region.

Feasibility Studies

7. At the beginning of 2006 the West of England Authorities began to look at the delivery of the rapid transit network and commenced work on a series of detailed feasibility studies to look at possible corridors and routes as well as priorities. A summary of the relevant feasibility studies is outlined below.

<u>Public Transport Corridor Options Study (January 2007)</u>

8. The Public Transport Corridor Options Study was commissioned to look at the delivery of rapid transit in the sub-region and to recommend a detailed and prioritised programme of delivery. It concluded that there were four corridors which would be strong contenders for rapid transit, both in terms of meeting the aims and objectives for rapid transit but also in terms of deliverability. A number of these identified destinations to Hengrove / Hartcliffe, Emersons Green, the North Fringe and Cribbs Causeway form the basis of the rapid transit network within the NFH Package.

<u>Corridor Options Short List Report (May 2007)</u>

9. Subsequent, more detailed work was undertaken on the short listed corridors identified in the Public Transport Corridor Options Study;
   - Ashton Vale to Bristol City Centre,
   - Hengrove/Hartcliffe to Bristol City Centre,
   - North Fringe to Bristol City Centre, and
   - Emerson's Green to Bristol City Centre

   This feasibility work looked at each corridor in more detail.

10. The report concluded that the Bristol City Centre to Emersons Green route should be pursued in advance of other options. However, it was reliant on use of the Bristol-Bath Railway Path which was noted as, 'designated in the Bristol Local Plan as a Greenway, Open Space and a Site of Nature Conservation Interest and as such the status of the route as a wildlife corridor will require sensitive mitigation' (para 3.17).

11. However, following public consultation on the route alignment, the JLTP 2008 Progress Review (para 10.10) reported that, 'the corridor from Ashton Vale to Emersons Green included consideration of a segregated route alongside the Bristol to Bath railway path, but challenges in successfully addressing implications for the amenity of the existing cycling and pedestrian corridor have resulted in the need to consider a wider range of route options for this corridor. This route will therefore be delivered in two stages, a major scheme bid for the first stage, from Ashton Vale to Temple Meads, for submission to the DfT in early 2009 following public consultation in autumn 2008".

12. The "Hengrove / Hartcliffe to North Fringe (NFH)" route would require further investigation of route options and be progressed as the priority route after "Ashton Vale". This order of priorities informed the formulation and agreement of the sub-region's RFA2 programme in autumn 2008, and was subsequently included in the South West Region's advice to Government submitted in February 2009, including the specification of the NFH Package. The NFH package is critical to the delivery of the Core Strategy as it will support the

major areas of development already committed in the North and East Fringes of Bristol in the adopted local plan, as well as the areas of growth identified in the Core Strategy around Cribbs Causeway and east of Harry Stoke.

13. Bristol City has since deleted the Bristol-Bath Railway path route alignment option from its Core Strategy and the bid will not now go forward for programme entry. The next opportunity to deliver a major scheme to serve the east fringe would not now be before the next CSR (with delivery not possible before 2021). Given the character and form of the urban area this would require significant re-planning specifically along the A420 should the Railway Path continue to be considered unfeasable.

Re-appraisal of the RS Justification for South Gloucestershire Housing Requirement

14. The RS areas of search were based on the findings of GBSTS and the May 2007 Options Report and the assumption that these options would be delivered. The RS Panel Report (para 4.1.76 Jan 2008) & SoS Changes to the RS (July 2008) continued to rely on an assumption that GBSTS would be provided although it was becoming clear that the Bristol City Centre to Emersons Green rapid transport route would not be taken forward. South Gloucestershire made the point at EIP that this was the case. In addition to changes to strategy based on the feasibility studies, there has been a major economic down turn with subsequent impacts on the availability of public and private infrastructure investment. In the light of changing transport planning policy and the economic downturn, the tests set out in PPS12 in relation to the delivery of infrastructure to support growth would lead to different conclusions on the amount and distribution of growth than those set out in the RS.

The current strategic context for transport infrastructure

15. The housing requirement and locations set out in the South Gloucestershire Core Stratey are based on the principle that there must be a reasonable prospect of providing the necessary infrastructure to support growth. The proposals are therefore based on the current circumstances in relation to transport infrastructure

16. With respect to transport infrastructure, it is necessary to recognise the nature of the place and funding context, so it is best to concentrate development where there are most existing travel options and investment opportunities, for existing and future residents. In this respect, it should firstly be noted, that Yate and the Bristol North Fringe benefit from main line passenger rail stations with regular connections to central Bristol. With respect to the Bristol East Fringe, transportation choice and investment opportunities are limited to highway and bus based travel solutions along the A420 and A4174. The transport infrastructure to make delivery of large numbers of housing on the Bristol East Fringe possible is not considered practicable or deliverable in the Plan period.

17. South Gloucestershire Council and the other WoE authorities have decided to concentrate efforts on delivery of the NFH package (see supporting papers below). This package potentially provides a step change in public transport provision to support existing communities and regionally significant employment areas plus further major residential developments. This includes

development at Charlton Hayes, Harry Stoke, Cheswick Village, land East of Coldharbour Lane, Emersons Green East, Cribbs Patchway, North Yate and the likely delivery of further development East of Harry Stoke which would deliver a total of 15,000 dwellings (approx. 7000 of which have planning permission), as well as supporting development at the Science Park, and regeneration of the UWE. Any substantial urban extension on the Bristol east fringe (other environmental issues aside) would require a similar transport package to NFH, in order that congestion levels are not further exacerbated, but would not provide the same level of benefit in terms of supporting employment areas and new homes.

Conclusion

18. RS established the housing requirement and locations for South Gloucestershire in the context of the GBSTS. However, as a result of detailed transport planning and the new economic conditions the circumstances in relation to transport infrastructure provision have significantly changed. These new circumstances support the level of housing requirement set out in the Core Strategy

Key Supporting Papers
WEP Joint Transport Exec Committee Item 8 (4th Feb 2010): *To seek Executive Members' endorsement of the North Fringe to Hengrove Package major scheme bid to the Department for Transport prior to consideration of the scheme by the cabinets of South Gloucestershire and Bristol City Councils on 1 March 2010 and 25 March 2010 respectively.*

Atkins (March 2010) North Fringe to Hengrove Package: *Business Case Development Options Assessment Report*

SGC Cabinet Agenda Item 15 (1st March 2010): *To consider a report on the North Fringe to Hengrove Package major transport scheme programme entry bid submission.*

Appendix 2

Appraisal of the economic growth forecast basis for the South Gloucestershire Core Strategy housing requirement to 2026

1. **The purpose of this report** is to assess the revised housing totals in the Pre-Submission Publication Draft Core Strategy in the light of recent changes in Government planning policies and in national and local economic prospects. The objective is to demonstrate that the housing provision made in the Draft Core Strategy is sufficient to meet the needs of the district up to 2026 consistent with the aims of sustainable development.

2. **Background**

2.1 Changes in Government policy and recent economic events have changed the basic parameters of planning policy:

I. The Coalition Government announced on 6th June 2010 that Regional Strategies were revoked with immediate effect and that projected legislation would abolish them altogether. However, following the High Court judgement of 10/11/10 [1] in a case brought against the Secretary of State by CALA Homes, the draft RSS and the Proposed Changes RSS are still to be regarded as material considerations until the Localism Bill has been enacted during the current Parliamentary Session. However the ruling also means that, until enactment of the Localism Bill later in 2011, [2] the intention to revoke Regional Strategies is still a material consideration alongside the draft RSS (2006), the EiP Panel Report (2007) and the Proposed Changes RSS (2008), and that RPG10 remains the statutory RSS under the 2004 Act. What is clear is that progress on the draft RS has stalled. Moreover unlike RPG10, the draft RS does not form part of the development plan. The draft RS will never become part of the development plan. It therefore carries little weight.

II. In line with the intended revocation of the RSS, and under the principle of "localism", the frame of reference for setting and justifying housing numbers has seen a shift away from conforming with a RS regional target towards greater focus on the ambitions – the "vision" – of the local community concerned, with greater attention to achieving greater local consensus regarding "tensions" between development and conservation.

---

[1] High Court Queen's Bench Division Case No. CO/8474/2010. In a further ruling on 7/2/11 the High Court dismissed a judicial review challenge by CALA Homes which referred to statements by the Secretary of State and the Chief Planner that the intention to revoke Regional Strategies was still a material consideration in preparing LDF documents. CALA have announced their intention to appeal. (For further detail see Planning Inspectorate Advice Note: "Advice produced by The Planning Inspectorate for use by ts Inspectors - 8 February 2011. REGIONAL STRATEGIES – IMPACT OF CALA HOMES LITIGATION"

[2] **The Queen's Speech** Tuesday 25 May 2010 **– Decentralisation and Localism Bill:**
"A Bill will be introduced to devolve greater powers to councils and neighbourhoods and give local communities control over housing and planning decisions."

III. The economic forces driving many of the assumptions of previous plans have undergone changes arguably beyond precedent in the period since the 1930s. The Government has now published its response to this situation, and its approach to dealing the high levels of public debt arising from the banking crisis of 2007-08 in the form of an Emergency Budget in June 2010[3] and the Comprehensive Spending Review on 20 October 2010.[4]

3. What is proposed?

3.1 Included in the Core Strategy is a proposal for 21,500 homes to be built in total between 2006 and 2026. Around 3,350 of these had already been built by 1st April 2010.[5] Of the remaining 18,150, over 12,200 have already been granted planning permission or allocated in the South Gloucestershire Local Plan from 2006. The Strategic Housing Land Availability Assessment (December 2010) has identified a 15.6 year land supply in the District as from April 2011.

3.3 Circumstances have significantly changed since work on the RS was largely carried out around five or more years ago. Economic conditions are very different now and it is appropriate that the Core Strategy reflects a re-examination of the question of growth.

4. Assessment of the core strategy total housing proposals

In accordance with guidance in PPS3 the key tests here are:

A. Is housing growth sufficient to support likely local economic growth levels?

B. Are SHMA affordable housing requirements to 2026 likely to be achievable?

C. Is housing growth sufficient to meet trend population growth requirements?

Assessment A: Is housing growth sufficient to support likely local economic growth levels?

5.1 A consistent thread running through the Core Strategy is the determination to maintain its important role in making the West of England economy one of the most prosperous, vibrant and innovative in Europe,[6] whilst ensuring that housing meets the needs of the whole community[7] located in sustainable communities that are attractive, cohesive, safe and inclusive with better integration between housing, jobs, services, public transport and facilities.[8] The success of the local economy in promoting growth in the past has often led

[3] HM Treasury, Responsibility, freedom, fairness: a five year plan to re-build the economy 22 June 2010
[4] HM Treasury, Spending Review 2010 20 October 2010
[5] South Gloucestershire Council Annual monitoring report 2010
[6] "Maintaining Economic Prosperity" Core Strategy para 9.2
[7] "Providing Housing and Community Infrastructure" Core Strategy para 10.2
[8] "Responding to Climate Change and High Quality Design" Core Strategy para 5.2

to housing growth outstripping the rate at which essential infrastructure and community facilities can be provided. At the same time, a growing local and sub-regional economy has stimulated traffic growth, particularly by car, across the West of England. The Core Strategy aims to achieve the best approach to balancing the need to support vital economic growth but within a wider approach to development management that best promotes sustainable development.

5.2 The Core Strategy housing total of 21,500 for 2006-26 was tested against three sets of alternative local economic forecasts, but all based on three potential growth scenarios for the UK as a whole (see Appendix B for further details). These are compared with a pre-recession longer term trend projection.[9] The three sets of projections are:

5.2.1 Projections produced for the dRSS by Cambridge Econometrics (CE) in 2008, but adjusted for the estimated impact of the 2008-09 recession and then, from 2011, fitted to each of the three UK growth scenarios.

5.2.2 Oxford Economics forecasts for local authorities in the South West in June 2010.

5.2.3 Modified Oxford forecasts for West of England Partnership local authorities allowing individual employment sectors to grow at the combined WEP area rate to damp down any forecasting instability at smaller geographic scales.

5.3 The results of this exercise are shown in Table 1. The unmodified Oxford scenarios stand out for their very high levels of relative job growth, with even the Central projection reaching levels shown in the pre-recession trend projection at 28,900 net additional jobs. The modified Oxford figures are substantially lower but with a large spread of values between the Stronger Growth scenario (20,700 jobs) and the Weaker Trend scenario (at only 7,600 net job growth), with the Central Forecast at 12,000 jobs. The recession adjusted CE projections broadly sit between the two Oxford based sets, with a Central Forecast of 18,600 and a Higher Trend growth figure of 21,900.

[9] This is based on the dRSS Cambridge Econometrics projection based on the assumption of a 2.8% pa growth in Gross Value Added (GVA) for the South West region as a whole2006-26 (but reaching around 3.0% on average for WEP area).

Appendix 2

Table 1 Comparison between dRSS based projections, Oxford Economics projections & modified Cambridge Econometrics projections (equivalent scenarios)
Total employment ('000 jobs)

UK Economic growth scenario 2011-26	Recession adjusted CE dRSS projections		Oxford Economics Scenarios (June 2010)		Modified Oxford Economics Scenarios	
	Change 2006-26	% Change 2006-26	Change 2006-26	% Change 2006-26	Change 2006-26	% Change 2006-26
South West	(000's)		(000's)		(000's)	
Central Forecast	218.4	8.36%	296.9	11.31%	296.9	11.31%
Stronger Trend Growth	273.9	10.48%	441.5	16.81%	441.5	16.81%
Weaker Trend Growth	135.7	5.21%	205.3	7.82%	205.3	7.82%
Pre-Recession Trend	370.9	13.73%	~	~	~	~
West of England Partnership						
Central Forecast	53.8	8.59%	73.7	12.83%	73.7	12.83%
Stronger Trend Growth	67.5	10.76%	108.6	18.90%	108.6	18.90%
Weaker Trend Growth	33.4	5.34%	53.6	9.32%	53.6	9.32%
Pre-Recession Trend	91.5	14.10%	~	~	~	~
South Gloucestershire						
Central Forecast	18.6	11.8%	28.9	19.52%	12.0	8.07%
Stronger Trend Growth	21.9	14.0%	38.6	26.03%	20.7	14.00%
Weaker Trend Growth	13.7	8.7%	23.9	16.10%	7.6	5.09%
Pre-Recession Trend	29.1	18.5%	~	~	~	~

5.4 The unmodified Oxford projections for South Gloucestershire deviate a long way from the average for the WEP given the industrial mix of the area. Given that 23,400 of the net growth in the Oxford Central Forecast for S Gloucestershire is in Business Services with declines in most other industries, and that growth at the WEP area average would yield a still substantial 13,400 in this sector, the Oxford projections are set aside as appearing on the optimistic side at this stage. However, the Modified Oxford Central Forecast overall looks pessimistic in the light of past growth experience in the area it is therefore suggested that a range from the Recession Adjusted CE dRSS Central Forecast (18,600 jobs) to the CE dRSS Higher Growth Scenario (21,900 jobs) is more appropriate. On this basis a proposed growth of 21,500 net new houses to 2026 would result in a ratio of new dwellings to jobs of between 1.16 and 0.98. At the lower end of the economic growth range, the Adjusted CE dRSS projection (13,700 jobs) returns a ratio of 1.57. This compares well with recent pre-recession performance when job growth of 6,100 for the latest five calendar years available (2004-08)[10] was matched by 3,787 net dwelling completions a ratio of 0.62.[11]

5.5 On this basis it is concluded that, the total of 21,500 net new dwellings proposed in the Core Strategy would provide sufficient scope for accommodating future economic growth in South Gloucestershire, supporting potential for a greater degree of local self containment as regards commuting flows into the District.

Assessment B: Are SHMA affordable housing requirements to 2026 likely to be achievable?

6.1 The West of England SHMA (2009) sets out evidence identifying the total net housing need for affordable housing (social rent need plus intermediate need) in South Gloucestershire,[12] resulting in an average net need of over 900 households per year (annual average estimate 2009 – 21).[13] The Core Strategy (Policy CS18) proposes that on-site provision of affordable housing on all new urban developments of 10 plus dwellings (or 0.33 ha), or 5 dwellings (or 0.2 ha) in rural areas should be at the rate of 35%. As a theoretical exercise, even if an overall average of 35% of all development in the District could be achieved (i.e. including the many small sites that come forward for development), this would require an enormous total building programme of almost 60,000 dwellings in South Gloucestershire to 2026.

6.2 Firm recent advice from the Planning Inspectorate has pointed out the importance of viability testing of affordable housing targets as evidence of deliverability and that the often very high total need figures provided by SHMAs on their own are not sufficient in ensuring a

[10] Source: NOMIS
[11] Data for financial years 2004/05 – 2008/09. Source S Glos Council Annual Monitoring report 2009.
[12] Bramley, G, "West of England Strategic Housing Market Assessment June 2009: Summary", p28.
[13] Ibid, p 36

robust process has been taken to determine a “plan wide” affordable housing target.[14] Although the force of evidence set out in the SHMA for higher levels of affordable housing delivery should be acknowledged, the obvious and formidable practical barriers to delivery indicate that a target driven approach, that aims to maximise delivery, provides the best basis for LDF core strategy policy.

6.3 Taking account of the affordable housing delivery expected in the period 2010 to 2026, 5,330 affordable units are expected to be provided (Table 2). Building 333 new affordable houses annually would represent an important achievement for the Core Strategy and compares well with the average of 207 pa units built between 2006/07 and 2009/10.

6.4 In conclusion, the total of 21,500 dwellings represents a substantial improvement in the potential for providing affordable housing given the current financial climate.

Table 2 Total affordable housing potential 2006-26:

Actual affordable completions 2006-10	827
Actual large site completions 2006-10	2,187
Actual total completions 2006-10	3,350

Core Strategy housing provision 2006-26	21,500
Total Core Strategy completions required 2010-26	18,150
Estimated affordable housing potential 2010-26	5,330

Annual average new affordable housing delivery 2010-2026	333

Assessment C: **Housing growth is sufficient to meet trend population growth requirements**

7.1 The DCLG 2008 based sub-national household projections were published November 2010. Based on an extrapolation of recent trends,[15] these project an increase of 32,000

[14] PINS op.cit para 1.8-9

[15] ONS are at pains to point out that the figures are an expression of recent trends and are not intended as a forecast or to reflect future public policy requirements. in the“2008-based Subnational Population Projections for England : methodology guide “ p2, ONS states that:

The projections are trend-based, making assumptions about future levels of fertility, mortality and migration based on levels observed over a five-year reference period. Therefore, they give an indication of households[16] in South Gloucestershire between 2006 and 2026. The CLG 2004 based (revised) and the 2006 based sub national household projections indicated that household numbers would increase by 32,000 and 33,000 respectively during 2006-26. Reviewing the ONS 2008 based projections indicates they over estimate the likely rate of population growth over the plan period (2006-26), which in turn over inflate the 2008 DCLG household projections for the district. Whilst it is not possible to conclude on the precise figure, the analysis suggests that the likely level of future population growth and therefore subsequent level of household growth is not as significant as stated by ONS and DCLG. Further details are set out in Appendix 3.

7.2 Furthermore, developing at the simple trend rate illustrated by the CLG projections ignores the essential influence of local policy objectives in planning for future change, becoming a simplistic exercise in "predict and provide". It is likely to be beyond the reasonable capacity of the District to accommodate this level of household change/growth in terms of infrastructure provision and without substantial environmental impacts. The high rate of projected growth in the CLG/ONS projections has its basis in the assumption of high levels of in-migration (particularly from other parts of England and the UK, but also from overseas) that have been seen in the past, continuing unabated in the future. This is still likely to be the case when the replacement set of 2008 based projections is released late in 2010.

7.3 The conclusion therefore is that the household growth basis of this test is not acceptable and that the Core Strategy proposal for 21,500 dwellings, linked more closely to local employment growth within a regime of Plan – Monitor - Manage and subject to periodic review in the future, is a more sustainable and deliverable proposition for South Gloucestershire.

Conclusion

8.1 It is concluded that the proposal in the Core Strategy for 21,500 additional dwellings in South Gloucestershire, to be provided in the twenty year period up to 2026, has considered and had regard to PPS3 guidance set out above in Section 4. The framework for implementation and monitoring set out in Section 19 of the Core Strategy document should play a critical role in ensuring that progress in meeting the housing requirement is tracked as part of an effective plan, monitor, manage process, along with any significant changes in background assumptions.

Author: Keith Woodhead Bsc, PhD, Dip TP, MRTPI

---

what the future population, by age and sex structure, might be if recent trends continue, and take no account of policy or development aims in local authorities.

[16] Interpolated data, see Appendix A

APPENDICES – SUPPORTING EVIDENCE

APPENDIX A Recent Population and Economic Trends and Projections West of England: 2003, 2004, 2006 and 2008 Based ONS Projections[17]

Table 1a Population

	Population Change2006-26 (Share of West of England Partnership total)							
	ONS 2003		ONS 2004 Revised		ONS 2006		ONS 2008	
	2006 Projected	Change 2006-26	2006 Projected	Change 2006-26	2006 Projection Base estimate	Change 2006-26	2006 Revised Estimate	Change 2006-26
B&NES	173,400 (17.1%)	14100 (12.4%)	175,700 (17.0%)	20,900 (12.6%)	175,600 (16.9%)	30,800 (11.9%)	173,100 (16.6%)	27,100 (9.5%)
Bristol	393,700 (38.7%)	29,500 (25.9%)	404,200 (39.0%)	53,800 (32.4%)	410,500 (39.4%)	109,300 (42.2%)	413,600 (39.6%)	134,500 (47.1%)
N. Somerset	196,500 (19.3%)	33,200 (29.2%)	200,500 (19.3%)	45,600 (27.4%)	201,400 (19.3%)	65,000 (25.1%)	200,800 (19.2%)	67,600 (23.7%)
S. Glouc	252,900 (24.9%)	36,800 (32.4%)	255,800 (24.7%)	45,700 (27.5%)	254,400 (24.4%)	53,700 (20.8%)	257,500 (24.6%)	56,100 (19.7%)
WoE	**1,016,500**	**113,600**	**1,036,300**	**166,000**	**1,041,900**	**258,800**	**1,045,000**	**285,300**

TABLE 1b DCLG Household Projections

	Households: Baseline (actual levels) 2006	Household Change 2006-26 (share of change)			
		CLG 2003	CLG 2004 Revised	CLG 2006	CLG 2008 [18]
B&NES	74,000 (16.7%)	13,000 (13.9%)	17,000 (14.2%)	19,000 (12.6%)	16,000 (10.3%)
Bristol	175,000 (39.6%)	29,000 (31.2%)	42,000 (35.0%)	63,000 (41.7%)	72,000 (46.2%)
N. Somerset	87,000 (19.7%)	24,000 (25.8%)	29,000 (24.2%)	36,000 (23.8%)	36,000 (23.1%)
S. Glouc	106,000 (24.0%)	27,000 (29.0%)	32,000 (26.7%)	33,000 (21.9%)	32,000 (20.5%)
WoE	**442,000**	**93,000**	**120,000**	**151,000**	**156,000**

[17] It should be noted that projected that population growth is often little higher than accompanying household growth. The reason lies in the difference between the impact of household size change which applies across the entire local population, and the contribution made towards migration by increasing the housing stock at the margin through new build. The relationship is further complicated of course by the fact that declining household size also affects migrants. Also note the very significant increase in the level of growth between the 2003 based and (Revised) 2004 based ONS projections due largely to changes in net migration assumptions.
[18] Estimated from DCLG Table 406 by linear interpolation.

Fig 1 Recent economic growth trends (a)

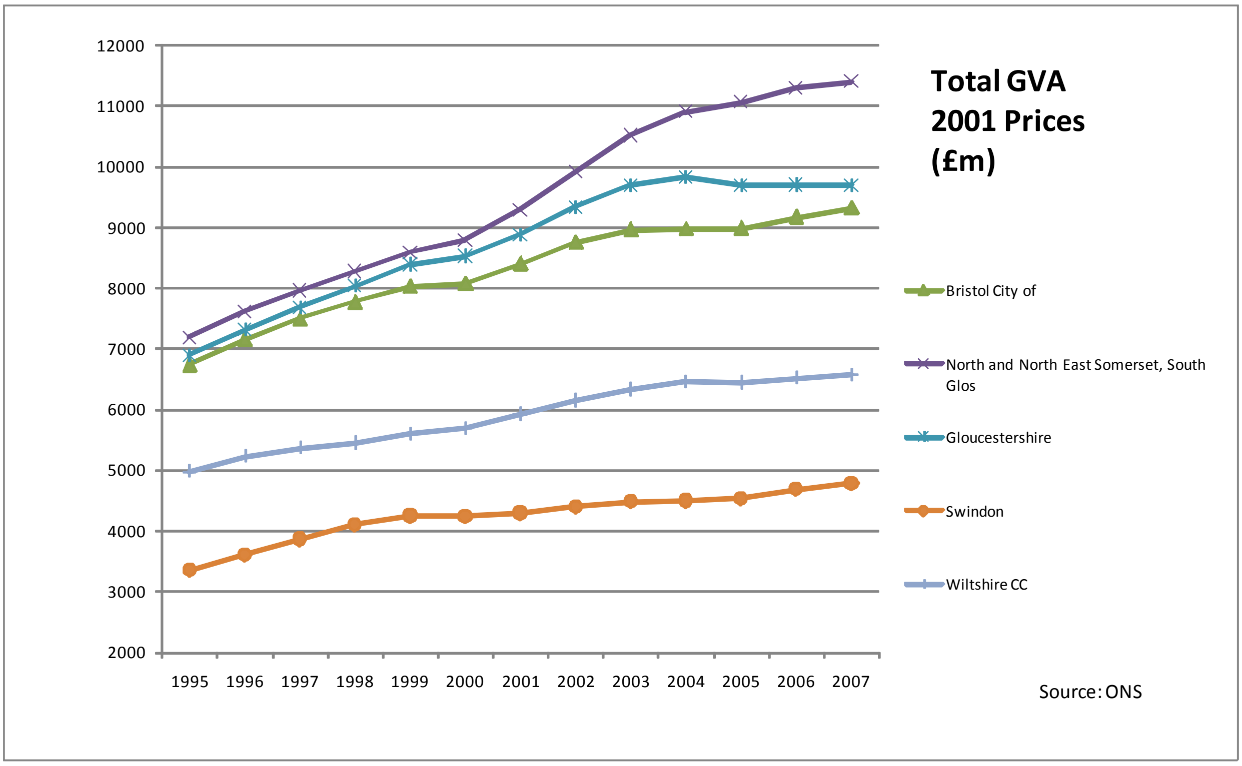


Fig 2 Recent economic growth trends (b)

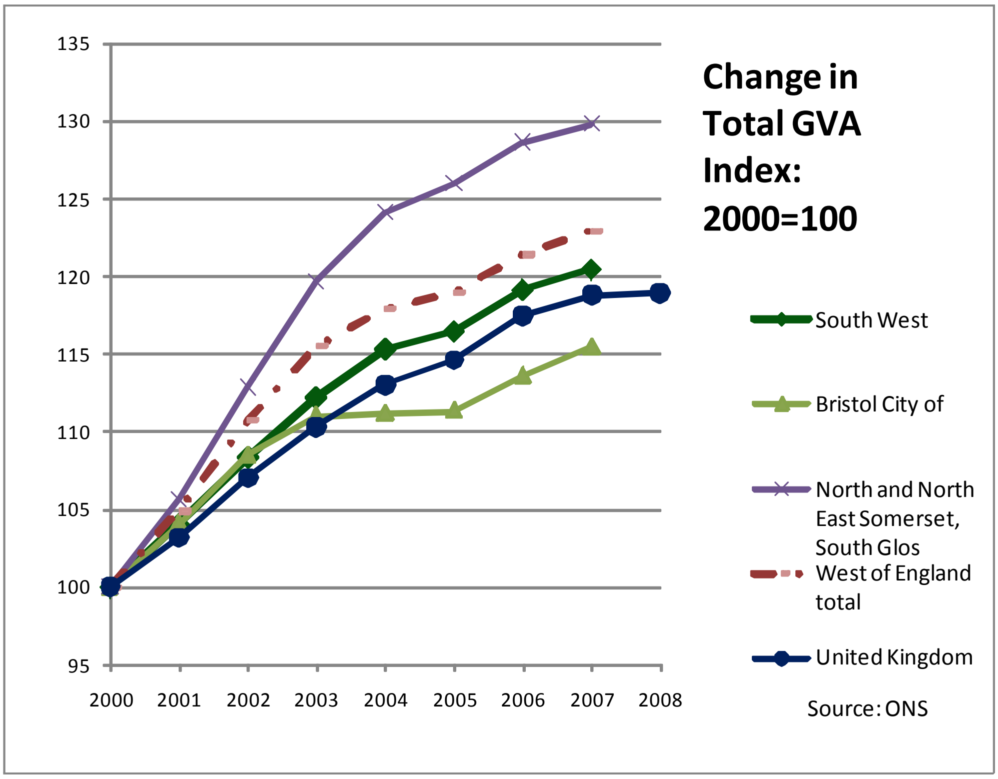
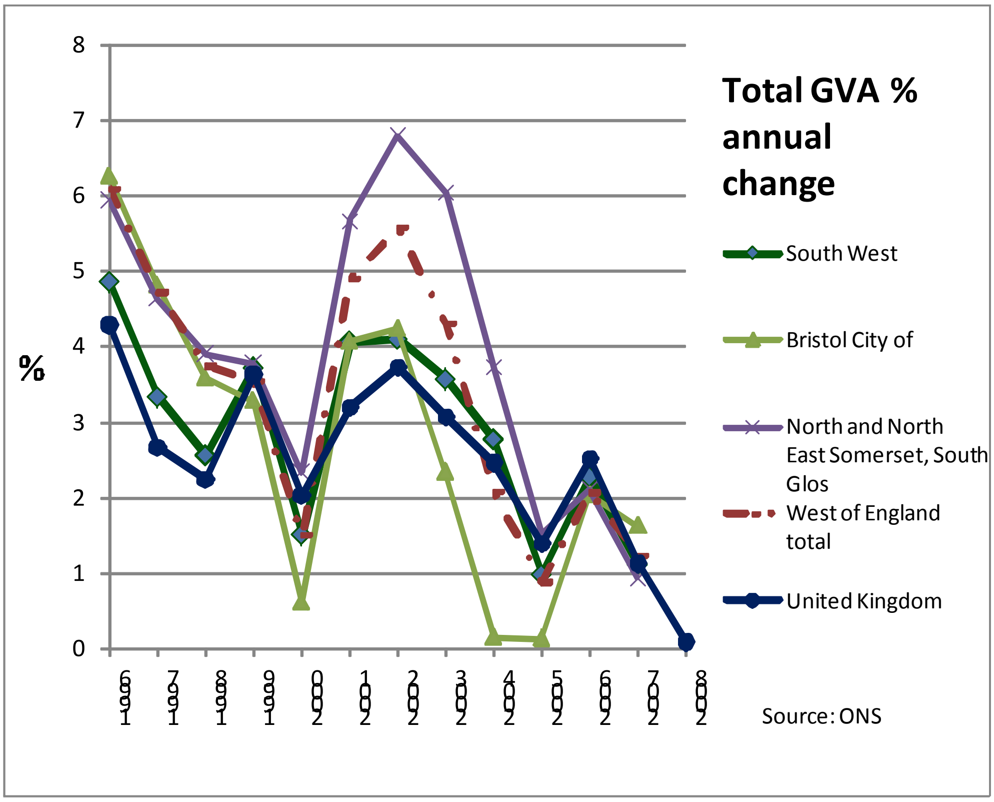


Fig 3 Recent economic growth trends (c)



APPENDIX B

Former Regional Spatial Strategy Dwellings and Jobs Allocations

	RSS Dwellings		Draft RSS Jobs scenarios	
	Draft RSS June 2006	Proposed Modifications July 2008	2.8% pa GVA growth	3.2% pa GVA RES[19] Scenario
B&NES	15,500 (16.8%)	21,300 (18.2%)	17,000 (17.9%)	20,900 (17.8%)
Bristol	28,000 (30.3%)	36,500 (31.1%)	35,600 (37.6)%	42,500 (36.3%)
N. Somerset	26,000 (28.1%)	26,750 (22.8%)	12,900 (13.6%)	15,700 (13.4%)
S. Glouc	23,000 (24.9%)	32,800 (28.0%)	29,100 (30.7%)	37,700 (32.2%)
WoE	**92,500**	**117,350**	**94,600**	**116,800**
Mendip	*10500*	*12300*	*9500*	*11700*
W.Wilts	*7200*	*8300*	*6800*	*8500*
WoE HMA	*110200*	*137950*	*110900*	*137000*

[19] RES = SWRDA "Regional Economic Strategy for South West England: 2006-2016" Table 3. These figures are also the basis for local authority totals set out in the Secretary of State's RSS Proposed Changes document, 2008.

APPENDIX B

The Economic Forecasts

Economic forecasts and projections are inevitably an educated "shot in the dark". A key element in applying the economic projections in this exercise is therefore to compare assumptions and outputs from alternative sources. The approach in this study however augments this with a wider look at prospects for the area covered by the four West of England Partnership authorities, as their level of economic interconnectedness and opportunities for cross commuting means that the housing requirement for South Gloucestershire needs to take this into account. At the same time comparison is made with the results of the recent work on future economic scenarios for the South West carried out by Oxford Economics on behalf of SWRDA and SW Councils.[20]

The analysis is based on four economic scenarios for the WoE Partnership area relating to potential rates of national economic performance:

- A central projection equivalent to UK output growth averaging around 2.1% pa over the medium term).
- A higher growth projection consistent with the trend UK trend growth estimate of 2.75% a year after the dip and period of recovery caused by the recession 2007-12 and broadly in line with Office for Budget Responsibility projections.
- A lower growth projection consisting of output growth of around 1% in the first 5 years and rising to 1.5% thereafter.
- A pre-recession trend projection showing 2.75% pa growth consistently since 2006.

These scenarios provide the economic reference point for the analysis of housing requirements, which also take into account factors such as population ageing and other social factors leading to increasing household formation and smaller households, non job related migration relating to the attractiveness of the area as a place to live and evidence for currently unmet housing need. They are consistent with Oxford Economics' recent edition of "Economic Outlook: UK long-term growth outlook". [21] The basic assumptions behind the central Oxford UK growth forecast are then used as the key reference point for developing the scenarios and applied to:

1. The Oxford Economics June 2010 forecasts for local authority areas in the South West.

2. The original SW trend growth detailed Cambridge Econometrics model outputs originally produced to inform the Draft RSS (dRSS) for the South West[22] but modified to reflect estimated economic performance in the West of England during the recent recession (see Fig 4) and then to track local performance relative to the above UK scenarios.[23]

---

[20] Oxford Economics "South West Growth Scenarios: Final Report" June 2010

[21] Oxford Economics 20th April 2010 (http://www.oxfordeconomics.com/free/pdfs/ukmfeat1_0410.pdf)

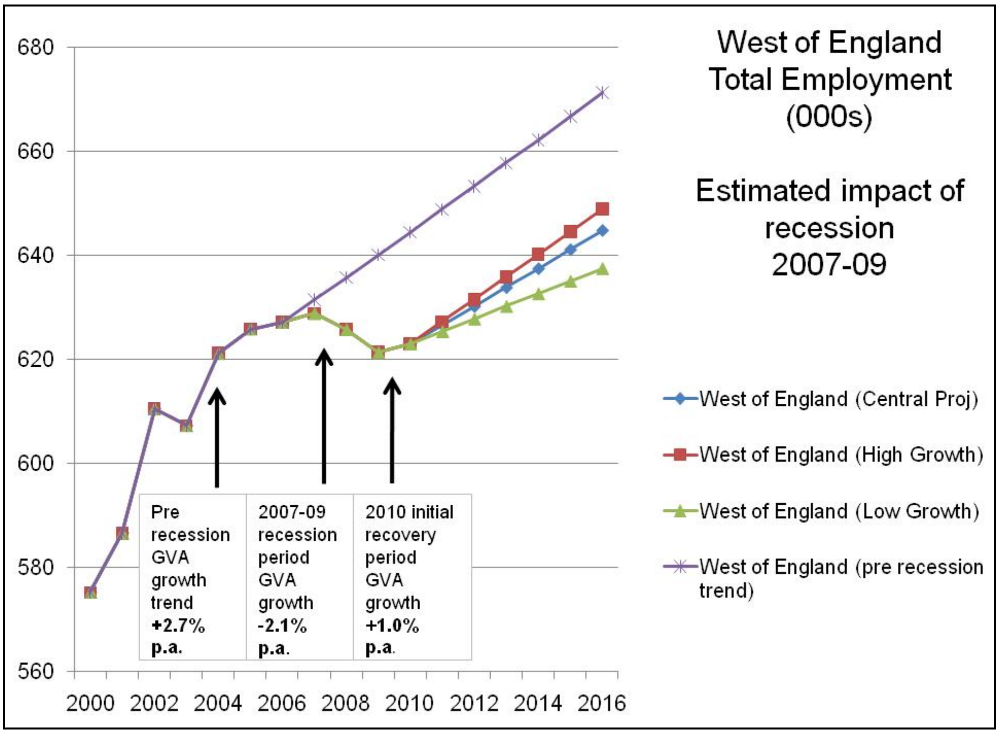
[22] South West Regional Assembly (2006) "The draft Regional Spatial Strategy for the South West"

[23] These date from late 2006 (for SW housing market areas) and from early 2008 (local authorities) using the 2004 based ONS sub national population projections as the population component at regional level.[23] The basic relationships between key variables within the Cambridge Econometric Local Economy Forecasting Model, for example assumptions about key trends in productivity, have been retained.

3. A version of the Oxford forecasts where growth in each employment sector for South Gloucestershire is modified to reflect the overall average rate for that sector across the whole West of England Partnership area. This has the effect of dampening any the tendency to instability shown in individual Local Authority area forecasts.

The three main economic projection scenarios used for the West of England Partnership area and their key assumptions at UK level are set out in Tables 3a and 3b. An additional projection scenario to those used in the Oxford Economics exercise, the Pre Recession Trend scenario, was also produced to illustrate both the key assumptions underlying the dRSS figures. Here the UK shows steady growth at 2.75% pa for every year after 2006, the equivalent of approximately 2.9% pa for the SW and 3.1% for the combined four West of England unitary authorities.

Fig 4



Economic Growth Scenarios for the UK – key assumptions

(GVA growth % per annum)

Projection Scenario	1997-2006	2007 & 2009	2010	2011-20	2021-26	2007-26 annual average
Central	2.7	-2.3	1.0	2.3	2.1	1.5
High Growth	2.7	-2.3	1.0	2.7	2.7	1.9
Low Growth	2.7	-2.3	1.0	1.5	1.3	0.9
Pre recession trend	2.7	2.7	2.7	2.7	2.7	2.7

Economic Growth Scenarios for the South West Region & West of England Partnership area – key assumptions (GVA growth % per annum)

Projection Scenario	1997-2006		2007-09		2010		2011-20		2021-26		Annual average 2006-26	
	SW	WoE	SW	WoE	SW	WoE	SW	WoE	SW	WoE	SW	WoE
Central	2.9	3.4	-2.2	-2.1	1.1	1.4	2.4	2.7	2.2	2.5	1.6	1.8
High Growth	2.9	3.4	-2.2	-2.1	1.1	1.4	2.9	3.1	2.9	3.1	1.9	2.1
Low Growth	2.9	3.4	-2.2	-2.1	1.1	1.4	1.6	1.9	1.4	1.7	1.0	1.2
Pre recession trend	2.9	3.4	2.9	3.1	2.9	3.1	2.9	3.1	2.9	3.1	2.9	3.1

Oxford Economics Scenarios for the South West June 2010

	Total employment (jobs, 000s)									Change 2006-26	
	1991	1996	2001	2006	2011	2016	2021	2026	2030		
Central Forecast	102.2	123.0	130.3	148.2	152.7	165.3	171.7	177.2	181.8	28.9	19.52%
Stronger Trend Growth	102.2	123.0	130.3	148.2	155.9	171.3	179.5	186.8	193.0	38.6	26.03%
Weaker Trend Growth	102.2	123.0	130.3	148.2	152.8	163.9	168.7	172.1	174.9	23.9	16.10%

South Gloucestershire Modified Cambridge Econometrics (2008) Employment Projection

	1981	1991	2001	2006	2011	2016	2021	2026	Employment change 2006-26	
	Jobs ('000)									
Central Forecast	79.8	107.5	137.2	157.0	*158.2*	*164.3*	*169.8*	*175.6*	*18.6*	*11.8%*
Stronger Trend Growth				157.0	*158.2*	*165.2*	*171.7*	*178.9*	*21.9*	*14.0%*
Weaker Trend Growth				157.0	*158.2*	*162.7*	*166.6*	*170.7*	*13.7*	*8.7%*
Pre-Recession Trend				157.0	*165.3*	*172.9*	*179.0*	*186.1*	*29.1*	*18.5%*

Modified Oxford Economics Scenarios for South Gloucestershire June 2010

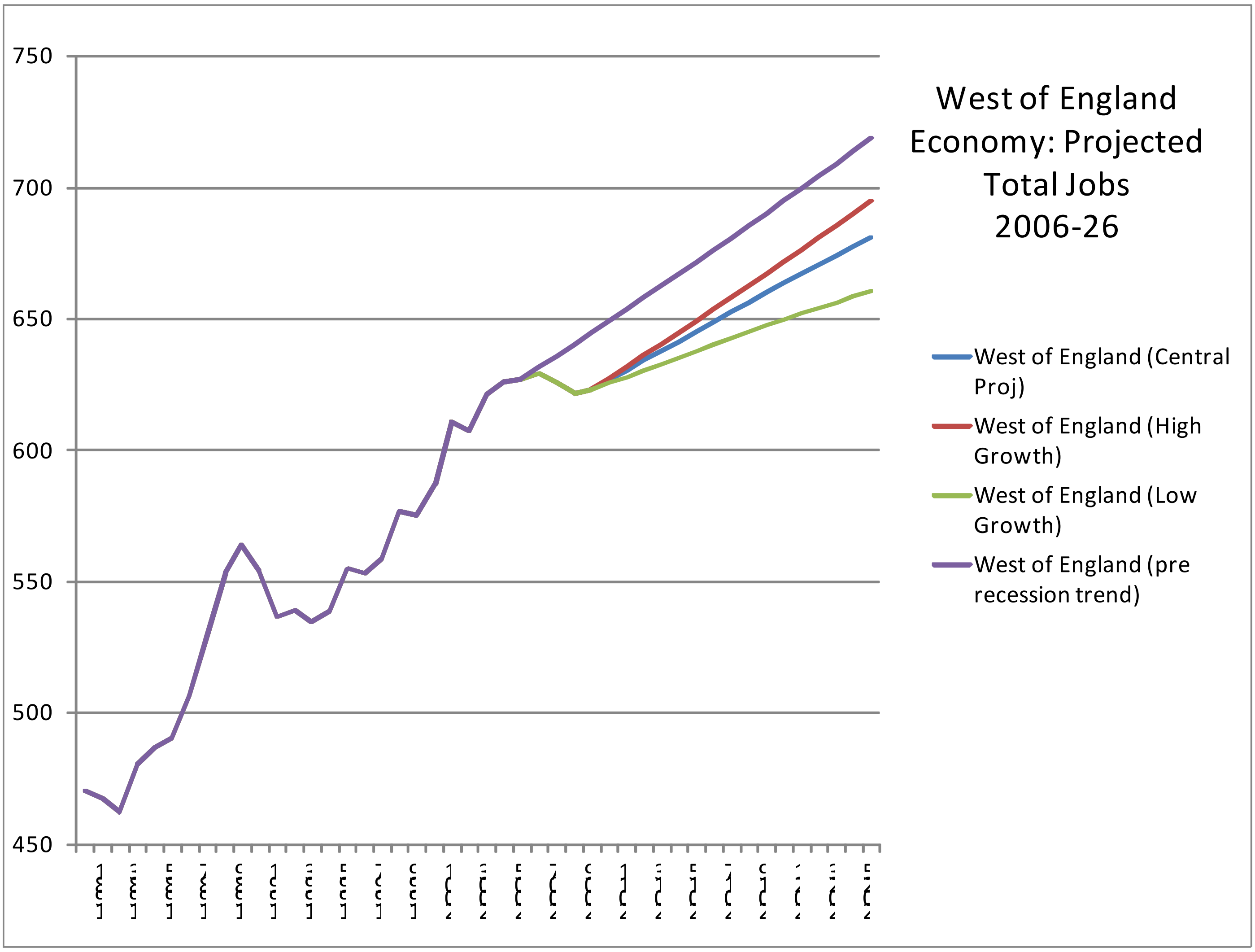
	Total employment (jobs, 000s)									Change 2006-26	
	1991	**1996**	**2001**	**2006**	**2011**	**2016**	**2021**	**2026**	**2030**		
Central Forecast	102.2	123.0	130.3	148.2	145.6	154.7	157.9	160.2	162.1	12.0	8.07%
Stronger Trend Growth	102.2	123.0	130.3	148.2	148.7	160.3	165.1	169.0	172.3	20.7	14.00%
Weaker Trend Growth	102.2	123.0	130.3	148.2	145.7	153.4	155.3	155.8	156.2	7.6	5.09%

Stage 2 Scenarios: Total housing requirements 2006-26 Direct Estimate Method

Scenario	Adjusted dRSS/Modified Oxford projections Employment Change 2006-26	Employment based housing requirement 2006-26 (New homes / jobs ratio =1.33)
West of England Partnership	**dRSS Based**	**dRSS Based**
Central Projection	**53,800**	**71,600**
High Growth	67,500	89,800
Low Growth	33,400	44,400
Pre-Recession Trend	91,500	121,700
South Gloucestershire	**Modified Oxford**	**Modified Oxford** (Direct Estimate Method)
Central Projection	**12,000**	**16,000**
High Growth	20,700	27,500
Low Growth	7,600	10,100

Appendix 2

West of England Partnership Area Economy Projected Total Jobs 2006-2026



Appendix 3

DCLG Household projections and ONS population projections for South Gloucestershire

1. In determining the level of local housing provision PPS3 indicates that the Government's latest published household and population projections should be taken into account. This short note provides an overview of the latest official household and population projections for South Gloucestershire.

2008-based household projections (DCLG)

2. The Government's official household projections for South Gloucestershire are published by the Department for Communities and Local Government (DCLG). The DCLG published their latest set of household projections, the 2008-based projections, on 26th November 2010.

3. The 2008-based projections suggest an increase of 32,000 (30.5%) households over the Core Strategy plan period (2006 to 2026). These projections supersed the 2006-based sub-national household projections (published in March 2009) which suggested a higher increase of 33,000 households (31.4%) over the plan period. Table 1 compares the 2008 based projections to previous sets of projections published by DCLG/ODPM.

Table 1: Household Projections: South Gloucestershire household change 2006-26

	2006	2026	Change	% increase
2008 based	105,000	137,000	32,000	30.5
2006 based	105,000	138,000	33,000	31.4
Revised 2004 based	106,000	138,000	32,000	30.2
2003 - based	105,000	132,000	27,000	25.7

(Source :DCLG/ODPM)

4. It should be noted that the 2008 based projections for South Gloucestershire are significantly lower than those for Bristol and North Somerset which are both projected to have 2008 based projections in excess of 40% over the plan period (as detailed at appendix A).

5. The household projections are highly dependent on the level and structure of population generated by the underlying Office for National Statistics (ONS) trend based population projections. The projected level of household growth has increased as population projections have also increased.

2008-based population projections (ONS)

6. The Office for National Statistics (ONS) regularly produce demographically led population projections. The most recent projections, the 2008-based projections, were published on 27 May 2010. The projections are based on recent population trends (2004-2008) in the levels of births, deaths and migration. They do not take into account any policy changes, housing development or other factors which might influence future population levels.

7. Table 2 shows how the projections for South Gloucestershire have increased with each new set of projections. It should be noted however, that the rate of increase projected for South Gloucestershire is lower than for the other West of England authorities (as illustrated in Appendix A).

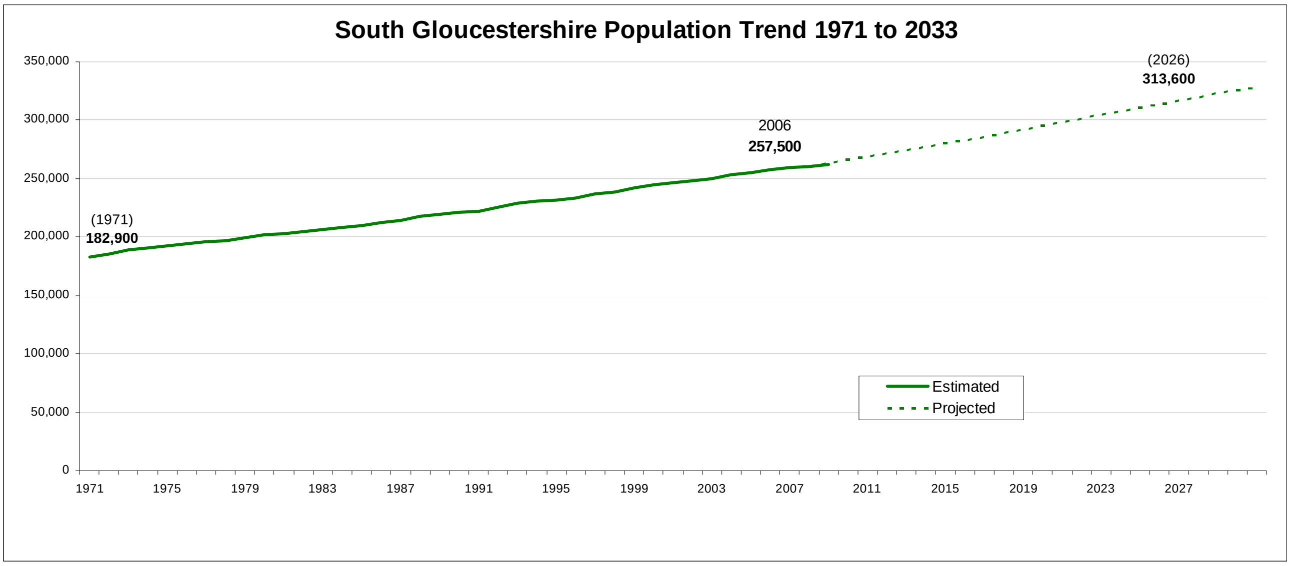
Table2: Comparison between recent ONS population projections for South Gloucestershire

	2006	2026	Change	% increase
2008 based	257,500*	313,600	56,100	21.7%
2006 based	254,395	308,135	53,740	21.1%
Revised 2004 based	255,800	301,500	45,700	17.9%
2003 based	252,900	289,700	36,800	14.6%

Source: Office for National Statistics – Mid Year Population Estimates; Sub-national Population Projections (SNPP) for England. Crown Copyright. * Based on revised 2006 MYE

8. The 2008-based projections suggest an increase in South Gloucestershire's population of 56,100 (21.7%) between 2006 and 2026. Figure 1 illustrates that the projected increase is linear -broadly representing a continuation of 'actual' longer term migration illustrated in past ONS mid-year-population estimates.

Figure 1: South Gloucestershire Population Trend 1971-2033



(Source: ONS MYE & 2008-based population projections)

<u>Estimates: Components of change (ONS Mid-Year Population Estimates)</u>

9. The ONS 2008-based population projections are largely based on demographic trends in the preceding five-year period (2003/04 to 2007/8) a period which experienced high levels of international in migration in many areas of the country; particularly authorities covering city areas.

10. The situation in South Gloucestershire, however, has been more stable, with natural change (births minus deaths) accounting for approximately 50% of the total population increase in the period 2003/04 to 2007/8 as illustrated in Figure 2 and Table 3.

Figure 2: South Gloucestershire total population change– Natural change, Net Migration and other changes

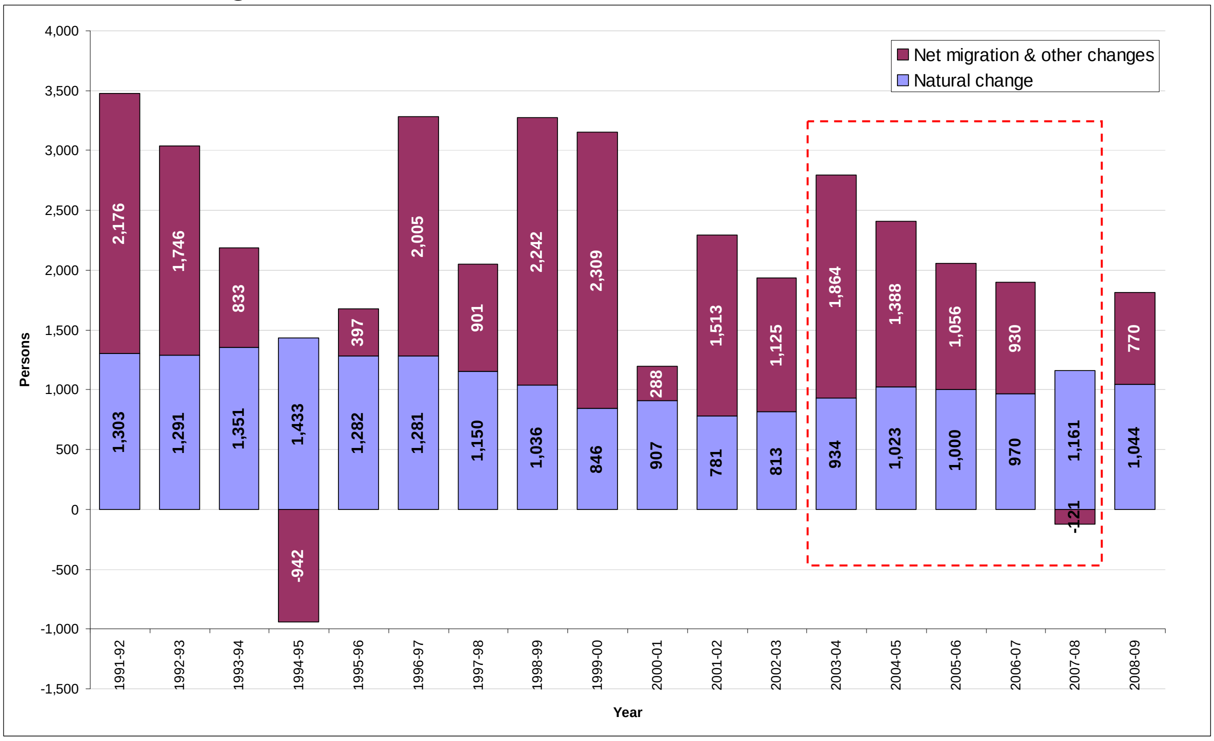


Table 3: Components of population change South Gloucestershire – 2003/04 -2007/08

	Start of year (Total)	Natural change	Net migration & other changes	End of year (Total)
2003-04	250,217	934	1,864	253,015
2004-05	253,015	1,023	1,388	255,426
2005-06	255,426	1,000	1,056	257,482
2006-07	257,482	970	930	259,382
2007-08	259,382	1,161	-121	260,422
Total Change 2003-04 /2007-08		**5,088**	**5,117**	**10,205**
Total Change 2003-04 / 2007-08 (%)		**50%**	**50%**	

Source: Office for National Statistics – Mid Year Population Estimates;. Crown Copyright.

Projections: Components of change (2008-based ONS population projections)

11. The components for change from the ONS 2008-based population projections for the plan period (2006-2026) are set out in Table 4. They broadly show a continuation of the trends illustrated in the population estimates described earlier.

12. Natural change (births minus deaths) accounts for 46% of the projected population growth, whilst net migration accounts for 54%. There are three elements to migration: internal migration, cross border migration and international migration, the components of these elements are explained at appendix B.

13. At 30%, internal and cross border migration accounts for the largest proportion of migration. International migration accounts for about a quarter (24%) of the total projected population change.

Table 4: Summary of components of population change 2006-2026

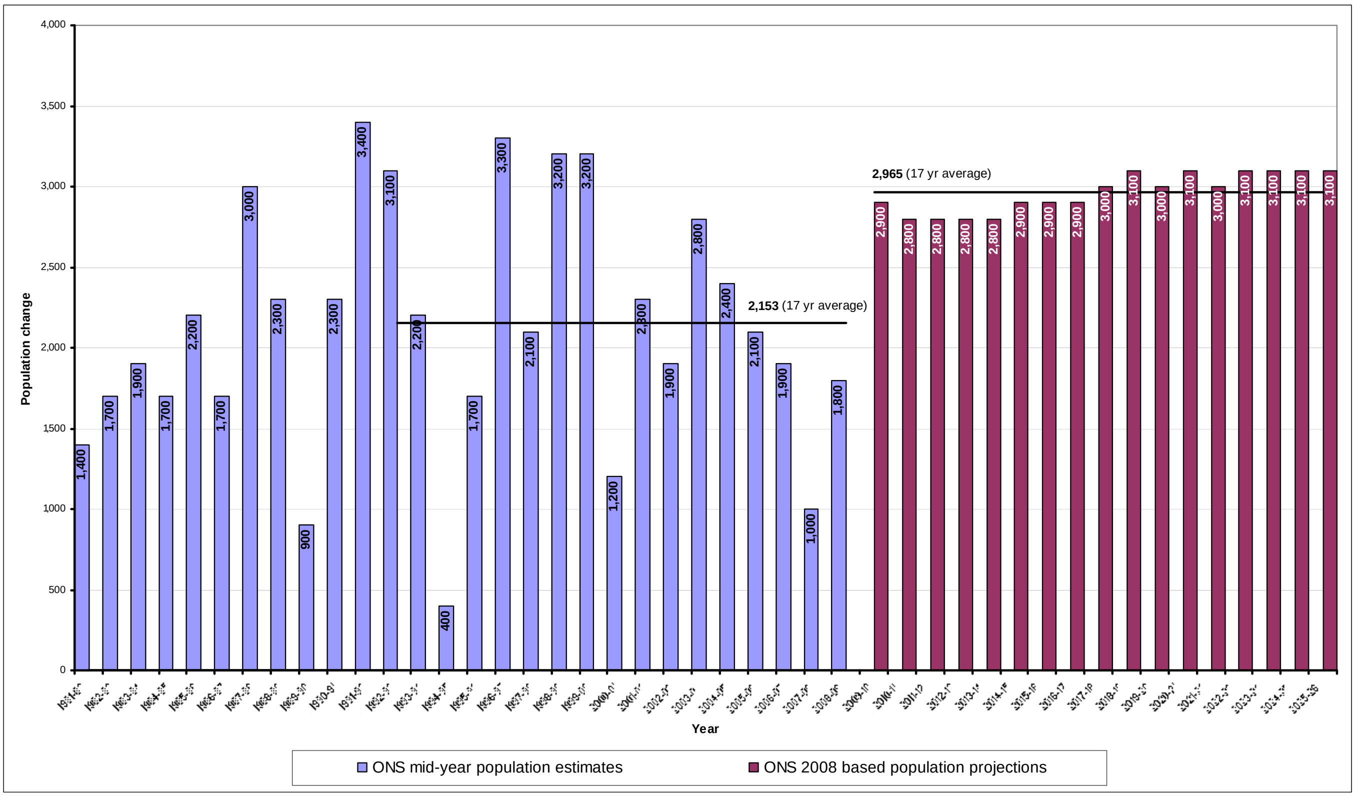
	Total change 2006 to 2026	**Annual average change 2006 to 2026**
Natural change	25,800 (46%)	1,300
Internal and Cross border migration (net)	16,700 (30%)	800
International Migration (Net)	13,700 (24%)	700
Total change	**56,200**	

Source: Office for National Statistics – Mid Year Population Estimates; Subnational Population Projections (SNPP) for England. Crown Copyright.
Totals may not sum due to rounding.

Comparison between ONS historic estimates and projections

14. Figure 4 illustrates that over the last three decades South Gloucestershire has undergone a net population increase every year. However there has been considerable fluctuation in growth with some years experiencing significantly higher population increases than others.

Figure 4. Annual population change estimated and projected (1981- 2026)



Source: Office for National Statistics – Mid Year Population Estimates; Sub-national Population Projections (SNPP) for England. Crown Copyright.

15. The 2008 based projections suggest that the population of South Gloucestershire will increase at a higher and more consistent rate than has been experienced in the past. In the 17 year period 2009/10 – 2025/26, the population of South Gloucestershire is projected to increase by 50,400 (an average of 2,965 persons per annum), whilst 'actual' (estimated) growth in the preceding 17 year period 1992/93 – 2008/09 was much lower at 36,600 (an average of 2,153 persons per annum). If the average of the long term historic annual trend (2,153pa) was applied to the remainder of the plan period, the total population increase would be approximately 13,800 persons lower by 2026 (or 800 persons per annum). This equates to a 27% reduction on the average increase shown in the 2008 based projections.

16. It should also be noted that more recent ONS mid-year estimates for 2009 are significantly lower than the equivalent figures for 2008/09 published in the ONS 2008 based population projections. The 2009 mid-year-estimates use more recent data than the 2008 projections and are considered by ONS to be more accurate.

17. Table 5 illustrates that the 2009 estimates are approximately 1,000 (36% lower) than the corresponding figure in the 2008 based projections, primarily due to a significant reduction in estimated levels of migration (particularly international migration).

Table 5. Differences between 2008 population projections and 2009 population estimates for the 2008/09 year

	A	B	C
	2008 based projections Change 2008-09	2009 Mid Year Estimates Change 2008-09	Difference (Projections – Estimates) (A-B)
Natural Change	1,088	1,044	44
International Migration (net)	637	188	449
Internal and Cross border Migration (net)	1,098	582	516
Total Net change	2,823	1,814	1,009 (36% lower)

Source: Office for National Statistics – Mid Year Population Estimates; Sub-national Population Projections (SNPP) for England. Crown Copyright.

18. Although comparison between estimates and projections is only possible for the 2008/09 year, the significant variance between the estimates and projections gives further evidence to suggest that the 2008 based projections overestimate the likely level of future population growth.

Implications for household growth

19. As set out in paragraph 3 the most recent 2008 DCLD household projections specify a requirement for 32,000 new homes in South Gloucestershire over the plan period, which is a reduction relative to the 33,000 new homes suggested by the previous 2006 based projections.

20. Paragraphs 14 to 18 illustrate the Council's belief that the ONS 2008 based projections over estimate the likely rate of population growth over the plan period (2006-26), which in turn over inflate the 2008 DCLG household projections for the district.

21. Whilst it is not possible to conclude on the precise figure, the analysis suggests that the likely level of future population growth and therefore the subsequent level of household growth will not be as significant as stated by ONS and DCLG in their trend based projections. The Council is not prohibited from giving trend population growth requirements less weight, particularly in view of the plan-led approach to development. These are therefore considered to be sufficient grounds for giving less weight to these projections.

22. Furthermore, developing at the simple trend rate illustrated by the DCLG / ONS projections ignores the essential influence of local policy objectives in planning for future change, becoming a simplistic exercise in "predict and provide". It is likely to be beyond the reasonable capacity of the District to accommodate in terms of infrastructure provision and without substantial environmental impacts.

Appendix A: Population and household projections for West of England Authorities.

ONS Population Projections

2008-based ONS Population Projections

	2006	2026	2006-26	%
B&NES	173,100	200,200	27,100	15.7
Bristol	413,600	548,100	134,500	32.5
NSOM	200,800	268,400	67,600	33.7
SGLOS	257,500	313,600	56,100	21.8
WoE	1,044,900	1,330,300	285,400	27.3

2006-based ONS Population Projections

	2006	2026	2006-26	%
B&NES	175,600	206,400	30,800	17.5
Bristol	410,500	519,800	109,300	26.6
NSOM	201,400	266,400	64,900	32.2
SGLOS	254,400	308,100	53,700	21.1
WoE	1,041,900	1,300,700	258,800	24.8

Revised 2004-based ONS Population Projections

	2006	2026	2006-26	%
B&NES	175,900	196,800	20,900	11.9
Bristol	404,200	458,000	53,900	13.3
NSOM	200,500	246,100	45,600	22.7
SGLOS	255,800	301,500	45,700	17.9
WoE	1,036,400	1,202,400	166,000	16.0

2003-based ONS Population Projections

	2006	2026	2006-26	%
B&NES	173,400	187,500	14,000	8.1
Bristol	393,700	423,200	29,500	7.5
NSOM	196,500	229,700	33,200	16.9
SGLOS	252,900	289,700	36,800	14.6
WoE	1,016,500	1,130,100	113,600	11.2

Source: Office for National Statistics – Mid Year Population Estimates; Subnational Population Projections (SNPP) for England. Crown Copyright.

DCLG Household Projections

2008-based DCLG Household Projections

	2006	2026	2006-26	%
B&NES	72,000	88,000	16,000	22.2
Bristol	177,000	249,000	72,000	40.7
NSOM	86,000	122,000	36,000	41.9
SGLOS	105,000	137,000	32,000	30.5
WoE	440,000	596,000	156,000	35.5

2006-based DCLG Household Projections

	2006	2026	2006-26	%
B&NES	74,000	93,000	19,000	25.7
Bristol	178,000	241,000	63,000	35.4
NSOM	87,000	123,000	36,000	41.4
SGLOS	105,000	138,000	33,000	31.4
WoE	444,000	595,000	151,000	34.0

Revised 2004-based DCLG Household Projections

	2006	2026	2006-26	%
B&NES	74,000	91,000	17,000	23.0
Bristol	175,000	217,000	42,000	24.0
NSOM	87,000	116,000	29,000	33.3
SGLOS	106,000	138,000	32,000	30.2
WoE	442,000	562,000	120,000	27.1

2003-based ODPM Household Projections

	2006	2026	2006-26	%
B&NES	74,000	87,000	13,000	17.6
Bristol	171,000	200,000	29,000	17.0
NSOM	85,000	109,000	24,000	28.2
SGLOS	105,000	132,000	27,000	25.7
WoE	435,000	528,000	93,000	21.4

Source: Department for Communities and Local Government Household estimates and projections. Crown Copyright.

Appendix B: Components of migration – 2008-based Sub-national Population Projections for England

There are three elements to migration: internal migration, cross border migration and international migration.

Internal migration
For sub-national population projection purposes internal migration is defined as migration within England only. An internal migrant is defined as someone who changes their local authority of residence between one year and the next. Key source of information about internal movers is provided from the following data sources:

- The GP Patient Register maintained by strategic health authorities;
- Higher Statistics Agency (HESA) data – used to capture moves made by first year undergraduates
- National Insurance Numbers (NINos) to adjust for moves made by students at the end of their studies

Cross border migration
Cross border migration between England and the rest of the UK is captured using the same way as the internal migration assumptions.

International migration
International migration is made up of four separate types of movement:

- Between England and the rest of the world
- Visitor switchers
- Asylum seekers
- Irish flows

Rest of the world
The main source of information on international migration data is the International Passenger Survey (IPS). This is a sample survey of passengers travelling through airports, seaports and the Channel tunnel. It provides information on the number of people intending to stay in the UK of leave the UK for a year or more.

Visitor switchers
Visitor switcher data from the IPS are used to estimate changes in intentions. Visitor switchers are people who initially visit or leave the UK for a short period but subsequently stay for a year or longer and become migrants.

Asylum seekers
Data on asylum seekers and their dependants are provided by the Home Office and the National Asylum Support Service. Applications for asylum (excluding an estimate of those removed from the UK within one year and a small number of asylum seekers captured by the IPS) provide the basis for estimated inflows of asylum seekers. Data on removals, refusals, withdrawals and appeals for principal applicants and dependants are used to estimate outflows of unsuccessful asylum seekers leaving the UK after a year or more without being captured by the IPS.

Irish flows
Estimates of migration flows between the UK and the Irish Republic are produced using information from the Irish Quarterly National Household Survey and the National Health Service Central Register.
Full Guide at: http://www.statistics.gov.uk/downloads/theme_population/snpp-2008/2008_based_SNPP_Methodology_Guide.pdf

Appendix 4

Summary of the Core Strategy – Strategy for Development

1. The **North Fringe of Bristol** is one of the most economically important locations in the South West and includes the key sectors of aerospace engineering, defence procurement and supplies, financial services, retail and education. The area supports in the order of 70,000 jobs, which is twice as many jobs as resident workers. The Strategy for Development in the Bristol North Fringe is to recognise the economic importance of the whole area and the need to redress the current imbalance between jobs and housing while retaining and strengthening the character and identity of existing communities. Employment land will continue to be safeguarded to provide for the needs of businesses including the key sectors. This will be supported by enhanced public transport measures including GBBN, quality bus corridors, a bus rapid transit link to South Bristol, Bristol City Centre and Emersons Green, improvements to the heavy rail system and an improved cycling network.

2. At Patchway/ Cribbs Causeway land is allocated for 2,200 dwellings / 14ha of employment land at Charlton Hayes (Northfield) in Patchway and a new neighbourhood of up to 1,750 homes, local services and facilities at Cribbs Causeway and south of Filton Airfield. Land west of the M32 / Harry Stoke is allocated for 2,600 dwellings planned at three key sites Wallscourt Farm, Harry Stoke and land east of Coldharbour Lane. Subject to the programmed delivery or construction of the Stoke Gifford Transport Link – part of the rapid transit to the city centre major scheme, a new neighbourhood of up to 2,000 homes is also planned in this area after 2016.

3. The **East Fringe of Bristol** includes a number of distinct communities within which there are pockets of deprivation in Kingswood, Staple Hill and Cadbury Heath that have been identified as priority neighbourhoods. Employment land is mainly focussed on small ageing industrial areas, many of which have been lost over the years to other development, so that now the area significantly under-provides for the local workforce and 18,000 people commute daily to central Bristol and 6,300 people commute to the North Fringe of Bristol. These changes in employment patterns, together with competition from out of town retail opportunities, have contributed to the declining economic fortunes of the traditional shopping centres.

4. To address these issues the main thrust of the strategy for the East Fringe of Bristol up to 2026 is to complete the final development phase at Emersons Green. This involves a major mixed use development on 177ha of land at Emersons Green, east of the A4174 Avon Ring Road, to deliver an extended and improved town centre at Emersons Green as well as in the region of 3,000 dwellings, a Science Park and 19ha for local employment. In total this development is expected to support over 6,000 jobs. The Science Park is key to the sub region in supporting the universities and existing industries and maintaining the region's

international competitiveness. Ensuring this new development integrates successfully to strengthen a sense of community with the existing development west of the A4174 Avon Ring Road is a key challenge.

5. Within the existing urban areas the strategy focuses on improving the employment opportunities available to residents, on regeneration to restore the vitality of the traditional centres and on improving the quality of the urban environment and links to the countryside.

6. At **Yate & Chipping Sodbury** the key strategic objective is to put in place a long term strategy to continue to strengthen their role as successful and progressive market towns and to enhance resident's aspirations and the perception other people and businesses have of both towns.

7. Up to 2016 the focus is on town centre investment, development of an evening economy and broadening the leisure attractions and retail outlets. This is supported by objectives to remodel the western approach employment sites (at Stover and Badminton Roads), some limited housing development on previously developed land and providing and planning for better public transport, walking and cycling within the Town and to key destinations. Post 2016 the development strategy recognises the need to strengthen and broaden the social, economic and physical base of Yate.

8. At the heart of this is a new neighbourhood for 2,400 dwelling by 2026 planned comprehensively as part of a whole town approach. This will continue to ensure sustainable growth by helping to unlock the investment needed to support the delivery of new infrastructure, including new strategic sewerage investment, which will bring significant benefits to the town. It will also address the existing needs of the residents of Yate and Chipping Sodbury in terms of affordability across the housing market and broadening choice. The new neighbourhood will also provide for new and extended education provision, addressing the current deficiency in the distribution of primary schools across Yate.

9. The development strategy for **Thornbury** supports the objective to ensure that it remains a successful and vibrant market town. Development is identified that is proportionate to the scale and function of the town and which will help address the economic and social issues that it currently faces.
10. At **Severnside** the development strategy recognises the significant structural issues the area faces – transportation infrastructure, flooding and ecological. However, it also identifies the economic potential of the area and identifies a clear framework for unlocking this while addressing and respecting the areas fragile and unique environment and habitats.
11. In the **Rural Areas** new development is aimed at supporting local needs. Local people should have more control of what and where development is provided, new development should be proportionate in scale to rural settlements and the valued and unique aspects of the countryside and the historic environment should be protected and conserved. It is considered that the development strategy reflects the Coalition Government's Localism agenda in that it enables local communities to take a proactive

and leading role in identifying the type and location of any new development, within the context of the overall development strategy for the district as a whole.