

EXAMINATION OF SOUTH GLOUCESTERSHIRE CORE STRATEGY

MATTER 8A

PROVISION OF HOUSING (CS15)

May 2012

Hearing Statement

On behalf of Welbeck Strategic Land LLP

Session date 20th June 2012

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0 INTRODUCTION

- 0.1 Welbeck Strategic Land LLP is promoting residential development on land at Hacket Farm off Morton Way South, Thornbury, known as Morton Way South. We made representations on the emerging South Gloucestershire Core Strategy on a number of previous occasions. To answer the questions now being asked by the Inspector, in this document we will use some of this earlier evidence, by referencing four of these earlier representations:
- i Representations on the Core Strategy Submission Version, February 2011 – referred to below as ‘Submission Reps’
 - ii Comments on ‘Planning for Growth’ Government Statement, May 2011– ‘Plan for Growth Reps’
 - iii Comments on Draft National Planning Policy Framework, September 2011 – ‘Draft NPPF Reps’
 - iv Representations on Core Strategy Incorporating Post-Submission Changes, February 2012 – ‘Post-Submission Reps’.
- 0.2 Three of the documents relate to the submission version of the Core Strategy, which is now superseded by the post-submission version. But these documents remain relevant, because between the two versions there were only two material changes in the housing target. Firstly, the target increased by some 4,000 homes due to Filton Airfield being added to the supply; and secondly, it was re-badged as a maximum figure, probably to reflect the risk that the airfield might not come forward in the plan period.
- 0.3 Below, we also cross-refer to our concurrent hearing statements on Matter 7, Provision and Distribution of Housing. There is a large overlap between Matters 7 and 8 and we have tried to minimise repetition between our different statements.

1 WOULD THE COUNCIL'S MODIFIED PLAN (DECEMBER 2011) RESULT IN A SERIOUS UNDERSUPPLY OF HOUSING?

- 1.1 The Council's modified plan proposes District-wide housing provision of up to 26,400 net new homes over the plan period 2006-27 – i.e. a maximum of 1,259 per year. In our earlier representations and our hearing statement on Matter 7, we show that this target is not based on any assessment of demand or need. In the Post-Submission Reps (February 2012, Appendix W1) we also analyse the available evidence of such demand or need. We conclude that, based on past trends for South Gloucestershire, the best available estimate is the CLG's latest household projection, which suggests some 1,600 new homes per year. This figure remained broadly constant over the last three releases of the CLG projections, it is consistent with the labour demand predicted by the Council's employment land review, and the criticisms of it made in the Council's Housing Justification paper seem spurious.
- 1.2 Considered against the CLG projection, the CS's proposed target amounts to a serious undersupply of housing. At best, if the maximum number of 1,259 homes per year is delivered 80% of the predicted demand/need will be met. But the CS is consistent with any number below, 1,259 per year, even down to zero. Thus, if the CS is upheld, the undersupply of housing could be very serious indeed.
- 1.3 To comply with national policy, South Gloucestershire's housing targets should consider not only its own needs, but also those of the wider housing market area – the West of England sub-region. The National Planning Policy Framework (PF) advises that demand which cannot be sustainably accommodated in the place where it arises should be exported to neighbouring authorities that are less constrained, and these authorities should accept it.
- 1.4 In our Post-Submission Reps and our hearing statement on Matter 7, we analyse the demand-supply balance across the West of England and show that the four authorities collectively plan to provide just 4,100 net new homes per year over the plan period, against an expected demand of 7,800 net new homes. The greatest shortfall, 2,100 homes per year, is in Bristol City - where supply is severely constrained because the built-up area is full up, as recognised by the Core Strategy Inspector.
- 1.5 Based on this analysis, there is no prospect that the other authorities in the West of England will make good any shortfall in South Gloucestershire's housing supply. On the contrary, our analysis shows that, South Gloucestershire may have potential to make good part of its neighbours' supply shortfalls. This is because, as shown in our earlier representations and summarised in our Matter 7 statement, South Gloucestershire has capacity for sustainable housing development over and above the CS number, including on the edges of Thornbury and Yate. Therefore, in line with the PF, in addition to the demand assessed by the CLG projections it should accept exported demand from more constrained places and particularly Bristol.

- 1.6 We conclude that the CLG projection for Bristol, at 1,600 homes per year, should be a floor below which the District's housing provision should not fall. The CS target should show this number as a minimum, and aim for higher provision so it contributes to meeting wider need in the housing market area.
- 1.7 Against this proposal, yet again the CS annual target of 1,259 homes represents serious undersupply.

2 HOW SIGNIFICANT ARE CURRENT ECONOMIC CIRCUMSTANCES ON THE OVERALL LEVEL OF HOUSING THAT IS FEASIBLE DURING THE PLAN PERIOD - COULD THE AMOUNT OF HOUSING PROPOSED IN EITHER THE DRAFT REGIONAL STRATEGY OR THE SECRETARY OF STATE'S PROPOSED ALTERATIONS BE DELIVERED IF TARGETS WERE INCREASED TO THESE LEVELS?

- 2.1 The delivery of housing requires two things: the housing to be planned for (allocated and/or granted planning permission); and there to be demand, to make the development of the planned housing economically viable.
- 2.2 The current low levels of housing delivery in South Gloucestershire are not a function of lack of demand (ie. are not due to the current economic circumstances) but are the result of lack of planning for housing in the district since the 2002 Avon Structure Plan. The proof is in the published AMR housing delivery figures, see table below:

Financial Year	Annual Target	Large Sites	Small Sites	Total	Under/over supply
1996/97	1184	1,089	98	1,187	3
1997/98	1184	1,415	95	1,510	326
1998/99	1184	1,503	84	1,587	403
1999/00	1184	1,318	138	1,456	272
2000/01	1184	1,168	84	1,252	68
2001/02	1184	715	111	826	-358
2002/03	1184	796	146	942	-242
2003/04	1184	551	197	748	-436
2004/05	1184	380	166	546	-638
2005/06	1184	424	212	636	-548
2006/07	1184	471	218	689	-495
2007/08	1184	657	346	1,003	-181
2008/09	1184	584	332	916	-268
2009/10	1184	475	267	742	-442
2010/11	1184	517	197	714	-470
Total	17760	12,063	2691	14,754	-3006

Table 1 South Gloucestershire Housing Completions (based on information from South Gloucestershire Annual Monitoring Reports)

- 2.3 The table above shows that South Gloucestershire is capable of housing delivery more akin to that proposed in the draft regional strategy, see years 1997-2000. This was because significant housing development had been planned in the 1985 Avon Country Structure Plan, which was by that time being delivered. Later structure plans (see http://www.n-somerset.gov.uk/NR/rdonlyres/F01F7B3B-FDF5-4BCA-9E1C-3627EBAAE6D1/0/document_200812_JointReplacementStructurePlan.pdf) planned for lower housing provision than previously, and the result becomes clear from 2001 onwards – while the economy boomed housing delivery in South Gloucestershire fell sharply. Delivery

actually increased as we moved into recession in 2008. The role of (lack of) planning in this is illustrated by the proportion of delivery from large versus small sites. Large sites make up nearly all delivery up until 2001, but then they fall away (because there were fewer allocations to be delivered) and smaller windfalls take up some of the slack.

- 2.4 The high level of small site development is illustrative of the high demand for housing in South Gloucestershire – every opportunity being taken up where possible because of the paucity of planned developments.
- 2.5 Therefore, housing delivery in South Gloucestershire could be increased significantly, to circa 1,600 dwellings per annum, if sites were planned for and brought forward through the system. Such sites should, as we state in our Matter 7 statement (question 4), offer choice and marketability.
- 2.6 Thornbury has proven its marketability in the past – through the delivery of very significant planned housing development in the 1970s and 1980s (decades that had severe recessions). The projections suggest that there will continue to be market and viable demand for high levels of housing in South Gloucestershire, and Thornbury, and the increasing constraint on Bristol City will deviate further demand to South Gloucestershire.
- 2.7 Past planning for lower housing provision has proved self-fulfilling, but does not prove that higher housing targets cannot be delivered, if planned for.

3 IS THE PHASING OF HOUSING REALISTIC AND DELIVERABLE?

- 3.1 The delivery of housing, as shown in the CS housing trajectory, is surrounded by risks:
- The trajectory shows much higher annual delivery rates for the future – from 2013/14 onwards – than were achieved in the past.
 - As discussed in our Draft NPPF Reps, the Council has a poor record of housing delivery. For example of the total housing capacity of 5,925 units allocated in the previous Local Plan, no applications have yet been submitted for 2,500 units.
 - Of the future housing land supply identified at Policy CS15:
 - 33% is in these sites inherited from the previous Local Plan – which by definition are difficult to deliver, since under normal circumstances they should have been completed over the previous plan period;
 - 46% is in three new neighbourhoods (at East of Harry Stoke, Cribbs/Patchway and Yate), of which the last two are contingent on major new infrastructure ‘subject to confirmation from delivery partners’;
 - The bulk of the remainder, 18%, is in ‘potential housing sites, including infill development’ – which in effect are windfall sites, since they have not been individually identified.
 - (the remaining 2% is the proposed allocation north of Thornbury.)
- 3.2 To reduce the risk that targets will not be delivered, the Council should identify additional supply, especially in sites that are readily deliverable. Morton Way South is one such site.

4 SHOULD THE COUNCIL PROVIDE AN ADDITIONAL 5% OR 20% IN EXCESS OF A 5 YEAR HOUSING LAND SUPPLY AS REQUIRED BY THE PLANNING FRAMEWORK?

- 4.1 Our Draft NPPF Reps, already referenced in Section 3 above, and Welbeck's Matter 1 Statement (paras 14-17) show that South Gloucestershire Council has a record of record of persistent under delivery of housing against its targets. The Planning Framework advises that authorities in this position should allow a 20% buffer, so they should be able to demonstrate a 6-year supply of specific deliverable sites against their policy requirement.

5 IS THERE INFORMATION TO SHOW WINDFALLS SHOULD BE TAKEN INTO ACCOUNT AS A VALID SOURCE OF HOUSING LAND SUPPLY?

- 5.1 "Windfall sites" are defined in the NPPF as "*Sites which have not been specifically identified as available in the Local Plan process. They normally comprise previously-developed sites that have unexpectedly become available.*" The council is proposing a total of 4,090 units to be provided as "potential housing sites" comprising a mix of unallocated sites with planning permission and infill development, representing over 15% of the total housing which the council considers needs to be provided over the plan period. The definition of "potential housing sites" is provided in footnote 3 to Policy CS15 and includes "*specific, unallocated brownfield sites*", therefore the "potential housing sites" already include windfall sites.

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