

PHASE 1 HOUSING LAND SUPPLY ASSESSMENT

RELATING TO

SOUTH GLOUCESTERSHIRE COUNCIL

ON BEHALF OF

GLADMAN DEVELOPMENTS LIMITED

25 JULY 2013

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APPENDIX 1 – COMPARATIVE ASSESSMENT OF MAJOR SITES CONSIDERED IN THE BNP PARIBAS REAL ESTATE REPORT OF 7 JUNE 2013.	

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1. INTRODUCTION

BRIEF

- 1.1 Hourigan Connolly is instructed by Gladman Developments Limited (hereafter referred to as Gladman) to undertake an assessment of South Gloucestershire Council's (SGC's) 5 year deliverable housing land supply position.
- 1.2 This document will be used to support a planning application being submitted by Gladman to SGC relating to land at Wooton Road, Charfield, South Gloucestershire.
- 1.3 Additionally this document responds to the Council's letter of 7 June 2013 addressed to the Core Strategy Inspector on the issue of deliverable housing land supply. That letter is accompanied by a report of the same date produced by BNP Paribas Real Estate which also addresses this issue of deliverable housing land supply.

RELEVANT EXPERIENCE

- 1.4 Hourigan Connolly is a firm of Chartered Town Planners operating across the UK. We deal with developments ranging from just a few houses to significant urban extensions of 1,000+ dwellings as applications, appeals and via promotion through the Development Plan process.
- 1.5 Our Directors formerly worked for national developers and have extensive experience of house building throughout England and Wales, including in the South West of England.
- 1.6 One of our specialisms is the production of five year housing land supply assessments. Our work has been used to support planning applications, appeals and statutory challenges. In this respect the Practice has undertaken housing land supply work in the following local authority areas:
- Vale of White Horse.
 - Aylesbury.
 - South Gloucestershire.
 - West Northamptonshire.
 - Central Bedfordshire.
 - Leicester.

- Wiltshire.
- Shropshire.
- High Peak.
- Rossendale.
- Telford & The Wrekin.
- Wrexham.
- Gwynedd.
- Cheshire East.
- Ryedale.
- Cheshire West & Chester.
- Blackburn with Darwen.
- Chorley.
- Ribble Valley.
- Preston.
- Fylde.
- Tameside.

1.7 We are also in the process of undertaking a national study in respect of issues and timescales associated with the delivery of urban extensions.

1.8 We are well placed to comment on the delivery of housing in South Gloucestershire.

SCOPE

1.9 Five year deliverable housing land supply assessments comprise two distinct components:

- The five housing requirement – based on strategic housing requirements.
- The five year housing supply – comprising those dwellings which are deemed to be deliverable within the 5 year period.

- 1.10 This is a Phase 1 Housing Land Supply Assessment which considers the five year housing requirement and discrete components of the Council's claimed supply of deliverable dwellings.
- 1.11 A Phase 2 Housing Land Supply Assessment would involve an assessment of the housing requirement and a review of all of the sites contained within the Council's claimed deliverable supply. At this stage a Phase 2 Housing Land Supply Assessment is not considered necessary as this Phase 1 Housing Land Supply Assessment adequately demonstrates that the Council has less than a 5 year supply of deliverable dwellings as required by Paragraph 47 of the Framework. Consequently (and from a development management perspective) Paragraph 49 of the Framework is engaged and the Council's policies relating to the supply of housing should not be considered up-to-date. From a Development Plan perspective the Council's Core Strategy is not sound having regard to the criteria outlined in Paragraph 182 of the Framework.

SUMMARY OF THE COUNCIL'S POSITION

- 1.12 The Council's latest position on the 5 year housing requirement for the period **1 April 2013 to 31 March 2018** is set out in its letter of 7 June 2013 to the Core Strategy Inspector and is based upon:
- The strategic housing requirements referred to within the Inspector's Main Modifications and Further Main Modifications.
 - Adoption of a 20% buffer (in recognition of the fact that the Council has persistently under-performed in the past against strategic housing requirements).
 - Spreading previous under-performance across the remainder of the Core Strategy Plan period to 2027 (known as the Liverpool method).
- 1.13 Having regard to the above matters, the Council in its letter of 7 June 2013 to the Core Strategy Inspector concludes that the 5 year housing requirement is **9,660 dwellings**.
- 1.14 The Council sought expressions of interests from consultants on 29 April 2013 on the issue of the deliverable supply of dwellings. BNP Paribas Real Estate were subsequently appointed to consider the delivery of housing over the 5 year period. Consequently the Council now contend that it can evidence a deliverable supply of **10,393 dwellings** for the five year period 1 April 2013 to 31 March 2018.
- 1.15 Applying an annual requirement (based upon the above factors) of **1,932 dwellings** (9,660 dwelling requirement / 5 years) to the Council's identified supply results in a supply position of **5.38 years**.

SUMMARY OF GLADMAN'S POSITION

- 1.16 It must be remembered that the Council's letter of 7 June 2013 and the accompanying BNP Paribas Real Estate report of the same date have been produced as a direct consequence of the Council failing to convince an Inspector in two recent but separate appeals, (heard by way of Public Inquiries), that it can demonstrate a 5 year supply of deliverable housing land.
- 1.17 In the first case (Inquiry held in March 2013 - decision date 8 April 2013) relating to proposals for a mixed use development including 210 homes at Engine Common, Yate¹ the Council's position was that it had a supply of between 5.02 years and 5.13 years.
- 1.18 In the Engine Common case Inspector Pope raised serious concerns with some of the lead-in times and delivery rates adopted by the Council and whilst not determining what the actual supply was the Inspector had enough confidence to conclude that the Council was unable to demonstrate a 5 year supply of deliverable dwellings by a clear margin.
- 1.19 Inspector Pope also held an Inquiry on 23 and 24 April 2013 into the Council's failure to determine an appeal for up to 300 dwellings at Thornbury².
- 1.20 Paragraph 5 of the Inspector's decision letter in relation to the Thornbury case records the position in the Council's Rebuttal Statement dated 16 April 2013 wherein it is stated that the Council accepts that it cannot demonstrate a 5 year supply of deliverable dwellings and that consequently Paragraph 49 of the Framework is engaged.
- 1.21 The date of the Council's Rebuttal Statement is material to this assessment as it post-dates the base date for the 5 year supply assessment undertaken by the Council and was produced less than a fortnight before the Council sought expressions of interests from consultants.
- 1.22 Indeed it should be stressed that only 3 months ago the Council was content to accept that it was not able to demonstrate a 5 year supply of deliverable dwellings. Accordingly in such circumstances it is legitimate to question what has changed in the past 3 months to warrant the Council changing its position on deliverable housing supply.

¹ PINS Reference: APP/P0119/A/12/2186546.

² PINS Reference: APP/P0119/A/12/2189213.

- 1.23 Moreover, if the Core Strategy Inspector is to engage with this matter he will need compelling evidence to justify departing from the two very recent and consistent appeal decisions mentioned above and where evidence on housing delivery was tested under cross-examination and the supply position was found to be deficient when assessed against Paragraph 47 of the Framework.
- 1.24 Our client's position on the 5 year housing requirement for the period 1 April 2013 to 31 March 2018 is based upon:
- The strategic housing requirement supported by Gladman Developments equating to a minimum of 33,000 dwellings for the Plan period which is considered (for the reasons already put forward in evidence to the EiP) to represent the objectively assessed need for the Plan period.
 - Adoption of a 20% buffer (in recognition of the fact that the Council has persistently under-performed in the past against strategic housing requirements.
 - Spreading previous under-performance across the 5 year period 1 April 2013 to 31 March 2018 (the Sedgefield approach).
- 1.25 Having regard to the above the 5 year strategic housing requirement is considered to be **14,624 dwellings (2,925 per annum)**.
- 1.26 In our view BNP Paribas Real Estate has significantly under-estimated the lead-in times for the 12 major sites its report of 7 June 2013 focuses upon. Consequently this has resulted in an unrealistic view being taken on the delivery of dwellings in the five year period.
- 1.27 Having only looked at the 13 major sites upon which the Council's whole case rests we consider that deliverable supply as of 1 April 2013 was **6,640 dwellings** resulting in a supply position of **2.27 years** (6,640 (identified supply) / 2,925 (annual requirement)) somewhat short of the minimum 5 year requirement embodied in Paragraph 47 of the Framework. Even if the Council's method of calculating the housing requirement was accepted and our supply calculations were favoured the Council would still only have a supply of 3.43 years (6640/1932).
- 1.28 Even on its best case the high water mark of the Council's position is that it has just scrapped over the minimum requirement embodied in Paragraph 47 of the Framework in order to demonstrate a 5 year deliverable supply. Whilst we do not accept the Council's position, a claimed 5.38 year supply is hardly a glowing endorsement that the Council is planning to boost significantly the supply of housing as required by Paragraph 47 of the Framework.
- 1.29 A simple assessment of the Council's position illustrates the fragility of its case:

- 1.30 The 12 major sites addressed in the BNP Paribas Real Estate report account for 7,120 dwellings or 68.5% of the 5 year supply of 10,393 dwellings. Hence if these sites were to deliver just 90% (6,408 dwellings) of what BNP Paribas Real Estate say they will deliver (7,120 dwellings) the Council's identified supply would reduce to 9,861 dwellings resulting in a 5.1 year supply on the Council's methodology. In such circumstances a significant burden will be placed upon the rest of the supply amounting to 3,273 dwellings ($10,393 - 7,120 = 3,273$). In other words if only 90% of 7,120 dwellings attributable to the 13 major sites came forward all 3,272 dwellings from other sources would have to come forward for a five year supply to be maintained on the basis of the Council's housing requirement. It is worthy of note that the remaining supply of 3,272 would need to slip by just 1% (33 dwellings) for the balance to be tipped below 5 years ($3,272 \times 99\% = 3,239 + 6,408 = 9,647/1,932 = 4.99$ years). These simple points adequately demonstrate the fragility of the Council's case even on its preferred method of calculating the 5 year housing requirement.
- 1.31 For the reasons set out herein we would strongly suggest that South Gloucestershire has nowhere near a 5 year supply of deliverable dwellings.

2. THE FIVE YEAR HOUSING REQUIREMENT FOR SOUTH GLOUCESTERSHIRE

INTRODUCTION

- 2.1 In this chapter we consider the five year housing requirement for South Gloucestershire in more detail.

MATTERS IN DISPUTE

- 2.2 Matters currently in dispute in respect of the emerging Core Strategy relate to the housing requirement for the period 2006 – 2027 and how previous under-performance should be dealt with in the 5 year period (either by way of the Liverpool method (whereby previous under-performance is spread across the remainder of the Plan period) or by way of the Sedgefield method (whereby previous under-performance is spread across the 5 year period)).

THE LEVEL OF BUFFER

- 2.3 It is common ground between the Council and objectors that South Gloucestershire has persistently under-performed in terms of past housing delivery measured against the South Gloucestershire Local Plan, the Draft RS Proposed Changes and the emerging Core Strategy housing requirement. Consequently, and in accordance with Paragraph 47 of the Framework, it is agreed between the parties that the five year housing requirement must be subject to a 20% buffer irrespective of the strategic housing requirement adopted.

SEDGEFIELD METHOD V LIVERPOOL METHOD

- 2.4 In our view having regard to previous under-performance the Sedgefield method is the most appropriate approach to calculating the 5 year requirement in South Gloucestershire. Indeed given the optimistic views expressed by BNP Paribas Real Estate the Council should have no concerns that the market could react to adoption of this approach; subject of course to the identification and release of further land for housing.
- 2.5 At a local level the Engine Common Inspector dealt with the Liverpool and Sedgefield methods in Paragraphs 18 – 21 of his decision letter and favoured the Sedgefield approach. The Core Strategy Inspector will, in order to ensure consistent decision making, need to produce compelling reasons for departing from the Sedgefield approach which was deemed appropriate following the cross-examination of evidence.

- 2.6 Other recent appeal decisions (pre and post Framework) also suggest that previous under-performance should be made up in the short term i.e. 5 years from the base date of the assessment rather than being spread over the remaining Plan period. In this respect we now turn to two pre Framework appeal decisions that are of relevance.

THE MORETON IN MARSH CASE

- 2.7 On 12 April 2011 outline planning permission was granted on appeal for up to 300 dwellings in Moreton In Marsh in the District of Cotswold (hereafter referred to as the Moreton In Marsh case)³. Part of Paragraph 174 of the Inspector's report is worthy of note:

... "The Council contested the inclusion of the residual figure for dwellings required but not yet provided; it took the view that this residual figure ought to be spread across the whole of the next plan period [50]. Neither party was able to adduce any extant guidance to support its preferred methodology, but on the basis that any shortfall in housing provision ought to be addressed promptly rather than be allowed to run on for potentially twenty years, I prefer the appellant's approach of including the residual figure in the requirement for the next five years' provision".

- 2.8 The Inspector's position was accepted by the Secretary of State (see Paragraph 12 of the decision letter).

THE ANDOVER CASE

- 2.9 On 30 June 2011 outline planning permission was granted for up to 530 dwellings in Andover in Test Valley Borough (hereafter referred to as the Andover case⁴).

³ Cala Management Limited relating to a proposals for 300 dwellings in Moreton in Marsh, Gloucestershire (PINS Reference: APP/F1610/A/10/2130320) – see CD53.

⁴ Wates Developments Limited relating to proposals for a mixed-use development comprising up to 530 dwellings, a local centre offering community facilities and retail units, public open space, vehicular, pedestrian and cycle access and landscaping at Andover, Hampshire (PINS Reference: APP/C1760/A/10/2140962) – see CD54.

- 2.10 Paragraph 159 to 170 of the Inspector's report deals with housing land supply matters and supports the notion that previous under-performance should be made up sooner rather than later. The approach of making up the short fall in the short to medium term was preferred over an approach that spread under-performance across the remaining Plan period. That recommendation was accepted by the Secretary of State (see Paragraph 11 of the decision letter).
- 2.11 We now turn to two post-Framework appeal decisions. Both decisions concern the calculation of housing requirements and in both cases the Inspectors took the view that previous under-performance should be addressed within five years rather than being spread over the remainder of the Plan period.

THE HONEYBOURNE CASE

- 2.12 On 24 August 2012 planning permission was granted on appeal for a mixed residential and business development in Honeybourne in the District of Wychavon (hereafter referred to as the Honeybourne case)⁵. Part of Paragraph 36 of the decision letter is worthy of note:

"...In my view, it is inconsistent with Planning for Growth and the NPPF paragraph 47 to meet any housing shortfall by spreading it over the whole plan period. Clearly it is better to meet the shortfall sooner rather than later. Moreover, if the buffers are brought forward into the first 5 years as in the NPPF, so also should the shortfall. I cannot agree with the Council's use of the residual method. In my view the Sedgefield approach should be used for the reasons outlined".

- 2.13 Paragraph 38 of the decision letter is also worthy of note in relation to persistent under-performance and adoption of the correct buffer. The final sentence of Paragraph 38 is of particular relevance:

*"...Moreover, it cannot be right to blame the slump in the property industry for under performance so long as there is not a 5 year supply of sites available **now** as required by paragraph 47 of the NPPF".*

⁵ Lioncourt Homes (Honeybourne) LLP; and E, J, M and H Westoby relating to a proposal for a mixed residential and business development on land between Station Road and Dudley Road, Honeybourne, Worcestershire (Appeal Ref: APP/H1840/A/12/2171339) – see CD55.

THE LONG BUCKBY CASE

2.14 On 19 October 2012 planning permission was granted on appeal for a mixed residential and business development in Long Buckby in the District of Daventry (hereafter referred to as the Long Buckby case)⁶. Paragraph 11 of the decision letter is worthy of note

“The Council’s estimate was accepted as being a best case, and utilises inputs in two areas which differ from the appellant’s. Firstly, the shortfall in completions to date is rolled forward over the remaining plan period to 2026, whereas the appellant assumes it should be made up in the first 5 years. There is no firm policy guidance on the correct approach in this respect. However, the emphasis of the Framework is to boost significantly the supply of housing, which implies dealing with a backlog as soon as possible. No strong local reason is established for offsetting the remaining requirement into the longer term. The appellant’s approach of adding the backlog to the 5 year requirement is therefore preferred”.

THE SOUTH GLOUCESTERSHIRE CORE STRATEGY

2.15 In respect of the emerging Core Strategy it is acknowledged that the Core Strategy Inspector may have settled on a housing requirement of 28,355 for the period 2006 - 2027⁷. Whilst some weight may be attributable to this figure this must be tempered by the fact that:

- The Inspector has yet to find the Plan sound.
- Many objectors have asked the Inspector to reconsider the housing need figure.
- Many objectors have asked the Inspector to reconsider the five year housing land supply calculation based on the Sedgefield rather than the Liverpool method and in light of the Council’s persistence under-performance.
- There is also a genuine and well publicised prospect that the Core Strategy may be subject to legal challenge if it proceeds on the basis of the 28,355 dwelling requirement⁸.

⁶ Hallam Land Management Limited relating to a proposed development to provide up to 132 new homes and 4,000 sq. m. of employment floorspace on land to the West of Station Road, Long Buckby, Northamptonshire (Appeal Ref: APP/Y2810/A/12/2174386) – see CD56.

⁷ See the Inspector’s Note of 10 January 2013 - Additional Housing Sites – Matters to be Explored at the Core Strategy Hearing Session on 7 March 2013.

- 2.16 Having regard to the foregoing we conclude that the 28,355 figure should be afforded limited weight at this time.
- 2.17 The 5 year requirement utilising the emerging Core Strategy Plan requirement is illustrated in Table 1 below adopting the Council's preferred methodology compared to our approach of using the Sedgefield methodology.

South Gloucestershire Council's Approach			CS Average Annual Target	Difference	Hourigan Connolly's Approach
Year	Dwelling Completions (Net)	Dwellings Needed to Meet CS Target By 2027 (Residual Calculation - Liverpool Method) 20% Buffer (Of Annual CS Residual Target) Moved From Last 5 Years Of Plan Period			Dwellings Needed to Meet CS Target By 2027 (Under Performance Spread Across Next 5 Years - Sedgefield Approach - 20% Buffer (Of Annual CS Target) Moved From Last 5 Years Of Plan Period)
2006/2007	689		1,350	-661	
2007/2008	1,003		1,350	-347	
2008/2009	916		1,350	-434	
2009/2010	742		1,350	-608	
2010/2011	714		1,350	-636	
2011/2012	923		1,350	-427	
2012/2013	823		1,350	-527	
2013/2014		1,932	1,350		2,348
2014/2015		1,932	1,350		2,348
2015/2016		1,932	1,350		2,348
2016/2017		1,932	1,350		2,348
2017/2018		1,932	1,350		2,348
2018/2019		1,610	1,350		1,351
2019/2020		1,610	1,350		1,350
2020/2021		1,610	1,350		1,350
2021/2022		1,610	1,350		1,350
2022/2023		1,288	1,351		1,081
2023/2024		1,288	1,351		1,081
2024/2025		1,288	1,351		1,081
2025/2026		1,288	1,351		1,081
2026/2027		1,288	1,351		1,081
Total	5,810	22,545	28,355	-3,640	22,545
5 Year Requirement 2013/18		9,662	6,750		11,740

⁸ See Paragraph 14 of the Engine Common Decision Letter - PINS Reference: APP/P0119/A/12/2186546.

DRAFT RS PROPOSED CHANGES

2.18 From a development management perspective the Draft RS Proposed Changes housing target currently provides the most recently tested figures. Of course as a consequence of the RS Proposed Changes annual housing requirement (1,640 dwellings) being higher than the Core Strategy annual requirement (1,350) the five year requirement is obviously greater⁹ and this is illustrated in Table 2 below.

South Gloucestershire Council's Approach					Difference	Hourigan Connolly's Approach
Year	Dwelling Completions (Net)	Dwellings Needed to Meet RS Target By 2026 (Residual Calculation)	Dwellings Needed to Meet RS Target By 2026 (Residual Calculation - Liverpool Method) 20% Buffer (Of Annual RS Residual Target) Moved From Last 5 Years Of Plan Period	RS Average Annual Target		Dwellings Needed to Meet RS Target By 2026 (Under Performance Spread Across Next 5 Years - Sedgefield Approach - 20% Buffer (Of Annual RS Target) Moved From Last 5 Years Of Plan Period)
2006/2007	689			1,640	-951	
2007/2008	1,003			1,640	-637	
2008/2009	916			1,640	-724	
2009/2010	742			1,640	-898	
2010/2011	714			1,640	-926	
2011/2012	923			1,640	-717	
2012/2013	823			1,640	-817	
2013/2014		2,076	2,491	1,640		3,102
2014/2015		2,076	2,491	1,640		3,102
2015/2016		2,076	2,491	1,640		3,102
2016/2017		2,076	2,491	1,640		3,102
2017/2018		2,076	2,491	1,640		3,102
2018/2019		2,076	2,076	1,640		1,640
2019/2020		2,076	2,076	1,640		1,640
2020/2021		2,076	2,076	1,640		1,640
2021/2022		2,076	1,661	1,640		1,312
2022/2023		2,076	1,661	1,640		1,312
2023/2024		2,076	1,661	1,640		1,312
2024/2025		2,076	1,661	1,640		1,312
2025/2026		2,076	1,661	1,640		1,312
Total	5,810	26,990	26,990	32,800	-5,670	26,990
5 Year Requirement 2013/2018		10,381	12,457	8,200		15,510

GLADMAN'S POSITION

2.19 At Paragraph 2.1.11 of their May 2013 representations in respect of the Further Main Modifications our clients state that:

⁹ Figures given in Paragraph 2.18 are unadjusted for previous under-performance and buffer.

“Gladman note that Barton Wilmore have undertaken a robust and objective assessment of housing need within South Gloucestershire (this was submitted by Barton Wilmore alongside their statement for the EiP hearing sessions). On the basis of their objective assessment Barton Wilmore conclude that the plan should make provision for at least 33,000 new homes over the plan period (2006-2027). The 28,355 dwellings proposed through the Further Main Modifications to the Core Strategy falls significantly short of the objective assessment of housing need”.

2.20 Having regard to the above the 5 year housing requirement utilising the Liverpool and Sedgfield methods is illustrated in Table 3 below.

South Gloucestershire Council's Approach				Difference	Hourigan Connolly's Approach
Year	Dwelling Completions (Net)	Dwellings Needed to Meet BW Minimum Requirement By 2027 (Residual Calculation - Liverpool Method) 20% Buffer (Of Annual RS Residual Target) Moved From Last 5 Years Of Plan Period	BW Average Annual Minimum Requirement		Dwellings Needed to Meet BW Minimum Requirement By 2027 (Under Performance Spread Across Next 5 Years - Sedgfield Approach - 20% Buffer (Of Annual RS Target) Moved From Last 5 Years Of Plan Period)
2006/2007	689		1,571	-882	
2007/2008	1,003		1,571	-568	
2008/2009	916		1,571	-655	
2009/2010	742		1,571	-829	
2010/2011	714		1,571	-857	
2011/2012	923		1,571	-648	
2012/2013	823		1,571	-748	
2013/2014		2,332	1,572		2,924
2014/2015		2,332	1,573		2,925
2015/2016		2,330	1,573		2,925
2016/2017		2,330	1,573		2,925
2017/2018		2,330	1,573		2,925
2018/2019		1,942	1,571		1,571
2019/2020		1,942	1,571		1,571
2020/2021		1,942	1,571		1,570
2021/2022		1,942	1,571		1,570
2022/2023		1,554	1,571		1,257
2023/2024		1,554	1,571		1,257
2024/2025		1,554	1,571		1,257
2025/2026		1,554	1,571		1,257
2026/2027		1,554	1,571		1,257
Total	5,810	27,190	33,000	-5,187	27,190
5 Year Requirement 2013/2018		11,654	7,864		14,624

IMPLICATIONS

2.21 Table 4 below adequately illustrates that the Council's whole case rests on:

- The survival of the 28,355 housing requirement embodied in the emerging Core Strategy;
- Acceptance of the Liverpool method to deal with previous under-performance; and
- All 10,393 dwellings in the Council's identified 5 year deliverable supply materialising as envisaged.

	South Gloucestershire Council's Methodology			Hourigan Connolly's Methodology		
	5 Year Requirement Based On Dwellings Needed to Meet CS Target By 2027 (Residual Calculation - Liverpool Method) 20% Buffer (Of Annual CS Residual Target) Moved From Last 5 Years Of Plan Period	Dwellings Needed to Meet RS Target By 2026 (Residual Calculation - Liverpool Method) 20% Buffer (Of Annual RS Residual Target) Moved From Last 5 Years Of Plan Period	Dwellings Needed to Meet BW Minimum Requirement By 2027 (Residual Calculation - Liverpool Method) 20% Buffer (Of Annual RS Residual Target) Moved From Last 5 Years Of Plan Period	5 Year Requirement Based On Dwellings Needed to Meet CS Target By 2027 (Under Performance Spread Across Next 5 Years - Sedgfield Approach - 20% Buffer (Of Annual CS Target) Moved From Last 5 Years Of Plan Period)	Dwellings Needed to Meet RS Target By 2026 (Under Performance Spread Across Next 5 Years - Sedgfield Approach - 20% Buffer (Of Annual RS Target) Moved From Last 5 Years Of Plan Period)	Dwellings Needed to Meet BW Minimum Requirement By 2027 (Under Performance Spread Across Next 5 Years - Sedgfield Approach - 20% Buffer (Of Annual RS Target) Moved From Last 5 Years Of Plan Period)
5 Year Requirement 1 April 2013 - 31 March 2018	9,662	12,457	11,654	11,740	15,510	14,624
Annual Requirement	1,932	2,491	2,331	2,348	3,102	2,925
South Gloucestershire Identified Supply	10,393	10,393	10,393	10,393	10,393	10,393
Supply Expressed In Years	5.38	4.17	4.46	4.43	3.35	3.55

2.22 Even on its best case the high water mark of the Council's position is that it has just scrapped over the minimum requirement embodied in Paragraph 47 of the Framework in order to demonstrate a 5 year deliverable supply. Whilst we do not accept the Council's position, a claimed 5.38 year supply is hardly a glowing endorsement that the Council is planning to boost significantly the supply of housing as required by Paragraph 47 of the Framework.

2.23 A simple assessment of the Council's position illustrates the fragility of its claimed supply:

- 2.24 The 12 major sites addressed in the BNP Paribas Real Estate report account for 7,120 dwellings or 68.5% of the 5 year supply of 10,393 dwellings. Hence if these sites were to deliver just 90% (6,408 dwellings) of what BNP Paribas Real Estate say they will deliver (7,120 dwellings) the Council's identified supply would reduce to 9,861 dwellings resulting in a 5.1 year supply on the Council's methodology (9,861/1,932). In such circumstances a significant burden will be placed upon the rest of the supply amounting to 3,273 dwellings (10,393 – 7,120 = 3,273). In other words if only 90% of 7,120 dwellings attributable to the 12 major sites came forward all 3,272 dwellings from other sources would have to come forward for a five year supply to be maintained on the basis of the Council's housing requirement. It is worthy of note that if the remainder of the supply slipped by just 1% (33 dwellings) the balance would be tipped below 5 years (3,272 x 99% = 3,239 + 6,408 = 9,647/1,932 = 4.99 years). These simple points adequately demonstrate the fragility of the Council's case based upon its claimed deliverable supply of dwellings and its preferred method of calculating the 5 year housing requirement.
- 2.25 If the Barton Wilmore requirement of 33,000 dwellings for the Core Strategy period is taken into account the supply picture deteriorates significantly even before the deliverability of any of the Council's claimed sites are tested.
- 2.26 From a development management perspective the Draft RS Proposed Changes target currently provides the most recently tested figure and on any view the Council does not have a 5 year supply of deliverable dwellings assessed against this measure even before the deliverability of any site in the claimed supply is tested.

SUMMARY

- 2.27 In summary it is clear that the Council's whole case rests on:
- The survival of the 28,355 housing requirement embodied in the emerging Core Strategy;
 - Acceptance of the Liverpool method to deal with previous under-performance; and
 - All 10,393 dwellings in the Council's identified 5 year deliverable supply materialising as envisaged.
- 2.28 Even on a simplistic assessment and without considering any of the sites in detail it is clear that the Council's deliverable housing land supply assessment is fragile and that 10% slippage in respect of the 12 major sites focused upon in the BNP Paribas Real Estate report and a 1% slippage in respect of the remainder of the Council's 5 year supply would be sufficient enough to tip the balance to a position of 4.99 years.

- 2.29 Our client's consider that the 28,355 housing requirement does not comprise objectively assessed need and is unsound. Gladman support a minimum requirement of 33,000 dwellings for the period 2006 – 2027. Adopting that requirement, accounting for significant previous under-performance over the next 5 years using the Sedgefield approach results in a **5 year requirement of 14,624 dwellings (2925 per annum)**. Even if the Council's identified 5 year supply of 10,393 dwellings was delivered in full when measured against objectively assessed need (a minimum of 33,000 for the Plan period) the Council would be unable to demonstrate a 5 year supply of deliverable dwellings. Even before the delivery of any site in the Council's claimed deliverable supply is considered under this scenario it is clear that the Council's deliverable supply is at best equivalent to **3.55 years (10393/2925)**.
- 2.30 In the following Chapter we consider the claimed deliverable supply in more detail.

3. THE DELIVERABLE SUPPLY OF DWELLINGS IN SOUTH GLOUCESTERSHIRE

INTRODUCTION

3.1 In this Chapter we consider the following elements of the Council's claimed supply of deliverable dwellings in more detail:

- The 12 major sites set out in the BNP Paribas Real Estate report of 7 June 2013.
- The claimed windfall rate.

FACTORS AFFECTING DELIVERABILITY ON MAJOR SITES

3.2 As outlined in Chapter 1 we are currently working on a UK wide study in relation to the deliverability of major residential sites. There are many inter-linked factors affecting the delivery of new homes on such sites, which can lead to a significant delay from the identification of a site to the delivery of homes, even once planning permission has been granted. One such example is that often there is intense competition for sales, even potentially between different outlets of the same company. Our experience is that significant competition within a relatively small area can have an impact on completion rates.

DCLG & UNIVERSITY OF GLASGOW

3.3 A useful publication, jointly written by DCLG and the University of Glasgow in 2008¹⁰, included a comprehensive survey of national house builders who identified a series of factors which affect housing delivery rates. In general terms, the biggest factors identified were the resolution of problematic site conditions, the availability of infrastructure and the completion of site acquisition. Notably, this publication also concluded that if more land is released for housing development, this would have a positive long-term effect of increasing housing delivery rates. It also notes that the capacity of a local housing market depends not only on the number of houses available for sale, but also the variety of housing available. If a greater number of developers are offering a wider range of products, a greater range of the potential market will be served, and a greater number of these products will be sold. In contrast however, the involvement of too many developers on a particular site could generate excessive competition leading to the erosion of internal specifications in order to attract buyers whilst retaining

¹⁰ 'Factors Affecting Housing Build-Out Rates' (February 2008).

margins. This would suggest there is a balance to be struck to ensure that a site retains market interest.

- 3.4 The DCLG University of Glasgow study also noted that sales rates could be negatively impacted by product differentiation, for example, if overly prescriptive design guidance was imposed by a local authority. Variety and innovation in design, rather than uniformity of appearance, would positively influence market demand and hence the delivery of housing.

OTHER FACTORS

- 3.5 Other factors which can affect the rate of housing delivery on major sites include:

- Time from the submission of an outline planning application to approval, subsequent reserved matters applications and approvals, discharge of conditions precedent and the obtaining of technical approvals.
- Any appeals to the Secretary of State that might be required.
- Holding Directions from Statutory Consultees such as the Highways Agency.
- Site conditions – environmental issues and site remediation.
- Local market – demand for and supply of local housing.
- Labour market – availability of skilled trades.
- Residential density – higher densities lead to increased completions rates.
- Type and number of house builders – national organisations can generally build at faster rates than local firms. Having a variety of house builders who have different markets (products) will enable faster rates of development to be achieved. Similar products may adversely affect delivery rates.
- Land owner – rate at which the landowner releases land to housing market.
- Quality of design – sub-standard design submissions require substantial revision and negotiation.

- Changes to schemes (re-plans) - due to sites being developed over a considerable period of time changing circumstances often result in re-plans as developers react. This requires fresh planning permissions to be granted having an impact on delivery.
- Infrastructure requirements – physical and social infrastructure such as roads, services and facilities maybe required to be implemented before residential development can commence.
- Section 106 Agreements – negotiations between developers, landowners, mortgagees, the local Council (and the County Council where relevant) can slow down the development process.

SOUTH GLOUCESTERSHIRE MAJOR SITES

3.6 The BNP Paribas Real Estate Report focuses on 13 major sites; although only 12 are expected to deliver dwellings in the assessment period of 1 April 2013 to 31 March 2018. These sites (and the dwellings attributable to them by BNP Paribas Real Estate) are as we have identified in Chapter 2 critical to the Council's case that it has a 5 year supply of deliverable dwellings.

3.7 For ease of reference we reproduce the table containing the major sites that appears on Page 8 of the BNP Paribas Real Estate Report below.

RLS Ref	Site	2013 to 2018	2018 to 2027
0008, 0008g	Charlton Hayes	1,119	948
0011	East of Coldharbour Lane	630	20
0021/0021a	Land at Harry Stoke, Stoke Gifford	552	648
0035	South of Douglas Road, Kingswood	270	64
0036a/0036b	GHQ, Emersons Green/Gateway Site Emersons Green	1,319	1,131
0133/0133a	New Neighbourhood & Peg Hill - Yate	795	1,905
0128	Intier Site, Bitton	0	140
0132	North of Park Farm, Thornbury	500	0
0134a	New Neighbourhood - Cribbs/Patchway (West of A4018)	310	690
0134b	New Neighbourhood - Cribbs/Patchway (South of Airfield)	645	555
0134c	New Neighbourhood - Cribbs/Patchway (Filton Airfield)	310	2,190
0135	New Neighbourhood - East of Harry Stoke	370	1,630
0151	North of Morton Way, Thornbury	300	0
Totals		7,120	9,921

- 3.8 Having regard to all of the above factors we now produce at **Appendix 1** our own delivery schedule for the 13 major sites referred to above.
- 3.9 Our delivery schedule adequately illustrates that BNP Paribas Real Estate has under-estimated the lead-in times associated with the delivery of development on the major sites outlined above. In our view the 5 year supply figure for the 13 major sites mentioned above is 3,750 dwellings and accordingly **3,370 dwellings should be deducted from the deliverable supply.**

WINDFALLS

- 3.10 The base date of the Council's housing land supply assessment is 1 April 2013. Notwithstanding this the Council consider it appropriate to add to the supply sites which have come into the planning process (but which have yet to be determined) since March 2013 (130 dwellings) (see Page 2 of the Council's 7 June 2013 letter).

SITES COMING INTO THE PLANNING PROCESS SINCE MARCH 2013

- 3.11 It is inappropriate to add these sites to the supply at this time because that effectively means moving the base date of the housing land supply calculation. If the Council wanted to add sites to the supply they would also need to deduct those dwellings which have been completed between 1 April 2013 and 7 June 2013 (effectively 3 months of production for South Gloucestershire). At this point the Council does not have this data and neither is it yet contained within DCLG Live Table 253a which records completions by quarter. Moreover DCLG Live Table 253a will not be up-dated for the April to June quarter until August 2013.
- 3.12 The above points highlight the importance of undertaking housing land supply assessments with a consistent base date. It is wholly inappropriate for the Council to attempt to roll forward the base date without also deducting completions which it cannot do as the data is not available.
- 3.13 Additionally there can be no certainty that those sites currently in the planning process will obtain planning permission; to make such a judgement in advance of due process running its course makes a mockery of the development management process. This point was recently considered in a High Court ruling concerning Wainhomes South West and the Secretary of State in relation to land at Widham Farm, Widham Grove, Station Road, Purton, Wiltshire. Paragraph 35 of the Hon Mr Justice Stewart Smith's Ruling concerns sites included in Draft Development Plans but in my view the principles can apply equally to undetermined planning applications:

"I would accept as a starting point that inclusion of a site in the eWCS or the AMR is some evidence that the site is deliverable, since it should normally

be assumed that inclusion in the AMR is the result of the planning authority's responsible attempt to comply with the requirement of [47] of the NPPF to identify sites that are deliverable. However, the points identified in [34] above lead to the conclusion that inclusion in the eWCS or the AMR is only a starting point. More importantly, in the absence of site specific evidence, it cannot be either assumed or guaranteed that sites so included are deliverable when they do not have planning permission and are known to be subject to objections. To the contrary, in the absence of site specific evidence, the only safe assumption is that not all such sites are deliverable. Whether they are or are not in fact deliverable within the meaning of [47] is fact sensitive in each case; and it seems unlikely that evidence available to an inspector will enable him to arrive at an exact determination of the numbers of sites included in a draft plan that are as a matter of fact deliverable or not. Although inclusion by the planning authority is some evidence that they are deliverable, the weight to be attached to that inclusion can only be determined by reference to the quality of the evidence base, the stage of progress that the draft document has reached, and knowledge of the number and nature of objections that may be outstanding. What cannot be assumed simply on the basis of inclusion by the authority in a draft plan is that all such sites are deliverable. Subject to that, the weight to be attached to the quality of the authority's evidence base is a matter of planning judgment for the inspector, and should be afforded all proper respect by the Court".

3.14 Paragraph 34 (iv) is also worthy of note:

"Where sites without planning permission are subject to objection, the nature and substance of the objections may go to the question whether the site offers a suitable location; and they may also determine whether the development is achievable with a realistic prospect that housing will be delivered on the site within five years. Even if detailed information is available about the site and the objections, prediction of the planning outcome is necessarily uncertain. All that probably need be said in most cases is that where sites do not have planning permission and are known to be subject to objections, the outcome cannot be guaranteed. Accordingly, where there is a body of sites which are known to be subject to objections, significant site specific evidence is likely to be required in order to justify a conclusion that 100% of all those sites offer suitable locations and are

achievable with a realistic prospect that they will be delivered within five years”;

- 3.15 Of course if the 130 dwellings obtain planning permission during this monitoring year they could be added to the supply at the next base date of 1 April 2014 and if any dwellings were to have been completed by 31 March 2014 they would of course be included in the completions data.
- 3.16 For the above reasons the 130 dwellings referred to on Page 2 of the Council’s letter of 7 June 2013 should be deducted from the Council’s claimed deliverable supply at this stage. However we consider that 130 dwellings is not the correct figure to deduct from the supply because when reference is made to the Up-Dated AMR (EB5/4) (taking into account the BNP Paribas Real Estate Report it can be seen that the contribution from sites currently in the development management process is much greater than 130 dwellings over the 5 year period:
- Newnham Place, Patchway – 10 dwellings.
 - Frenchay Hospital – 250 dwellings.
 - Rodford Primary School, Yate – 63 dwellings.
 - The Heath/Newton House, Cadbury Heath – 60 dwellings.
 - **Total = 383 dwellings.**
- 3.17 In respect of Frenchay Hospital the Council’s web site suggests that this scheme will not be considered by Members until August although it must be noted that it is subject to intense objection.
- 3.18 In terms of Rodford Primary School the Council’s web site reveals no current applications but evidences a withdrawn scheme for 63 dwellings which was subject to objections and withdrawn by the applicant South Gloucestershire Property Services on 28 February 2013.
- 3.19 We have been unable to obtain any planning application details in respect of the sites referred to at The Heath and Newnham Place, however having made reference to the Up-Dated AMR it is suggested that The Heath site will be redeveloped for care (Class C2) purposes rather than Class C3 dwellings and such dwellings should not be counted as contributing towards housing land supply in our view.
- 3.20 Having regard to the submissions detailed above all **383 dwellings should be discounted from the deliverable supply at this time.**

SUMMARY

3.21 In summary we consider that the deliverable housing land supply in South Gloucestershire as at 1 April 2013 was as per Table 5 below:

Table 5 - Summary of Hourigan Connolly Phase 1 HLS Assessment of Deliverable Housing At 1 April 2013	
SGC Claimed Deliverable Supply	10,393
Less Hourigan Connolly Deductions From Major Sites Addressed In The BNP Paribas Real Estate Report	3,370
Less Hourigan Connolly Deductions For Sites In The Development Management Process	383
Hourigan Connolly Identified Supply	6,640

4. FURTHER COMMENTS ON THE COUNCIL'S POSITION

INTRODUCTION

4.1 In preceding chapters of this assessment we have considered the strategic housing requirement and discrete elements of the Council's claimed supply of deliverable housing. The points made largely respond to the Council's letter of 7 June 2013 to the Core Strategy Inspector and the points raised in the BNP Paribas Real Estate report of the same date which accompanies the Council's letter.

4.2 In this Chapter we deal with a number of other matters not covered in earlier chapters.

HELP TO BUY

4.3 BNP Paribas Real Estate acknowledge at Paragraph 3.5 of their report that the Help to Buy Scheme is a time limited programme. Reference to the HCA's document of 27 March 2013 (Appendix JTRC II) reveals that the equity loan element of the scheme will run from 1 April 2013 to 31 March 2016 and applies to creditworthy individuals only for new build properties only. The mortgage guarantee element of the scheme will not commence until January 2014; it applies to first time buyers and movers. The mortgage guarantee scheme will apply only to credit worthy individuals but the eligibility criteria has yet to be published. Furthermore it does not apply to shared ownership or shared equity purchases.

4.4 There is no doubt that the Help to Buy scheme will improve the number of dwellings built in England. However in the context of the 5 year housing land supply calculation in South Gloucestershire the following points are relevant.

- The scheme is only designed to cover 3 years of the 5 year period.
- The scheme has been criticised in Parliament by the opposition and there is no certainty that it would survive if there was a change in government in 2015.
- There is currently no local evidence available to the Core Strategy Inspector to enable the likely increase in completion rates directly attributable to Help to Buy scheme to be quantified.
- We will need to wait until completions data for 2013/2014 has been published before any attempt is made to quantify the effect of the equity loan element of Help to Buy in South Gloucestershire. That analysis will need to carefully disaggregate purchases made in respect of dwellings already completed by

31 March 2013 and which may have subsequently been purchased via Help to Buy; such dwellings were already recorded as completions at 1 April 2013 and Help to Buy can't possibly take credit for the completion of these homes.

- We will need to wait until completions data for 2014/2015 has been published before any attempt is made to quantify the effect of the mortgage guarantee element of Help to Buy in South Gloucestershire.

SALES RATES & COMPLETION RATES

4.5 A distinction has to be drawn between sales rates and completion rates when dealing with such matters in relation to planning.

THE COUNCIL'S APPROACH

4.6 It is common practice for Planning Officers visit development sites annually and make a judgement from an external inspection as to whether a dwelling is complete for planning purposes. In South Gloucestershire the Council inform us that they undertake the exercise twice a year. This work is then used for monitoring purposes which consequently informs policy making. The practice is common amongst Planning Policy Departments and follows the spirit of the methodology set out in the Strategic Housing Land Availability Assessments Practice Guidance issued by DCLG in July 2007. Stage 5 of that guidance is concerned with surveying sites and Paragraph 29 is concerned with recording site characteristics; bullet point 7 requires the following to be recorded or checked:

- *“Development progress, e.g. ground works completed, number of homes started and number of homes completed”.*

4.7 Notably there is no definition in the Practice Guidance as to what constitutes a completed dwelling.

4.8 Subsequent completion rates published by the Council's Planning Department are a combination of both affordable and open market dwellings.

THE HOUSE BUILDER'S PERSPECTIVE

4.9 Whilst a dwelling might look complete from the outside the reality from a legal and practical point of view is often quite different.

- 4.10 Most volume house builders use the NHBC's Building Control Service rather than the local authority's. NHBC provide a standard 10 year warranty and insurance cover for new homes. The cover is split in two periods:
1. Damage or defects to a home which occur during the first two years from the date of legal completion.
 2. Damage to specified parts of a home (essentially the structural elements), in years 3 to 10.
- 4.11 From a developer's perspective there is no incentive to request a final inspection from the NHBC until a sale is imminent because the warranty period runs from the date of final inspection rather than the date of occupation which was historically the case. Thus in a difficult market it is quite common for developers to have stock dwellings on a site that might look complete from the outside but which legally could not be occupied or sold until final completion takes place.
- 4.12 We recognise that there are also other routes to fulfilment of the Building Regulations such as appointment of a member of the Association of Approved Consultant Inspectors. However in common with the NHBC an Approved Consultant Inspector must issue a copy of the final inspection certificate to the Council's Building Control team.
- 4.13 It is also common practice for developers not to install kitchens, bathrooms and flooring until a sale has been agreed. This is to enable purchasers to express a preference for products and finishes but obviously means that the dwellings are not habitable until the works have been completed and inspected. Again dwellings on volume sites are likely to stand unfinished until a sale is imminent.
- 4.14 Completing a dwelling also raises implications for the payment of Council Tax which developers are keen to avoid. In this respect it is common practice for a Council's Revenue Team to visit properties while they are being built to see how much progress is being made. When the Council believes that the majority of the work has been finalised (sometimes based on an external inspection) it is common for Officers to send developers a Completion Notice (not to be confused with a Completion Notice issued by the NHBC or the Council's Building Control Department). The Completion Notice gives a date, no more than three months in the future, by which the Council believe the property may be completed. The date will be the one from which the Valuation Office Agency will include the new property in the Valuation List, and will be the date from which the Council Tax liability will start. However a subsequent internal inspection by a Revenue Officer often reveals (for the reasons explained above) that a dwelling is not

habitable and hence not liable for Council Tax. In any event where a completion Notice is served and the developer does not agree with the completion date they can appeal to a Valuation Tribunal, within 28 days.

- 4.15 Completion of dwellings also has implications for calculating the New Homes Bonus. Paragraph 7 of DCLG's publication New Homes Bonus: Final Scheme Design (February 2011) states (in part that) that:

"We will link the level of grant for each additional dwelling to the national average of the council tax band for the following six years to incentivise local authorities to build and bring back into use the types of homes people want and need, in the places that people want them. We are doing this by measuring the change in dwellings on council tax valuation lists".....

- 4.16 Clearly then there is a direct link between the completion of a dwelling for building control purposes, Council Tax purposes and calculation of the New Homes Bonus but as evidenced above completion rates recorded by Planning Officers are quite different to the legal completion of dwellings and their subsequent sale.
- 4.17 We note that at Paragraph 3.7 BNP Paribas Real Estate refer to sales rates of 40 dwellings per annum per sales outlet with affordable housing delivery being in addition. It is noted that no details of the parties or sites involved are disclosed and hence the weight that must be placed on this evidence must be tempered by the fact that it is anecdotal.
- 4.18 Reference is also made by BNP Paribas Real Estate in Paragraphs 3.9 and 3.10 to the concept of multiple sales outlets on larger sites and the rationale behind such approach in terms of spreading risk. While that approach is recognised it should also be borne in mind that on some sites developers will hold on to the land and develop it in its entirety over a number of years; this can particularly be the case in strong market areas and hence it would be unwise to assume that all large sites will be delivered by multiple developers.
- 4.19 At Paragraph 3.15 BNP Paribas Real Estate refer to Appendix JTRC III which is referenced as being a compendium of both historic and recent sales activity. However JTRC III actually refers to the tables as being completions rather than sales. We sought clarification on this point but unfortunately the author of the BNP Paribas Real Estate report was unavailable to answer questions on this aspect of the report but Andrew Lane of the Council has kindly confirmed that the data was provided by the Council and comprises completions (both affordable and market homes) and not sales.

- 4.20 It is accepted that forecasting delivery on large urban extension sites is not an exact science, each site is different having its own characteristics and the points made by BNP Paribas Real Estate at Paragraph 5.2 about developers being cautious about revealing forecast delivery information are fair and reasonable. Indeed we have witnessed many volume house builders simply refusing to comment on delivery while others have simply told us that they reluctant to comment on such matters as it might prejudice the outcome of planning negotiations on live applications. These were matters acknowledged by Inspector Pope in the recent Section 78 appeals.
- 4.21 In the context of the above we consider it is unfair of BNP Paribas Real Estate to criticise the approach adopted by WYG in the Engine Common appeal. Indeed such criticisms could equally be levied at BNP Paribas Real Estate and the Council who only called evidence from its own Planning Officers in the Engine Common appeal.
- 4.22 BNP Paribas Real Estate recognise that the house building industry only has a small proportion of the workforce it had before 2007. Clearly it will take time for new construction workers to be trained and the labour force to be able to be able to accommodate significantly increased rates of production.

5. CONCLUSIONS

INTRODUCTION

5.1 Five year deliverable housing land supply assessments comprise two distinct components:

- The five housing requirement – based on strategic housing requirements.
- The five year housing supply – comprising those dwellings which are deemed to be deliverable within the 5 year period.

SCOPE

5.2 In this case we have undertaken a Phase 1 Housing Land Supply Assessment which considers the five year housing requirement and discrete components of the Council's claimed supply of deliverable dwellings.

5.3 A Phase 2 Housing Land Supply Assessment would involve an assessment of the housing requirement and a review of all of the sites contained within the Council's claimed deliverable supply. At this stage a Phase 2 Housing Land Supply Assessment is not considered necessary as we have demonstrated that the Council has less than a 5 year supply of deliverable dwellings as required by Paragraph 47 of the Framework. Consequently (and from a development management perspective) Paragraph 49 of the Framework is engaged and the Council's policies relating to the supply of housing should not be considered up-to-date. From a Development Plan perspective the Council's Core Strategy is not sound having regard to the criteria outlined in Paragraph 182 of the Framework.

THE COUNCIL'S POSITION

5.4 The Council's latest position on the 5 year housing requirement for the period **1 April 2013 to 31 March 2018** is set out in its letter of 7 June 2013 to the Core Strategy Inspector and is based upon:

- The strategic housing requirements referred to within the Inspector's Main Modifications and Further Main Modifications.
- Adoption of a 20% buffer (in recognition of the fact that the Council has persistently under-performed in the past against strategic housing requirements).

- Spreading previous under-performance across the remainder of the Core Strategy Plan period to 2027 (known as the Liverpool method).

- 5.5 Having regard to the above matters, the Council in its letter of 7 June 2013 to the Core Strategy Inspector concludes that the 5 year housing requirement is **9,660 dwellings**.
- 5.6 The Council sought expressions of interests from consultants on 29 April 2013 on the issue of the deliverable supply of dwellings. BNP Paribas Real Estate were subsequently appointed to consider the delivery of housing over the 5 year period. Consequently the Council now contend that it can evidence a deliverable supply of **10,393 dwellings** for the five year period 1 April 2013 to 31 March 2018.
- 5.7 Applying an annual requirement (based upon the above factors) of **1,932 dwellings** (9,660 dwelling requirement / 5 years) to the Council's identified supply results in a supply position of **5.38 years**.

GLADMAN'S POSITION

- 5.8 A simple assessment of the Council's position illustrates the fragility of its case:
- 5.9 The 12 major sites addressed in the BNP Paribas Real Estate report account for 7,120 dwellings or 68.5% of the 5 year supply of 10,393 dwellings. Hence if these sites were to deliver just 90% (6,408 dwellings) of what BNP Paribas Real Estate say they will deliver (7,120 dwellings) the Council's identified supply would reduce to 9,861 dwellings resulting in a 5.1 year supply on the Council's methodology. In such circumstances a significant burden will be placed upon the rest of the supply amounting to 3,273 dwellings ($10,393 - 7,120 = 3,273$). In other words if only 90% of 7,120 dwellings attributable to the 13 major sites came forward all 3,272 dwellings from other sources would have to come forward for a five year supply to be maintained on the basis of the Council's housing requirement. It is worthy of note that the remaining supply of 3,272 would need to slip by just 1% (33 dwellings) for the balance to be tipped below 5 years ($3,272 \times 99\% = 3,239 + 6,408 = 9,647/1,932 = 4.99$ years). These simple points adequately demonstrate the fragility of the Council's case even on its preferred method of calculating the 5 year housing requirement.
- 5.10 However we do not agree with the Council's methodology for calculating the 5 year housing requirement and neither do we agree that all of the sites in the Council's claimed supply are deliverable. In this respect our conclusions using various housing land supply requirements and the deliverable supply we have identified against that relied upon by the Council is best illustrated in tabular form and hence we have produced Table 6 below which adequately demonstrates that South Gloucestershire does not have a 5 year supply of deliverable dwellings

as required by Paragraph 47 of the Framework and consequently Paragraph 49 of the Framework is engaged and as a result the Council's policies for the supply of housing should not be considered up-to-date. Furthermore a consequence of failing to provide a 5 year supply of deliverable dwellings is that the Core Strategy is unsound having regard to the criteria contained within Paragraph 182 of the Framework.

Table 6 - The 5 Year Housing Land Supply Comparison						
	South Gloucestershire Council's Methodology			Hourigan Connolly's Methodology		
	5 Year Requirement Based On Dwellings Needed to Meet CS Target By 2027 (Residual Calculation - Liverpool Method) 20% Buffer (Of Annual CS Residual Target) Moved From Last 5 Years Of Plan Period	Dwellings Needed to Meet RS Target By 2026 (Residual Calculation - Liverpool Method) 20% Buffer (Of Annual RS Residual Target) Moved From Last 5 Years Of Plan Period	Dwellings Needed to Meet BW Minimum Requirement By 2027 (Residual Calculation - Liverpool Method) 20% Buffer (Of Annual RS Residual Target) Moved From Last 5 Years Of Plan Period	5 Year Requirement Based On Dwellings Needed to Meet CS Target By 2027 (Under Performance Spread Across Next 5 Years - Sedgfield Approach - 20% Buffer (Of Annual CS Target) Moved From Last 5 Years Of Plan Period)	Dwellings Needed to Meet RS Target By 2026 (Under Performance Spread Across Next 5 Years - Sedgfield Approach - 20% Buffer (Of Annual RS Target) Moved From Last 5 Years Of Plan Period)	Dwellings Needed to Meet BW Minimum Requirement By 2027 (Under Performance Spread Across Next 5 Years - Sedgfield Approach - 20% Buffer (Of Annual RS Target) Moved From Last 5 Years Of Plan Period)
5 Year Requirement 1 April 2013 - 31 March 2018	9,662	12,457	11,654	11,740	15,510	14,624
Annual Requirement	1,932	2,491	2,331	2,348	3,102	2,925
South Gloucestershire Identified Supply	10,393	10,393	10,393	10,393	10,393	10,393
South Gloucestershire Supply Expressed In Years	5.38	4.17	4.46	4.43	3.35	3.55
Hourigan Connolly Identified Supply	6,640	6,640	6,640	6,640	6,640	6,640
Annual Requirement	1,932	2,491	2,331	2,348	3,102	2,925
Hourigan Connolly Supply Expressed In Years	3.44	2.67	2.85	2.83	2.14	2.27

APPENDIX 1

Site	South Gloucestershire Council's Position						Hourigan Connolly Analysis						Justification
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	5 Year Total	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	5 Year Total	
Allocated Sites Without Planning Permission													
East of Coldharbour Lane	0	81	213	213	123	630	0	20	40	40	40	140	It is totally unrealistic to expect a hybrid planning application of this scale to be considered, determined and the Section 106 Agreement signed in 6 months. The extra care element of the scheme (261 units) should be deducted from the total dwelling numbers (650) as these will be Class C2 not Class C3 units. The total number of Class C3 dwellings is therefore 389 which according to the Council are to be brought forward in outline in the first instance. Even if a hybrid application could be approved by April 2014 the volume house builder would need time to deal with a reserved matters application. The site also would need to be made ready for development. There is just one volume house builder at present involved with the scheme and we would not expect them having regard to the foregoing to be able to start the development even with favourable timing until the end of 2014. Assume 20 dwellings therefore in 2014/15 and 40 dwellings in total thereafter.
New Neighbourhood – Cribbs/Patchway (West of A4018)	0	0	60	125	125	310	0	0	0	80	80	160	This major previously developed site has a raft of planning issues (refer to the SPD covering Cribbs/Patchway. Again the Council is being totally unrealistic in its delivery assumptions on this site which doesn't even have a volume house builder behind it. Presuming that outline planning permission will be in place by mid 2014 with reserved matters approval 3 months later illustrates that no regard has been given to the development process in the assumptions made on this complicated site. However BNP Paribas Real Estate conclude that a site start is unlikely to be made until mid/end 2015/16. We would suggest production from 2016 at 40 dwellings per annum across 2 outlets would be a reasonable delivery rate for this site.
New Neighbourhood – Cribbs/Patchway (South of Airfield)	0	90	185	185	185	645	0	0	80	80	80	240	The outline planning application has been before the Council since January 2012 and it is subject to a Holding Direction from the Highways Agency. Even if the Council could determine the scheme in August 2013 it illustrates that some of the wildly optimistic determination periods for the very large sites in the claimed supply are far from the reality, this site alone having had an application before the Council for twenty months by August 2013. Given the scale of infrastructure required for this site, the need to obtain reserved matters approval production of 90 dwellings in 2014/15 is totally unrealistic. Subject to the foregoing matters being dealt with swiftly we would suggest that production might start in 2015/16 with the two developers completing 40 units per annum having regard to nearby competing sites.
New Neighbourhood- Cribbs/Patchway (Filton Airfield)	0	0	60	125	125	310	0	0	80	80	80	240	Again this is a major site in the Cribbs/Patchway area. Even if a hybrid application were brought forward by the end of the 2013/14 monitoring period it is likely that the Council will need at least 9 - 12 months to deal with it. Production could start earlier if a hybrid scheme were approved as opposed to an outline followed by a reserved matters approval but at this stage no application has been lodged. We have assumed 2 outlets operating from 2015/16.
New Neighbourhood – East of Harry Stoke	0	0	0	185	185	370	0	0	0	80	80	160	Again this is a site without a planning application let alone planning approval. Delivery is contingent on major infrastructure delivery which is not yet secured. It seems highly optimistic to assume that development could commence here in 2016 having regard to the foregoing and the rates of production also seem wildly optimistic. Given competing nearby sites we would suggest two outlets producing 40 dwellings per annum each would be far more reasonable.
Sub Total Allocated Sites Without Planning Permission	0	171	518	833	743	2265	0	20	200	360	360	940	In summary it is fairly evident that the Council's delivery assumption on major sites without planning permission are wildly optimistic as acknowledged by the Engine Common Inspector. Even on the Council's preferred approach (June 2013) it is clear that sites without planning permission have been significantly back loaded within the 5 year assessment period; hence any slippage will result in a significant adverse effect over the 5 year period.
Allocated Sites With Planning Permission													
Charlton Hayes	169	200	250	250	250	1119	160	160	160	160	160	800	Agree this is a popular location with a growing sales presence. Agree 4 sales outlets at 40 dwellings per annum.
Land at Harry Stoke, Stoke Gifford	35	94	141	141	141	552	40	80	80	80	80	360	2 outlets maximum at 40 units per outlet per annum starting 2014/15.
South of Douglas Road, Kingswood	0	0	80	95	95	270	0	0	0	0	0	0	This substantial previously developed site containing significant built development was allocated in the SG Local Plan. A full application was received for redevelopment of this site on 4 May 2010. Notably Paragraph 5.4 of the Officers report to Committee from 23 June 2011 states that the 2011 AMR envisaged the site delivering 208 dwellings by 2015/2016 and yet the resolution to approve hasn't been converted into a planning permission. The scheme was reported back to Planning Committee in October 2012 and again on 28 February 2013 to secure an extension of time to complete the Section 106 Agreement. The resolution made in February was to allow a further two months for the Section 106 Agreement to be completed and yet it still remains unsigned. We would respectfully suggest that this site is unlikely to deliver any dwellings in the 5 year period, the applicants Douglas Homes South West Limited have no web site advertising either their company or the development and given that a resolution to approve a detailed planning permission is in place it would be reasonable to assume that this company and scheme would have some web coverage but it has none. Discount on the basis of lack of progress and unlikely to yield any dwellings in the 5 year period.
GHQ, Emersons Green	54	265	300	350	350	1319	0	200	200	200	200	800	At the time of writing no reserved matters applications for the first phase of development have been submitted. GHQ planning permission not yet issued and hence maximum reserved matters applications at this stage would be for 400 homes as approved by the Gateway Site outline planning permission. First dwellings being produced by the end of March 2014 is totally unrealistic given that a reserved matters application has not yet been submitted. Assume 40 dwellings per annum per developer (5) from 2014/15.
North of Park Farm, Thornbury	0	125	125	125	125	500	0	40	40	40	40	160	Barratt Homes currently have a reserved matters pending for 127 dwellings. No other house builders have any applications in at the moment. Possible that another developer could join the scheme once development gets underway but no evidence of this yet. Assume 40 dwellings per annum from 2014 and review the position at the next monitoring year.
New Neighbourhood & Peg Hill Yate	0	60	245	245	245	795	0	80	160	160	160	560	Reserved matters for 235 homes (Barratt and David Wilson) currently pending. Assume 40 dwellings per developer from 2014 onwards. Heron Land outline planning application still pending and consultation not due to expire until August 2013. Assume 2 developers on this site from 2015 onwards at 40 dwellings per annum each.
North of Morton Way, Thornbury	0	40	125	125	10	300	0	10	40	40	40	130	Developer assumes 130 completions in the 5 year period according to the appeal decision. No evidence to the contrary so accept the developers position.
Sub Total Allocated Sites With Planning Permission	258	784	1266	1331	1216	4855	200	570	680	680	680	2810	Again even the major sites with planning permission have been back loaded within the 5 year period by the Council. Clearly action is required now to boost significantly housing supply in South Gloucestershire.
Total All Sites	258	955	1784	2164	1959	7120	200	590	880	1040	1040	3750	Overall Difference 3,370 Dwellings