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**E-mail:** Helen.lease@rpsgroup.com

**Date:** 25 July 2013

Mr P Crysell  
C/o Programme Officer  
South Gloucestershire Council  
PO Box 2081  
South Gloucestershire  
BS35 9BP

Dear Sir

**SOUTH GLOUCESTERSHIRE CORE STRATEGY EXAMINATION  
REPRESENTATIONS ON BEHALF OF ERLP 2 LIMITED TO:**

- **COUNCIL'S LETTER OF 7TH JUNE 2013**
- **BNP PARIBAS' ASSESSMENT OF DELIVERABLE HOUSING SITES**
- **EB5/4 - 2013 UPDATE TO APPENDIX A AND B OF THE COUNCIL'S ANNUAL MONITORING REPORT 2012**

RPS Planning and Development is instructed by ERLP 2 Limited to respond to your 21 June 2013 invitation for comments to the above documents. The rationale for these comments is the imminent completion of the purchase of a previously developed site known as the Former Golden Valley Mill, Mill Lane, Bitton, otherwise known as the 'Intier Site' and referred to in the above documents in relation to the contribution the site will make to the five-year housing land supply.

**Former Golden Valley Mill (Intier Site), Bitton**

The site has previously been promoted as a site for housing development by the current landowners (Stronach Group) that had intended to sell the site with the benefit of planning permission. That company engaged in pre-application meetings, consultation with statutory consultees and the local residents' group and had carried out public engagement to work up a concept statement. Stronach Group was not a specialist land promoter or developer and thus decided to sell the site unconditionally when planning discussions became protracted in 2011/12. Subsequently the Council decided to progress to adopting a Concept Statement for the site late in 2012<sup>1</sup> in order that potential buyers of the site knew the parameters expected for the site's development.

ERLP 2 Limited has been successful in agreeing terms for the site, building on its expertise in developing difficult sites, such as this at Golden Valley Mill. ERLP is a joint venture vehicle promoted by the St Congar Group which has secured over £40m in investment over the last three years.

<sup>1</sup> South Gloucestershire Council Adopted Concept Statement Golden Valley Mill, Bitton, November 2012

Following extensive due diligence, the completion date for the purchase is the 30 July 2013.

ERLP 2 has already engaged a consultant team (largely those who had been engaged by the current landowner) who can begin inputting to the development process from a 'standing start, and has already met with the Council's planning officers to discuss matters of detail and issues to be addressed.

Our Client considers that a residential-led, mixed use development of the Golden Valley Mill site as a significant opportunity that will allow redevelopment of the previously developed, derelict site, remediation of the extensive contamination, mitigation of the flood risk and enabling the preservation and re-use of several locally listed properties to the benefit of the local community. Its redevelopment will enhance the character of the Bitton Conservation Area by removing a major eyesore and will provide much needed new housing in this well-located, well-connected, attractive village which lies between the principal urban areas of Bristol and Bath.

ERLP 2 Limited considers the site to be highly marketable in the current market.

#### **NPPF compliant development**

The scheme envisaged for the site will be fully NPPF compliant with a high sustainability score:

- Economic - the ability to provide some local employment in the provision of a small shop, employment during construction and potentially an element of live/work units;
- Social - adding to the current strong community and in the supply of new housing. Accessibility to the local community will be improved by way of opening up the site from its current lock-down status, and re-use of locally listed buildings for community use. The new population will add patronage to local businesses and will thus help in sustaining local services.
- Environmental - the development will allow remediation of the contamination and mitigation of the flood risk. The environment will be enhanced considerably by reducing the amount of hard surfacing on the site with more landscaping in private and public areas.

#### **BNP PARIBAS' ASSESSMENT OF DELIVERABLE SITES**

We consider the BNP Paribas assessment to be highly optimistic in some respects, notably in the rationale for the demand for land and the windfall allowance, and misguided in its assessment of the Golden Valley Mill site.

##### **a) Demand**

BNP Paribas seek to use the fact that housebuilders selling parcels of land within large sites to competitors as a sign of increased confidence in the market. Whilst we would agree that there has been an upturn in the market, and our client will take advantage of this, the buying of land from other developers is also symptomatic of land shortages as seen in South Gloucestershire, and confirmed by the Engine Common Appeal decision. The

Government's current initiatives to stimulate the housing market will unfortunately only stimulate demand, but not help the supply of housing or the inevitable escalation of house prices.

***b) Windfalls***

The NPPF is clear that there is a need for "*compelling evidence*" to support a windfall allowance contributing to a five year housing land supply. The Council's own previous figures were already suspect of having included residential gardens within its calculations of past windfall supply, but were at least were cautious in approach and based on evidence<sup>2</sup>. The BNP Paribas assertions for a large site windfall allowance represent a 'finger in the wind' optimism based not on evidence but merely on expectation. This approach does not comply with the NPPF.

We would also be far more cautious about the contribution of new homes from the recently introduced Class J to the permitted development rights<sup>3</sup> that allows change of use from Class B1(a) (offices) to Class C3 (dwellinghouses). Class J is only a temporary change (for a limited three-year period from 30 May 2013), only applies to those premises that were in B1 use prior to 30 May 2013 or its last use was B1, requires prior approval from the LPA which must have regard to the NPPF just as it were a planning application, and does not affect the need for planning permission if physical external alterations are necessary. Hence we consider the BNP Paribas assumptions to be highly aspirational and not based on the requisite 'compelling evidence'.

***c) Golden Valley Mill (Intier Site) assessment***

The site is identified as Site 0128: Intier Site, Bitton. We agree with the assessment in the Table at paragraph 6.3 that 140 dwellings is a reasonable site capacity, however we cannot agree with the period for delivery (2018-2027) set out in the table or indeed to the assessment in the commentary at Appendix JTRC V.

*Planning Position*

As noted above, we agree with the planning position set out: there is indeed an adopted Concept Statement for the site; this is based on the 'discussions' that have already taken place. Hence the publication of the Concept Statement will enable the swift determination of a planning application. This was relatively recently approved, but gives any developer a good steer as to the Council's requirements, albeit with the flexibility built in to enable a developer's own stamp or requirements to be realised. ERLP 2 Limited has already had pre-application discussion with the Council's planners and understands its requirements for the site, and has a programme which is on course to submit a planning application submitted within six months, with the assumption that it will achieve full planning permission and conditions discharged within 12 months from now.

So, rather than the negative spin that BNP Paribas gives in its commentary on the planning position, the actual position is highly positive.

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<sup>2</sup> Document PSM8: South Gloucestershire Council Position Statement for Matter 8: Provision and Distribution of Housing - Policy CS15, May 2012

<sup>3</sup> SI 2013 No. 1101: The Town & Country Planning (General Permitted Development)(Amendment)(England) Ord 2013

### *Market Delivery Position*

- The 'nature of the site' and 'viability': our Client has undertaken extensive due diligence as one would expect for an unconditional purchase such as this and has no reason to believe that the site cannot be developed on a viable basis. ERLP 2 Limited has mitigation strategies in place for both the contamination and flood risk which have been approved by the Environment Agency.
- 'Lack of appeal to the development land market': even on the landowner's requirement for unconditional offers, our client was in competition for the site. The site had appeal to developers who are used to the challenge of previously developed sites, but who also appreciate the quality of the village and the surrounding area and the higher values that can be achieved. A number of housebuilders have offered to buy the site from our Client once planning permission is granted.
- 'Without a significant rise in house prices...': house prices for family housing in the housing market area had hardly dipped in the housing market area during the economic downturn and continue to rise.

We therefore disagree with the BNP Paribas' assessment that the site should not form part of the Council's five-year housing land supply; we anticipate a three-year construction period with commencement mid-2014 and completion by the end of 2017, thus contributing to the five-year supply.

### **SGC ANNUAL MONITORING REPORT APRIL 2013 UPDATE TO APPENDIX A AND B**

This Update is based on the findings of the PNP Paribas findings, commentary and recommendations, to which as noted above, our Client disagrees. In terms of the Update we have the following comments:

#### **Appendix A: Actual and Expected House Completions 2006-2027 (net)**

ERLP 2 Limited is confident that it will fully contribute to the five-year housing land supply in the 2013/14 - 2017/18 period. The table should thus show the following:

		13/14	14/15	15/16	16/17	17/18	Total
0128	Intier Site, Bitton		20	50	50	20	140

#### **Appendix B: Commentary on Expected House Completions - 2013**

ERLP 2 Limited does not agree with Appendix B as it does not assess the Former Intier site as either 'available' or 'achievable'. The information we have given above demonstrates that the site is available now, with a willing landowner.

The site has a wholly realistic prospect of housing being delivered within the five-year period. Due diligence has demonstrated to our Client that the site can be developed on a viable basis, and thus the site should also be assessed as 'achievable'.

In conclusion, the Golden Valley Mill (Intier) site should be assessed as available, suitable and achievable to deliver housing development within the 2013/14 - 2017/18 five-year period.

We respectfully request that the Inspector notes the changed circumstances relating to the Golden Valley Mill (Intier) site and interprets these into his final report on housing land supply for the five-year period.

Yours sincerely  
For RPS

A black rectangular redaction box covering the signature of Helen Lease.

**HELEN LEASE MRTPI**  
**Associate**