

CHELtenham BOROUGH COUNCIL LOCAL PLAN 2011-2031 EXAMINATION

INSPECTOR'S MATTERS, ISSUES & QUESTIONS (REVISED)

MATTER 3:

HOUSING AND MIXED USE DEVELOPMENT

ON BEHALF OF: ROBERT HITCHINS LTD

Pegasus Group

Pegasus House | Querns Business Centre | Whitworth Road | Cirencester | Gloucestershire | GL7 1RT

T 01285 641717 | **F** 01285 642348 | **W** www.pegasusgroup.co.uk

Birmingham | Bracknell | Bristol | Cambridge | Cirencester | East Midlands | Leeds | Liverpool | London | Manchester | Peterborough

PLANNING | **DESIGN** | **ENVIRONMENT** | **ECONOMICS**

CONTENTS:

	Page No:
1. MATTER 3: HOUSING AND MIXED USE DEVELOPMENT	1
1.1 Main Issue: Do the proposals for residential and mixed use development in CP Policies H1 and H2 deliver the requirements for residential development in the JCS set out in Policy SP2 and Table SP2a?	1
1.2 1 Table SP2a identifies a supply of 1,011 dwellings to be identified through the Cheltenham Plan. Does the CP identify sufficient land to meet this requirement?	6
1.3 2 Does the allocation of any of the sites under Policy H1 or H2 affect the soundness of the CP?	7
1.4 3 To what extent has the trajectory at Table 8 of the CP been agreed with the relevant landowners, developers and agents? Are the sites identified in Policies H1 and H2 likely to deliver 1,011 dwellings by 2031 in accordance with the requirements of the NPPF para 47?	9
1.5 4 Has sufficient regard been given to the impact of development on historic assets and their settings at the following housing allocations: HD2, HD3, HD4, HD7, HD8?	9
1.6 5 Would it be appropriate to allocate additional housings sites in the CP in order to provide more choice and help to ensure that the target figure of 1,011 dwellings is met? (NB: this does not seek the identification of sites currently omitted from the CP)	9
1.7 6 Is there adequate justification for the siting of a school within the Leckhampton allocation (MD5)?	10

1. MATTER 3: HOUSING AND MIXED USE DEVELOPMENT

1.1 Main Issue: Do the proposals for residential and mixed use development in CP Policies H1 and H2 deliver the requirements for residential development in the JCS set out in Policy SP2 and Table SP2a?

1.1.1 Policy SP1 of the adopted JCS (December 2017) sets out the housing requirement for each of the three local planning authorities, for Cheltenham the figure is at least 10,917 new homes over the plan period 2011 - 2031.

1.1.2 Cheltenham Borough Plan has been prepared in the context of the JCS and was submitted for Examination in October 2018 as such the policies of the previous NPPF (2012) apply for the purposes of examining the plan (paragraph 214 of the NPPF 2018).

1.1.3 NPPF 2012 required a significant boost to housing land supply and in that context local planning authorities were to use their evidence base to ensure that their Local Plan meets the full objectively assessed need for market and affordable housing in the HMA as far as is consistent with the NPPF, by identifying key sites which are critical to delivery of the housing strategy over the plan period; identifying and updating annually a supply of deliverable sites sufficient to provide 5 years' worth of housing against their housing requirement with an additional 5% buffer to ensure choice and completion in the housing market.

1.1.4 The NPPF 2012 also advised that where there was a record of persistent under delivery, the buffer should be increased to 20%.

1.1.5 Dealing with these points in turn, it is clear that the Cheltenham Plan has a "potential" supply of 11,030 dwellings against the housing requirement of at least 10,917 (Table 2 of the submitted Plan Ref SD001). However, the figures for the total supply are different, in the JCS in Table SP2a the total supply is 11,092 whereas in the submitted Cheltenham Plan the figure for total supply is 11,030, a difference of 62 dwellings.

1.1.6 The Cheltenham Plan should recognise that the housing requirement is a minimum i.e. at least should be included to preface the requirement.

1.1.7 The JCS Inspector concluded in paragraph 55 of her report that:

"In order to boost significantly the supply of housing in accordance with national policy, this requirement should be expressed as a minimum figure."

1.1.8 Paragraph 104 states:

"For Cheltenham it states that the JCS will make provision for at least 10,996 new homes. These are intended to be brought forward from within the Cheltenham Borough administrative boundary and cross-boundary SUEs at North West Cheltenham and West Cheltenham, both of which are partly in Tewkesbury Borough, and commitments covered by any Memoranda of Agreement."

1.1.9 The JCS strategy focusses growth on Cheltenham, reflecting the guiding principle of Policy SP2 that need should be met where it arises, and the primary focus for growth is on Cheltenham and Gloucester. The Borough Plan only proposes 1% above the minimum requirement (and that assumes that all of the sites will deliver on time in accordance with the Plan). The Plan does not provide for any flexibility or contingency, should there be any issues or delay in bringing any of the sites forward. It is considered that the current surplus of only 1% is wholly inadequate to provide against the failure of sites to deliver.

1.1.10 Consequently, it can be concluded, even without an in depth analysis of the housing supply, that an increase of 1% over and above the minimum requirement is not consistent with the strategy of the Plan which focuses growth on the urban areas. Furthermore, the insignificant surplus does not address the need to significantly boost supply in accordance with the NPPF.

1.1.11 As evidenced in the Housing Position Paper (Ref SD010) paragraph 19, since the start of the plan period Cheltenham Borough Council has undersupplied against the identified housing requirement in every year except 2017/18.

1.1.12 The JCS recognised the history of persistent under delivery in Cheltenham (JCS paragraph 7.1.35). It was therefore agreed at the JCS examination that in view of the record of under delivery, a 20% buffer should apply to Cheltenham in respect of calculating the five housing land supply. It was also agreed that the Liverpool method could be used to calculate the Borough's five year housing land supply i.e. so that the shortfall could be spread over the remaining years of the Plan (reflecting the strategy of the JCS whereby the

- strategic allocations would be delivering a significant proportion of the housing supply).
- 1.1.13 However, it is evident that since the JCS Examination that there are significant delays to the delivery of the strategic allocations, consequently placing materially more pressure on the housing supply for Cheltenham.
- 1.1.14 The Cheltenham Housing Position Statement (August 2018) ref SD010 acknowledges at paragraph 27 that:
- "due to the many planning considerations ongoing with the application process, it is no longer considered possible for this site to deliver according to the trajectory as produced in the adopted JCS. The first delivery date for this site is now shown as 2020/21, this means that it will not be possible for this site to fully deliver the 4,285 dwellings within the plan period, 515 dwellings are now expected to deliver beyond 2031, it is for this reason the trajectory shows Cheltenham is no longer able to meet its full housing requirement across the plan period."**
- 1.1.15 Similarly with land West of Cheltenham, this has also been delayed. The Housing Position Statement states at paragraph 29:
- "...There is as yet no application submitted, and there are a number of larger infrastructure considerations to take into account. Because of this, the trajectory for this site has also been changed to start to delivery in 2020/21."**
- 1.1.16 Consequently, the plan period housing requirement for Cheltenham is not being met through the JCS and the Cheltenham Plan as there is a shortfall of at least 515 due to the strategic allocation at North West Cheltenham not coming forward in its entirety in the plan period to 2031. This will result in the plan period of supply being reduced to 10,515 against the requirement of 10,917 dwellings i.e. 4% shortfall.
- 1.1.17 It is considered that in fact the housing shortfall will be far greater in respect of both of the strategic urban extensions.
- 1.1.18 No application has been submitted to the Council for the West of Cheltenham strategic urban extension and yet the housing trajectory (SD010 Housing Trajectory Workbook) envisages that 25 dwellings will be delivered from the site in 2020/21. This assumption cannot be justified given the well-known and well documented evidence in respect of long lead in times for the delivery from

- such sites and the very obvious highway constraints. In respect of which modelling hasn't even been completed
- 1.1.19 In respect of the North West Cheltenham urban extension, although the outline application was submitted in September 2016 (16/02000/OUT) it has not yet been determined. It is therefore totally unrealistic to expect the first delivery of dwellings to be completed on site in 2020/21. The trajectory envisages 120 dwellings coming forward in 2020/21, 240 dwellings in 2021/22 and 360 dwellings every year from 2022/23 – 2027/28 and then 440 per annum until the end of the plan period in 2031 with a shortfall of 515 to be met post 2031.
- 1.1.20 However, all the evidence on the ground and from national studies point to these assumptions being an unrealistic assessment of delivery. At the JCS Examination in March 2016 Pegasus questioned the delivery of the strategic allocations proposed in the JCS and produced a detailed analysis rooted in evidence from across the industry e.g. the Calcutt Report of 2007 and the Savills Study on behalf of Barratt Homes in October 2014.
- 1.1.21 The Calcutt Report (2007) which was based on evidence from across the industry and which concluded no more than 50 units per outlet is possible.
- 1.1.22 In terms of lead times a report into the delivery of urban extensions on behalf of Gladman Developments Limited was prepared in February 2014
- 1.1.23 The Gladman study was supported by evidence provided by local authorities on 78 sites. The Study considered the factors associated with bringing forward major urban extensions of 500+ dwellings before moving on to look at specific case studies from each of the English regions, Scotland and Wales. The Study was an exercise in considering deliverability, the factors which affect deliverability, the timescales involved from a site being identified for development to planning permission being granted and thereafter the rates at which housing can realistically be delivered on major urban extension sites of 500+ dwellings.
- 1.1.24 The results of the site specific research was then drawn together to inform an overall assessment of the timescales associated with bringing forward urban extensions and rates of delivery once development gets underway. The Study

- was made available to LPAs, government departments and agencies and industry bodies as an evidence based tool which can be drawn upon to inform Development Plans across the UK.
- 1.1.25 The Study found that the time taken to determine planning applications is a major factor in the overall delivery timescales for Major Residential Development sites. The average time period from the initial concept to the grant of planning permission for sites in England is 6.67 years. The average timescale from submission to a grant of outline planning permission was 34 months (time periods for determination as provided by the relevant Authority).
- 1.1.26 The average across those sites in the Study which have extant permission in outline and where the timescales between the Council resolving to grant permission and the decision being issued are available (where the time period for legal agreements to be made has been provided by the Authority) was 23.6 months. It should be noted many sites failed to progress beyond a resolution to grant because of unresolved legal matters.
- 1.1.27 In terms of delivery from subsequent discussions with the relevant developers the Study found (including Taylor Wimpey, Barratt, David Wilson Homes, Bellway and Redrow), the average annual delivery rate of 30 - 35 dwellings per annum per single house builder outlet is realistically achievable.
- 1.1.28 The Study concluded that an 8 year period should be allowed for from the preparation of an outline/ principle planning application to the delivery of homes. It is important to note that the Study was rooted in factual evidence provided by Local Authorities across England and Scotland.
- 1.1.29 Some three years ago (March 2016) at the JCS Examination based on the Gladman, Savills and Calcutt conclusions, Pegasus concluded that the predicted shortfall ranges from 1,560 at best to 3,660 at worst for North West Cheltenham. Since that time the only change is that the application for North West Cheltenham has been submitted, but no further progress has been made. Consequently it is considered that the delivery of dwellings at North West Cheltenham is even further behind, and the shortfall is significantly greater than 515 dwellings that the Council envisage, consequently the trajectory is not justified. The same can be said of the west Cheltenham site albeit this is further behind.

- 1.1.30 In the JCS evidence base MMD10 Appendix 2 - Detailed housing trajectory workbook, May 2017, indicated that the Cheltenham Plan potential was 1,011 plus 277 already consented and consequently it was expected that the plan would make provision for at least 1,288 dwellings in order to meet the housing requirement. However, table 2 of the Cheltenham Plan indicates that proposed housing allocations total 440, the number of dwellings anticipated to arise from the proposed mixed use development is 350 dwellings and the number of urban capacity permissions is 446 dwellings giving a total of 1,236. In which case there is a shortfall of 52 dwellings against the provision of non-strategic sites.
- 1.1.31 In view of the above it is considered that additional allocations are required to meet the shortfall, not only arising from the strategic allocations in the JCS, but also in view of the shortfall arising from the non-strategic sites. No doubt a detailed assessment of the housing land supply would reveal an even greater shortfall than outlined above given the constraints to sites proposed in the Cheltenham Plan.
- 1.1.32 Given the failing trajectories the Plan needs to allocate additional sites to ensure that housing needs are met in the plan period and that the vision and objectives for Cheltenham are met, such an approach would be in accordance with the NPPF. This needs to be done now through this plan rather than waiting for the JCS.
- 1.2 1 Table SP2a identifies a supply of 1,011 dwellings to be identified through the Cheltenham Plan. Does the CP identify sufficient land to meet this requirement?**
- 1.2.1 It is considered that whilst numerically the Cheltenham Plan identifies sufficient land to meet the "further potential" identified in Table SP2a of the JCS; as Table 2 of the Cheltenham Plan indicates that there is a surplus of 113 dwellings. However, for the reasons outlined above it is considered that such a surplus is going to be wholly inadequate to meet housing need and does not allow for any flexibility, contingency in the supply and furthermore it does not boost the supply in an area which has struggled to meet delivery in the past (and evidently still does), where average house prices have risen faster than elsewhere across Gloucestershire and the south west since 2009.

1.2.2 The Cheltenham Plan makes provision for non-strategic sites. The allocations in the plan account for 440 dwellings in Policy H1 and 350 dwellings as a result of the mixed use allocations in Policy H2. In which case 790 dwellings are identified in the Cheltenham Plan against the further potential of 1,011 dwellings in the JCS. Together with those permissions arising from the urban capacity 446 dwellings in Table 2 the local plan provision is 1,236 dwellings. (it should be noted from the Housing Detailed Trajectory workbook, that the 143 dwellings which is part of the mixed use allocation at MD2 North Place and Portland Street is included in the urban capacity total of 446 dwellings as planning permission was granted on the site in 2013).

1.2.3 However, as mentioned above the JCS envisaged provision being made for 1,288 dwellings (MMD10) in the Cheltenham Local Plan in order to meet the JCS housing requirement, (the total supply in Table SP2a is 11,092 dwellings) this would have resulted in a surplus of 175 dwellings over the requirement of 10,917. However, this still only results in a surplus of just over 1% and this assumes that all sites/allocations deliver in the plan period. The Council have already indicated that the strategic allocation will fail to deliver the allocation over the plan period (i.e. 515 are envisage post 2031) and it can be seen from the above that against the provision that the JCS envisaged in the Plan for non-strategic sites there is a shortfall of 52 dwellings. This however falls into insignificance when compared with the failure of JCS delivery which runs into thousands and yet this plan fails to do anything about this.

1.3 2 Does the allocation of any of the sites under Policy H1 or H2 affect the soundness of the CP?

1.3.1 Notwithstanding the overall scale of housing shortfall which renders the development plan as a whole unsound we have the following comments in respect of this question. There are 8 sites proposed in Policy H1. It is noted that these sites have been identified adopting a sequential approach i.e. brownfield development was explored first, those within the PUA or identified as having development potential in the JCS, and finally constrained sites in the PUA, those in the Green Belt and AONB.

1.3.2 In order to be consistent with the NPPF there is a need to provide a range and choice of sites. Whilst the NPPF encourages the use of brownfield sites (it is not a sequential approach), the emphasis is on delivery and boosting the

- supply of housing. Therefore the soundness of the Local Plan approach is questioned.
- 1.3.3 The sites that are proposed in the plan seem to be based on those which would:
- "...demonstrate a public benefit in allocation, through, for example masterplanning and those not so advanced in the development management process that approval was likely to be granted before plan adoption." Paragraph 11.5 of the Cheltenham Plan.**
- 1.3.4 It is not clear what the justification was in limiting sites which could readily deliver housing and excluding those sites from the plan. The effectiveness of the strategy must be questioned as it appears that not all reasonable alternatives were considered.
- 1.3.5 Some of the sites proposed in Policy H1 have issues affecting their timely delivery, such as contaminated land or constraints such as the proximity to the railway line, access or heritage constraints.
- 1.3.6 Policy H2 proposes a number of mixed use schemes. However, it is considered that there are deliverability issues associated with some of these sites, for example land at North Place and Portland Street proposes 143 dwellings and a town centre mixed use scheme (Policy MD3). This site was included in the adopted Cheltenham Borough Plan 2006 (Policy PR 2 Land Allocated For Mixed Use Development) for mixed use: at North Place (Land at St. Margaret's Road housing - anticipated minimum 100 units, including 50 affordable dwellings and public car parking (+ other possible public uses) and Portland Street (land at Portland Street - public open space, housing (anticipated minimum 80 units, including 50 affordable dwellings. Gross residential density 120 dph)). Both sites were anticipated post end of 2007.
- 1.3.7 Whilst it is noted that planning permission was granted in 2013 for the scheme at North Place it is noted that Policy MD2 states that the permission has not been implemented and it is likely that a new scheme will be required in order for development to take place. Given that this was a site which was first allocated in the previously adopted Plan in 2006 its deliverability must be questioned and hence the justification for their inclusion in the strategy.

- 1.4 3 To what extent has the trajectory at Table 8 of the CP been agreed with the relevant landowners, developers and agents? Are the sites identified in Policies H1 and H2 likely to deliver 1,011 dwellings by 2031 in accordance with the requirements of the NPPF para 47?**

1.4.1 This is a matter for the Borough Council to respond to.

- 1.5 4 Has sufficient regard been given to the impact of development on historic assets and their settings at the following housing allocations: HD2, HD3, HD4, HD7, HD8?**

1.5.1 No comments.

- 1.6 5 Would it be appropriate to allocate additional housings sites in the CP in order to provide more choice and help to ensure that the target figure of 1,011 dwellings is met? (NB: this does not seek the identification of sites currently omitted from the CP)**

1.6.1 It is considered appropriate to allocate additional housing sites in the Cheltenham Plan to provide not only for more choice, but to ensure flexibility and to provide a contingency, to ensure that the housing need is met. There is already a shortfall in terms of the non-strategic sites of 52 dwellings without any detailed assessment being undertaken of the sites in the trajectory and there is a shortfall against the strategic requirement on their own admission (but we believe it is vastly more) 515 dwelling as the North West Cheltenham allocation envisages 515 dwellings to be delivered post 2031.

1.6.2 The PUA boundary has not been reviewed in the preparation of the plan, the only changes that are proposed are those that retrospectively amend the boundary as a result recent of development. Paragraph 12.46 explains that *"It is good practice to use the Cheltenham Plan process to undertake a review of anomalies."*

1.6.3 Paragraph 12.47 goes on to state that:

"Boundaries have been redrawn to include sites where land has been developed or planning permission has been granted for development over the past few years."

- 1.6.4 As demonstrated above there are deliverability issues with a number of the sites proposed in the Plan and also it is a known fact that there are deliverability issues with the strategic urban extensions, all of which will lead to a shortfall in meeting the housing requirement for Cheltenham. The Housing Position Statement confirms that Cheltenham is *"heavily reliant on the delivery of the strategic allocations in order to meet the required housing needs."* (paragraph 24 of the Housing Position Statement ref SD010)
- 1.6.5 Consequently it is considered that a review of the PUA boundary is undertaken and additional sites allocated to ensure delivery of sufficient housing in the plan period to meet the vision and objectives of the Plan and to accord with the NPPF. The acknowledged persistent under delivery in the Plan and the delay in sites coming forward must be addressed by this Plan.
- 1.6.6 The Inspector for the JCS concluded that *"Increasing supply would give more certainty of delivery and provide choice and flexibility, enabling a positive response to rapid change."* (paragraph 53)
- 1.7 6 Is there adequate justification for the siting of a school within the Leckhampton allocation (MD5)?**
- 1.7.1 Pegasus has no comment on the siting of the school.