Dear Sir/Madam

Consultation Response: Consultation on Pre-Submission Version (Regulation 19) February 2018 of the Cheltenham Local Plan

Policy EM3: New Employment Allocations and Site E2 Land south of Hatherley Lane, The Reddings

This letter sets out a response to the recently published Cheltenham Plan Pre-Submission Version (Regulation 19) document. The response is made on behalf of Kier Construction Ltd.

The Cheltenham Plan, once adopted, will be one of the documents that will form the statutory development plan for Cheltenham up to 2031.

Appendix A contains a plan showing our client’s site in Hatherley Lane, Cheltenham (the Site). We note that this Site has been submitted in respect of the ‘call for sites’ December 2016, and subsequently comments were submitted at the Issues and Options and Preferred Options versions of the Cheltenham Plan, demonstrating to the Council how and why this Site is unsuitable for employment allocation and is instead most suitable for residential development.

Drawing upon evidence and justified reasoning presented at earlier stages of the plan, this response to the Cheltenham Plan Pre-Submission Version consists of a strong recommendation that our client’s site be allocated for housing development, and is not suitable for employment purposes.

Site Description

The Site measures approximately 0.45 hectares and lies to the South of the Nuffield Hospital, to the East of a B&Q store and to the West of Asda. A large residential estate lies to the South of the Site. The Site comprises part of the former Woodward Diesel Engineering Site.

Access to the site is obtained via Hatherley Lane which has excellent connectivity to the A40 and M5 with a frequent bus service from the Arle Court Roundabout.
The Site is located west of Cheltenham Town Centre within the Principal Urban Area. When designating this area, the Council recognised that government policy encourages development within urban areas. Policy SP2 of the JCS (adopted December 2017) identifies new development to be focused in the administrative boundary of Cheltenham.

The Site is brownfield, having previously been used as an employment site for a number of years. It is currently vacant and adjoins a residential area. Planning permission was granted in July 2010 for a mixed-use development comprising B1, A1 and ancillary uses on a wider parcel of land encompassing both the Site and adjoining land (reference 10/00252/FUL). This permission was subsequently amended in September 2013 specifically in relation to the Site to allow for the provision of 3,384 square metres of office space (reference 12/01488/FUL).

The Site is not within an area prone to flooding and is not within a conservation area. It is however within an area of special control for Advertisements.

**Background**

The Site has been considered as part of the emerging Cheltenham Plan and adjacent land has been considered in the Council’s 2016 SALA. With regard to the recent allocation of the site in the recently released Pre-Submission Version of the Cheltenham Plan, the Council stated the following:

"Hatherley Lane (E2)
The site is a flat parcel of land located to the south of Hatherley Lane, The Reddings on the western periphery of Cheltenham. It lies immediately south of the existing Pure Offices serviced business accommodation and is extremely well connected to the strategic highway network via the A40 and J11 of the M5. Measuring approximately 0.86 ha, the allocation offers an ideal opportunity for the expansion of contemporary business activities within a modern business park environment. The site, which can be categorized as brownfield land, has previously been used for employment purposes."

The Site is suggested for an employment allocation in the emerging Cheltenham Plan.

We disagree with the allocation of the Site in proposed Policy EM3 due to the suitability of the site for residential allocation, and the lack of suitability for employment.
Although the Site has an extant planning permission for employment use (expiring in September 2018), this scheme is no longer considered to be viable as there is no demand for employment use in this location. The context has changed significantly since planning permission for employment use was originally granted in 2010 and an extensive marketing campaign has not resulted in any firm interest in the Site for employment use.

In 2016 planning permission was granted on appeal for 27 dwellings on the adjoining site to the south of Pure Offices (PINS ref. APP/B1605/W/16/3152390). This was in employment use and therefore the Inspector’s assessment involved consideration of whether there was an overriding need to retain the appeal site for employment purposes and noted the following in respect of saved Policy EM 2 of the Local Plan:

“Saved Policy EM 2 of the Local Plan states that a change of use of land or buildings in an existing employment use, or if unoccupied, to use outside of Classes B1, B2 or B8 will not be permitted except where stated criteria are met. These criteria include (b) that ‘the retention of the site for employment purposes has been fully explored without success’…

In addition to significantly boosting the supply of housing through sustainable development, the NPPF also indicates the government’s commitment to securing economic growth in order to create jobs and prosperity. The NPPF advises in paragraph 19 that significant weight should be placed on the need to support economic growth through the planning system. Nevertheless, this guidance goes on to state in paragraph 22 that “planning policies should avoid the long-term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose.” The paragraph also refers to the need for a regular review of the allocation and to have regard to market signals and the relevant needs for different land uses.”

Ample evidence exists to demonstrate that the Site has been extensively explored for employment purposes and has not achieved any success as there is no demand for additional employment space in this area, as was the case with the Appeal Site referred to above. Furthermore, there is no reasonable prospect of the Site coming forward for employment development which, as in the case of the Appeal Site, was sufficient to outweigh the retention of that site for economic growth.

**Housing Suitability**

It is also our view that proposed Policy H1 is deficient in that it fails to allocate the Site for housing, despite being a brownfield site which is suitable and available for residential development and is in a sustainable location.

Encouraging the effective reuse of brownfield land is a core strategy of the National Planning Policy Framework. Paragraph 111 further encourages the reuse of previously developed land provided that it is not of high environmental value. This brownfield site is not of high environmental value and thus should be encouraged for redevelopment, ideally through allocation for residential purposes. The proposed use of the Site for housing will relieve pressure on development within the Green Belt and AONB which adjoins most of the urban area.
Paragraph 4.11.2 of the recently adopted JCS establishes that through policy SD10, new residential development is to be directed "to previously-developed (brownfield) land. However, the previously-developed sites in the JCS area are not sufficient to maintain a five-year supply so some greenfield sites will be allocated for development through the JCS, district and neighbourhood plans.” Clearly the Council are in need of deliverable sites for housing, with a preference for previously-developed land that is currently in short supply.

The site should be considered as a genuine redevelopment opportunity for residential purposes on previously developed land. A scheme for residential development is considered to be an appropriate use for the site and will provide a better neighbour for existing (and emerging) surrounding residential uses.

The site is on a frequent bus route and many local facilities are within walking distance, representing a sustainable location for development. The existing access is capable of serving a residential development.

All of the above matters were considered in respect of the appeal on land adjacent to the Site (the Appeal Site) which granted planning permission for 27 dwellings on 8th November 2016 (PINS reference 3152390). The grant of planning permission for the Appeal Site demonstrates that this location is suitable for housing.

**Housing Supply**

The Site offers an excellent opportunity to immediately boost the supply of housing (as required by the NPPF) in a non-Green Belt location which otherwise heavily constrains development in the western part of the borough. In addition, the Site is capable of providing affordable housing which would increase the availability of much-needed affordable homes in the Borough.

The JCS was adopted in December 2017 and sets the strategic plan for delivering the housing requirement for Cheltenham Borough. It is set at 10,957 houses for the period up to 2031. In adopting the JCS, a stepped trajectory for Cheltenham's housing delivery rate was agreed. This is set at 450 per annum for the period 2011/12 to 2021/22 and 663 for the period 2022/23 to 2030/31.

In adopting the JCS, the Inspector would have relied upon the proposed housing delivery rates (for the strategic allocations) set out by the Housing Implementation Strategy (HIS) June 2017. A snapshot of the Cheltenham sites is included in Figure 1 below:

**Figure 5: Strategic Allocations Trajectory**

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Figure 1 – Strategic Allocations Trajectory (June 2017)
The information set out at Figure 1 above identifies a reliance on the delivery of houses from 2018 onwards from the strategic sites allocated by the JCS. With regards to the delivery of strategic allocations and in particular the North West Cheltenham allocation, Figure 2 sets out the committed timescales for issuing a decision, confirming that a decision would be issued within 6 months.

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<th>North West Cheltenham (whole site)</th>
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<td>This strategic allocation has been the subject of extensive pre-application work with both authorities who have entered into a PPA to ensure the decision is issued with 6 months. An outline application (16/02000/OUT) for the allocation together with detailed application for Phase 1 development has now been submitted.</td>
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Figure 2 – Strategic Allocations Planning Update (June 2017)

It is significant, in terms of the delivery trajectories set out in Figure 1, that outline planning application 16/02000/OUT for the proposed development at North West Cheltenham (known as Elms Park) has not yet been determined, circa 8 months since the commitment set out in the June 2017 HIS was made. Furthermore, an application for the development proposed at the West Cheltenham site has yet to be submitted. Given that both of the sites are due to deliver a combined total of 150 new houses in the 2018-2019 period, the lack of visible progress with regards to both planning applications since June 2017 is concerning and significant.

The significance of this lack of progress is linked to the stepped housing supply trajectory for Cheltenham in that concessions have already been made to enable an increased level of housing delivery towards the back end of the Plan. A significant under-delivery at the front end of the Plan, through delays at the strategic allocations, will increase the pressure on delivery rates at the back end of the Plan and increase the likelihood of the OAN figure not being achieved during the Plan period.

It is also significant that the Government, in its September 2017 consultation ‘Planning for the right homes in the right places: consultation proposals’ identified that the annual housing requirement, on the basis of the proposed standardised housing calculation methodology being adopted at a national level, be increased from the lower end of the 450 to 539 dwellings to 534 dwellings per annum over the period 2016 – 2026. The use of the standardised methodology has been identified in the draft revisions to the NPPF published in March 2018. It is clear that there is a direction of travel with regards to the standardised methodology for calculating housing delivery and on this basis the OAN should be reviewed in line with the standardized approach to ensure that there is sufficient housing numbers allocated through the Plan process.

The likely delay to the delivery of the housing units at the strategic allocations is exacerbated by the delivery timescales of the proposed allocation set out in the Cheltenham Plan. The January 2018 Housing and Mixed Use Topic Paper clearly identifies that of the larger sites, which have now been taken forward as proposed allocations in the Pre-Submission version of the plan, a significant proportion of the sites are not expected to deliver houses for a 6-10 year period (as of the 2017 preferred options consultation date). It is significant that a number of the larger allocations such as references HD7 (Priors Farm Field), HD8 (Old Gloucester Road) are considered deliverable in 11-15 years and that other allocations such as sites MD1 – Lansdown Industrial Estate (6 – 10 years), MD2 – North Place and Portland Street (6 – 16 years) and MD5 – Leckhampton (6- 10 years) are also expected to deliver houses beyond the 2022/23 date where the annual housing delivery requirement steps up to 663 dwellings per annum (not accounting for the inevitable accumulated shortfall up to that time).
The Cheltenham Plan has been designed (in terms of the proposed Borough Level allocations) to deliver houses at a greater rate towards the back end of the Plan period. Any under delivery at the beginning of the plan, at either the JCS or Borough level allocations, will increase the pressure on a housing delivery target which is already making up for the 'designed-in' shortfall in the early part of the Plan.

This Site south of Hatherley Lane therefore represents an opportunity for residential development that is both achievable and deliverable and as such, goes some way in addressing the significant challenges ahead in enabling the objectively assessed housing need (OAN) to be delivered within the identified Plan period.

The area to the south is residential in character and the Site is well suited to residential development. Furthermore, the Site has been identified as suitable, available and achievable for housing. When considered alongside the adjacent site which has recently been granted planning permission for 27 dwellings, the allocation of the Site for residential development is logical and would assist in meeting the very pressing and urgent housing needs for the Borough.

Please contact me should you require any further information about the Site.

Yours faithfully

Simon Firkins MRTPI
Appendix A – Site Location Plan