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Creating sustainable communities

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Dear Sirs,

**Town & Country Planning Act 1990 - Section 78
Appeal by CALA Homes (South)
Land at Barton Farm, Andover Road, Winchester
Application ref: 04/00289/OUT**

1. I am directed by the First Secretary of State to say that consideration has been given to the report of the Inspector, DJ Mumford BA MRTPI, who held an inquiry between 11-13 and 25-28 October and 1 November 2005 and site visits on 14 October and 30 November 2005, into your client's appeal against the failure of Winchester City Council to give notice within the prescribed period of a decision on application 04/00289/OUT for outline planning permission for residential and associated development at Barton Farm, Andover Road, Winchester.

Inspector's Recommendation and Summary of the Decision

2. The Inspector, whose conclusions are annexed to this letter, recommended that the appeal be dismissed. For the reasons given below, the Secretary of State agrees with the Inspector's conclusions, except where indicated, and with the Inspector's recommendation. All references to paragraph numbers appearing in this letter, unless otherwise stated, relate to the Inspector's report (IR).

Matters arising since the Inquiry

3. The Secretary of State has received two letters from RPS Planning, on behalf of CALA Homes, dated 30 January 2006 and one letter from Winchester City Council, dated 1 February. Copies of this correspondence are not enclosed with this letter but are available from the above address, upon written request.
4. The Secretary of State has taken into account the matters raised by RPS Planning in their letters but he does not consider these raise any new issues relevant to the appeal that would either affect his decision or require him to refer back to the parties for further representations prior to reaching his decision on this appeal.
5. The letter from Winchester City Council indicates that the H4 Monitoring Report 2006, which was considered at the inquiry in draft form, has now been published and the data on housing completions remains unchanged. The Council also confirms that it proposes to accept, without amendment, those recommendations of

the Local Plan Inspector that have relevance to this appeal. In view of this, the Secretary of State considers that neither of these matters raise new issues relevant to the appeal that either affect his decision or require him to refer back to the parties for further representations prior to reaching his decision.

Policy Considerations

6. Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires that proposals be determined in accordance with the development plan unless material considerations indicate otherwise. In this case the development plan includes Regional Planning Guidance Note 9: the South East (RPG9) published in March 2001; the Hampshire County Structure Plan 1996-2011 (Review), adopted in 2000 and the Winchester District Local Plan adopted in 1998.
7. The Secretary of State considers that the development plan policies of particular relevance to this appeal are those set out by the Inspector in IR9-13.
8. The Secretary of State has also taken into account as material considerations: Planning Policy Statement 1 *Delivering Sustainable Development* (PPS1); PPG 3 *Housing*; PPS 6 *Planning for Town Centres*; PPS 9 *Biodiversity and Geological Conservation*; PPS 12 *Local Development Frameworks*; PPG 13 *Transport*; PPG 16 *Archaeology and Planning*; PPG 17 *Planning for Open Space, Sport and Recreation*; Circulars 11/95 *The Use of Conditions in Planning Permissions*, 05/2005 *Planning Obligations*, and 06/2005 *Biodiversity and Geological Conservation – Statutory Obligations and their Impact within the Planning System* and the adopted Supplementary Planning Guidance *Implementing Policy H4*.
9. In determining the appeal, the Secretary of State has taken into account draft Planning Policy Statement 3 *Housing* (PPS3) but he accords it very little weight. He also considers that this draft raises no new issues which would affect his decision or require him to refer back to the inquiry parties, either under Rule 17 of the Town and Country Planning (Inquiries Procedure) (England) Rules 2000, or in the interests of natural justice.
10. The Report of the Inspector into the Winchester District Local Plan Review, published in September 2005 was available at the time of the Inquiry and carries significant weight.

Main Considerations

11. The Secretary of State agrees with the Inspector (IR295) that the main issues in this appeal are:
 - whether circumstances are such that, in principle, the appeal site should be released for development now; and, if so
 - whether the appeal proposal is satisfactory and in particular makes adequate provision for infrastructure.

Whether the site should be released for development

Housing supply in Hampshire

12. Structure Plan policy H1 makes provision for up to 94,290 dwellings between 1996 and 2011. The housing provision is formed by Structure Plan policy H2 which requires provision of 80,290 dwellings over the 15 year plan period, with 7295 of these being in Winchester District, and Structure Plan policy H4 which requires a

reserve housing provision of 14,000 dwellings to be identified in the period 2001 to 2011, including 2000 dwellings at "Winchester City (north)" (IR305). The need for any release, within the terms of the development plan, of the H4 reserve provision will be determined in the light of the polices in the revised RPG9.

13. The Secretary of State agrees with the Inspector that the 2001 version of RPG9 supersedes that issued in 1994 (IR297). He further agrees with the Inspector that the revised RPG9 has taken account of shortfalls in housing provision prior to 2001 and that the matter of any such shortfalls should not be revisited (IR299).
14. The Secretary of State has taken into account that RPG9 policy H2 is seeking an annual average of 6,030 housing completions across Hampshire between 2001 and 2006 and until such later time as a different rate is adopted. RPG9, which was published after the Hampshire Structure Plan, indicates that structure plans should adopt the rates of provision set out in RPG9. The Secretary of State considers that housing supply across Hampshire from 2001 should be measured against the RPG9 policy H2 requirement (IR300-303). He agrees with the Inspector that over a ten year period to 2011 this amounts to a housing requirement of 60,300 dwellings across Hampshire (IR307).
15. The Secretary of State agrees with the Inspector's analysis, at IR306, of the process by which the need to release any of the Structure Plan policy H4 reserve provision will be determined within the constraints of the development plan. However, the Secretary of State considers that there may be circumstances in which release of the reserve sites could be justified by other material considerations and, hence, that a release of the reserve sites could come about otherwise than in accordance with the development plan.

Monitoring of supply

16. The Secretary of State is aware that the Strategic Joint Advisory Panel (JAP) has been established to monitor the delivery of housing within Hampshire against RPG9 policy H2 and to help inform decisions on whether any of the Structure Plan H4 reserve is needed to meet potential shortfalls across the county. These are among steps required to be taken by the Supplementary Planning Guidance adopted by the strategic planning authorities (IR310).
17. The Secretary of State considers that the JAP's conclusions, which help inform him of the need to release the Structure Plan H4 reserve, are a material consideration that can be given weight. However, in determining the appeal, he has taken into account all the evidence before him, in addition to that offered by the JAP.
18. At the time of the inquiry the Inspector considered the JAP H4 Monitoring Paper 2005 (dated December 2004), covering the period to March 2004, as well as the draft figures for completions to March 2005, though the latter were still to go through public consultation (IR311-312).
19. The 2005 Monitoring Paper showed that completions across Hampshire for the period 2001 - 2004 were 17,177 against the RSS requirement of 18,090 and that the remaining requirement for the period 2004-2011 was therefore 43,123 dwellings. The Secretary of State agrees with the Inspector's conclusion that there is no information to suggest that the figures in the 2005 paper were likely to be

wrong. The 2005 paper indicated that to 2011 there would be a total available supply of 55,070 dwellings, adjusted to a forecast figure of 48,229.

20. The draft figures to March 2005, referred to at IR311, have subsequently been confirmed, in January 2006, with the publication of the 2006 Monitoring Paper. The Secretary of State does not consider that this document either changes or introduces any new evidence that was not before the Inspector.
21. The Secretary of State considers that both the 2005 and 2006 JAP Policy H4 Monitoring Papers place a heavy reliance on all allocated sites coming forward as well as Major Development Areas, urban capacity sites and windfall sites. He is concerned about the reliance that is being placed on sites without planning permission and on large urban capacity and windfall sites coming forward. Although he agrees with the Inspector that the estimates of future supply allow for a reasonable error or safety margin (IR312), he concludes that housing proposals must come forward or the H4 reserve provision will need to be released.

Appellant's assessment of housing supply

22. The Secretary of State has considered the appellant's assessment of future housing supply across Hampshire (IR313), which suggested that the residual requirement for housing to 2011 would not be achieved. He shares the Inspector's reluctance to rely on this assessment for the reasons given at IR314.
23. The Secretary of State has also considered the appellant's assessment of a potential shortfall of housing within Winchester to 2011. For the reasons given by the Inspector at IR323-324 the Secretary of State agrees that the magnitude of the possible shortfall would not justify the release of the appeal site.
24. The Secretary of State considers that it was reasonable, at the time of the inquiry, for the Inspector to attach significant weight to the March 2005 letter from the former Minister for Housing and Planning regarding progress on the Hampshire Housing Action Plan (IR319-322). However, in determining the appeal, the Secretary of State has given the letter only limited weight as 11 months have passed since it was written. Further, as this letter related to a specific monitoring period, he considers no inference can be drawn that this will still be the position in future years. Indeed, in this respect he is aware that the Hampshire planning authorities will be required to provide an update on progress with the Action Plan shortly, in addition to the 2006 JAP policy H4 Monitoring Paper.

Conclusion on H4 reserve site release

25. The Secretary of State agrees with the Inspector's conclusion at IR315 that, in numeric terms, there is presently no compelling justification for the release of the appeal site. He agrees with the Inspector therefore that, in those terms, the proposal would conflict with Structure Plan policies H4, C1 and C2, with Local Plan policies C1, C14 and H3 and with policy C1 of the emerging Local Plan. He has therefore considered whether there are any other material considerations which could outweigh these conflicts with the Development Plan.

Other material considerations

26. RPG9 and PPG3 are committed to securing sustainable development and providing sufficient sites for housing and point out that affordable housing is a material

consideration in planning decisions. The Secretary of State considers that the expected rate of delivery of affordable housing in the Winchester District, at approximately 13% of the Council's own assessment of need, represents a serious shortfall which should not be ignored. He agrees with the Inspector that this situation is likely to have deteriorated since the Housing Needs Survey conducted in 2002 (IR326). Whilst the Secretary of State notes that restricted information has resulted in a lack of a real comparative analysis (IR329), he does not consider it necessary to establish that the extent of the unmet need for affordable housing here is any worse than in other parts of Hampshire before action is taken to remedy the acknowledged shortfall. The Secretary of State agrees with the Inspector that an unmet need for affordable housing of the magnitude established in Winchester district might justify the release of the appeal site (IR327).

27. However, for the reasons given at IR336-338, the Secretary of State concludes that, in the particular circumstances of this case, there is no justification to release this site at this time and that to do so would conflict with the plan-led system, and that this conflict is not outweighed by the potential provision of affordable housing in this proposal.

Whether the appeal proposal makes adequate provision for infrastructure

28. The Secretary of State has already concluded for the reasons given in paragraph 25 of this letter that the release of the appeal site now would conflict with the development plan. However, for the reasons given at IR340-346 the Secretary of State agrees with the Inspector that, provided the release of the site itself could be justified, the appeal proposal make adequate provision for infrastructure.
29. In this respect the proposal complies with Structure Plan policies R2 and T5, Local Plan policies FS3 and RT3 as well as the relevant part of emerging Local plan policy NC3. However, the Secretary of State also agrees with the Inspector that this compliance is not sufficient to outweigh the conclusion that there is no compelling justification for the release of the appeal site at this time (IR348).

Other matters

30. The appeal proposal includes up to 13,000 m² of supporting/ancillary floorspace, including a retail element. The Secretary of State notes that following negotiations between the appellant and the local planning authority, the latter did not object to these elements of the scheme (IR 340) and the retail component was not subject to detailed scrutiny at the inquiry. The Secretary of State considers that insufficient evidence has been provided to enable him to assess whether or not this element of the proposal is in accordance with both national and local policy. However, in view of the fact he has already concluded the proposal is not acceptable for the reasons given in paragraph 31 below, he does not consider it necessary to reach a conclusion on this matter in order to determine the appeal.

Conclusion

31. Whilst the appeal site is allocated in the Development Plan as a Major Developed Site to be used as a reserve site for housing if required, the Secretary of State concludes that there is no compelling justification to release the site at this time. The Secretary of State concludes that while there might be a shortfall in housing provision within Winchester District by March 2011, of around 300 dwellings, such a shortfall would not be of sufficient magnitude to justify the release of the appeal site. He concludes therefore that to release this greenfield site now would conflict

with the Development Plan and with the principles of the plan-led system and national planning policy. The Secretary of State has accorded considerable weight to the fact the proposal could provide a significant contribution of affordable housing in an area where there is a substantial shortage. Nevertheless, in the circumstances of this case, he does not consider that even this benefit of the scheme is sufficient to outweigh the conflicts he has identified above with both the Development Plan and national planning policy.

Formal Decision

32. Accordingly, for the reasons given above, the Secretary of State agrees with the Inspector and accepts his recommendation. He hereby dismisses your client's appeal against the failure of Winchester City Council to determine application 04/00239/OUT, dated 26 February 2004, within the prescribed period and refuses planning permission for residential and associated development at Barton Farm, Andover Road, Winchester.

Right to Challenge the decision

33. A separate note is attached setting out the circumstances in which the validity of the Secretary of State's decision may be challenged by making an application to the High Court within six weeks from the date of this letter.

34. A copy of this letter has been sent to Winchester City Council and to all those who appeared at the Inquiry.

Yours faithfully



Phillip W Smith

Authorised by the First Secretary of State to sign in that behalf