

## **Wivenhoe Town Council - Matter 4 Hearing statement - build out rates.**

### **1.a) The Homes and Communities Agency's paper *Notes on Build out rates from Strategic Sites (July 2013)*.**

It is not surprising that a government agency is supporting the idea that a build out of up to 500 homes can be achieved. Firstly this commitment does not represent any direct financial risk to them and arguably this level of building is the only route to achieving the governments housing targets. Therefore we would conclude that their paper cannot be viewed as independent in the same way that say the University of Glasgow report (referenced in c.) can. Although The Homes and Communities Agency argument is presented to fit policy the statistics reveal the current average build out rates are far lower than their aspirations.

As the report was offered as evidence by a contractor, we would also suggest it is in their interest to source supportive data to the section 1 plan. As they to have a financial interest in it being found sound. We remain cynical that what is promised now in terms of delivery by developers, may well be revised later due to market conditions. Therefore more realistic targets should be built into the plan at this stage.

Lastly, the report highlights many factors that will effect build out rates. However it does not analyse the effects Brexit will have. There are many predicted consequences of Brexit, and they all vary wildly. However, it is pragmatic to suggest a forecast of uncertainty for the short term at least. This could lead to any number of unsettled conditions, in particular its is tenable to suggest an impact on the housing market skilled labour availability and general economic conditions which is not discussed in this report.

### **1.b) The Lichfield's blogpost *Driving housing delivery from large sites: What factors affect the build out rates of large scale housing sites?***

This report appears to provide relatively stable data as it deals with a wide spread of sites. Although there are still no comparisons to be made with the scale of sites proposed by the NEAs. Although it predicts that larger sites could deliver better than smaller ones, it still does not provide evidence to support the figures put forward by the NEAs. At 2000+ homes the recorded average was only 140 homes per year. Most importantly it established that the larger sites, that were capable of delivering over 300 homes per year, could not sustain this rate except for short periods of time.

### **1.c) The University of Glasgow report *Factors Affecting Housing Build-out Rates*.**

The University of Glasgow report sets out what factors determine the speed at which houses are developed. Also what is currently being achieved in terms of numbers. However it does not provide any evidence to back up assumptions these rates could be increased to the levels suggested by NEGC or the NEAs.

Clearly there is a variety of views on build out rates and a complexity of factors affecting it. Therefore, we could only support a project, with so many additional untested elements, that aimed for an average of 250 homes per year being realistic.

**2. a) How many outlets would be needed at each of the proposed GCs in order to deliver (i) 250dpa (ii) 300dpa (iii) 500dpa?**

The homes and community report says 'Ultimately, there will be a finite number of purchasers able and willing to purchase properties in any particular geographic location irrespective of the degree of range and choice of product that can be made available.' also the Glasgow university report concludes that 'Competition has little impact on delivery'. This report also establishes that planning process has an impact on build out rates. Yet as it is not fully understood what the delivery model for the NEAs is, it can not be factored into these calculations. Land supply is also a critical factor but until questions are answered about land acquisition and the implications of using CPOs fully clarified; this remains an unquantifiable element.

**b) Is there evidence to show that the required numbers of outlets could successfully operate at each GC?**

This is not an area we have any industry experience of. However a common sense application to the issue provides us with a series of questions. Those being - with demand for skilled workers at a premium, multiple sites running concurrently, (combining section 1 and 2 allocations); would the market value of homes, (and the associated profit margins for developers), not encourage these resources to migrate from east to west?

Also – Due to the viability constraints, could build out rates become a more important driver for the master developer than other factors like affordable homes, infrastructure and the quality of build?