

**North Essex Authorities  
Shared Strategic (Section 1) Plan**

**Further Examination Hearings, January 2020**

**Hearing Statement on behalf of Mike Lambert FRSA MRTPI**

**Matter 4: Build Out Rates, Wednesday 15<sup>th</sup> January 2020**

***Issues:***

*Does the NEAs' document Build out rates in the Garden Communities (July 2019) [EB/082] provide clear evidence to support build-out rates of 300 dwellings per annum [dpa] at each of the proposed garden communities?*

No. There is no evidence to suggest that build out rates will increase proportionately with the size of the site. Whilst there is no doubt that, at some point during the build out, rates may exceed 300, it is the average that is important in assessing the overall delivery potential, viability and longevity of the Garden Communities. Furthermore, it is generally agreed amongst all parties that the evidence also shows that during the early years of a strategic site build out rates are well below the average, and the larger the site, the more early infrastructure will be required thus increasing the time from commencement of development to first completions.

For the purposes of the Examination it is the build out rate that is achievable within the Plan period that is of key concern.

*Is there any new evidence, not available at the time of the original hearing sessions, that would justify a revision of the finding in my letter to the NEAs of 8 June 2018 [IED011] that: "... it [is] reasonable to assume that the planning approval process would allow housing delivery at any GC(s) to start within four or five years from the adoption date of the plan (or plan revision) which establishes the GC(s) in principle"?*

My representations on EB082 set out the reasons based on evidence and personal experience as to why a time scale for a start on site within four to five years is overly optimistic and unachievable. I set out a more realistic time table that suggests a start date of 2028/29 and in reality house completions would run 18 months to two years behind this

The evidence clearly demonstrates that given the scale, complexity and uncertainty over delivery mechanisms, and delay in providing major infrastructure (especially Colchester Braintree Borders GC), the GCs will struggle to deliver significant numbers before the end of the Plan period. All the evidence points to over optimism being a common factor on the part of promoters and NEAs as to the likely start date for large strategic sites, none of which are of the scale of the three GCs.

By way of example, In the case of Colchester Braintree Borders GC, since the consultation period closed on the Additional Evidence, Highways England have published their Preferred Route for the J19 to J33 and a consultation on J23 to J25 for the A12 to A120 Widening Scheme\*. The document sets out a time line for implementing the scheme which suggests completion by 2027-28, a delay from the original time table of at least 5 years. More importantly given there is as yet no certainty of funding for the A120 Braintree to Marks Tey improvement a timescale for delivery of the A120 before 2030 must be now in serious doubt, thus also further reducing the possibility of any significant housing completions within in the Plan period, assuming the NEA stick to their 'infrastructure first' policy.

Notwithstanding the suggested time scales by the promoters of West Tey, there will be only a maximum of 2-3 years delivery at Colchester Braintree Borders GC, and even this is not a given on current evidence. Therefore, there can be no certainty of any significant delivery in the current Plan period.

**Questions for all Participants:**

*1(a) HCA paper 'Notes on Build Out Rates from Strategic Sites'*

This paper was trying to predict what might be achievable on larger sites in the future but the evidence across 16 sites showed that only two sites averaged more than 300dpa.

*1(b) Lichfields blogpost 'Driving housing delivery from large sites: What factors affect the build out rates of large scale housing sites?'*

I submitted the original Lichfield research from 2016 in earlier evidence and the latest update corroborates my contention that four to five years for the planning process, which is typical of the over optimism shared by LEAs and promoters at the Local Plan stage, is unfounded.

Lichfields show that the 'planning approval period' which runs from the date of a valid application to the decision date averages 5.8 years for sites over 2000 homes and 2.9 years for the time from planning consent to first completion. This would mean that even if a planning application was ready to submit the day after the Local Plan was found sound (say mid 2020) the first home on a GC would not occur until 2029. I set out in my representation on EB082 why, given the complexity and uncertainty, not even the 'average' times in the Lichfield report could be relied on for the GCs, and clearly many less complex sites have taken much longer than the average. No evidence has been submitted as to how even the average could be improved upon in the case of the GCs.

Before any application can be submitted for any of the GCs there needs to be two interdependent decisions taken – firstly, who is going to undertake the role of master developer and secondly, the preparation of a detailed DPD for all three GCs to set out the details of how the GC principles are to be achieved. In my view the DPD will have to be informed by the decision on the master developer. In any event there is no evidence to suggest that this process will take less than two to three years from Adoption.

All the evidence points to a minimum of 10 years from the Adoption of the Local Plan to the first completion on the GCs. The consequence is that they will have little or no impact on housing delivery in the Plan period, thus confirming the Plan is not soundly based.

*1(c) University of Glasgow report 'Factors affecting Build Out Rates'*

This paper is ten years old but sets out a helpful analysis of how housebuilders operate and manage their investments in order to maximise return for their investors and provides a useful basis for understanding their drivers. It makes no reference to large or strategic sites and whilst advocating a wider range of site being made available through the planning system, it does not conclude that larger site will speed up the overall build out of housing

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

It is widely accepted across the industry that any one outlet averages about 50 private sales per year. In terms of total output this can be supplemented by the rate of affordable housing delivery

which would be additional. The consequence of this, assuming a policy compliant scheme would require 30% affordable, would mean 3/4 outlets for 250dpa per year, 5/6 outlets for 300dpa and 8+ for 500. However, the absorption rate and impact on sales as well as the practicalities of operating a strategic site with that many outlets should not be underestimated. It is likely that anything above 3 concurrent outlets would require at least two phases of the site to be open, requiring additional infrastructure and complex site management to separate and control construction traffic from sales and completed units, if quality principles are to be achieved.

The NEAs and NEGEC argue that in the future there will be new forms of tenure and product that will allow production rates in excess of those historically achieved. Whilst this may be achievable at some point in a 50 year build out, there is no evidence it will be achievable in the early years of construction and, in particular, will have little or no impact in the early years within the current Plan Period, without a serious reduction in the value of serviced land, to the detriment of overall viability.

**Mike Lambert FRSA MRTPI**  
**29<sup>th</sup> November 2019**

\*<https://highwaysengland.citizenspace.com/he/a12-chelmsford-to-a120-widening-scheme-23-to-25/>