

JOHN HALL

HILL TOP FARM, BIRKENSHAW

MM4 HOUSING LAND SUPPLY AND DELIVERY

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SECTION 1: INTRODUCTION

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APPENDIX 1: NOTE ON DELIVERY FROM WALTON & CO FOLLOWED BY THE SAVILLS DOCUMENT

1. INTRODUCTION

1.02 These representations are made to the Examination of the Kirklees Local Plan Examination Stage 1 on behalf of Mr John Hall who has land interests at Hill Top Farm, Birkenshaw.

1.02 Mr Hall owns the land at Hill Top Farm, which is located to the north east of Whitehall Road, Birkenshaw (A58). Hill Top Farm adjoins land being promoted by Vernon Properties at Brownhill Farm. Both sites are identified as a single site in the Rejected Site Options Report November 2015 and November 2016 (see ID H675 and H1792).

2. MAIN MATTER 4 – HOUSING LAND SUPPLY AND DELIVERY

Issue – Is the identified overall housing requirement in the Plan (31,140 dwellings) justified, deliverable and consistent with national policy?

a) What are the Council's reasons for seeking to deliver full OAHN in Kirklees? Is the approach justified, and in line with paragraph 14 in the NPPF? Has the Council considered whether an uplift should be made in market housing to provide additional affordable housing?

2.01 The Council sets out their rationale for seeking to deliver full OAHN in the Duty to Co-operate Statement (SD14). At paragraph 5.15 of that statement, it states that the Council identified early in the Plan making process that land supply evidence indicated that Kirklees Council would be able to meet its OAN for housing in full and did not need to rely on other local authorities to meet any shortfall.

2.02 Subsequently, this approach is confirmed in paragraph 5.16 of SD14 which advises that the Leeds City Region Housing Market Areas Report (Feb 2016) sets out the approach to housing delivery and that each LPA within the Leeds City Region (LCR) is aiming to meet their OAN within their own boundaries. Further it states that there is no expectation or any specific agreement between individual authority areas to make provision to accept an adjacent authority's housing requirement either in whole or in part.

2.03 We consider that this approach complies with paragraph 14 of the NPPF, which states at bullet point 1 that:

'local planning authorities should positively seek opportunities to meet the development needs of their area'

Bullet point 2 further confirms that:

'Local Plans should meet objectively assessed needs with sufficient flexibility to adopt to rapid change...'

2.04 The advice in the NPPF is clear that the default position is that LPA's should aim to meet their own OAN unless there are circumstances that fall within the two exceptions listed under bullet point 2. In those circumstances, there may be justification for a LPA not to meet its full OAN.

2.05 With respect to an uplift in market housing to facilitate additional affordable housing we would refer the Inspector to our Main Matter 3 Hearing Statement.

b) *Should the overall housing requirement of 31,140 dwellings in the Plan be expressed as a minimum rather than an approximate figure? Should the requirement be included in a policy?*

2.06 We addressed this matter in our representations to the Publication Draft. To ensure that the DPD is clear to future users of the document, it is considered that this significant omission should be addressed. It is recommended that the housing requirement should be expressed as a net minimum requirement to ensure that the supply of housing is significantly boosted in the District in accordance with the policies in the Framework.

c) Housing completions and commitments data in Table 5 of the Plan has been updated in the Housing Supply Topic Paper (July 2017) for 2015/16. What is the effect on the windfall allowance and demolition allowance in the Council's supply calculations? What are the implications for the overall housing delivery and the Council's five year housing land supply? Will a five year supply be provided on adoption and maintained over the Plan period? Does the Plan allow sufficient flexibility to respond to changing circumstances?

2.07 We would refer the Inspector to our comments on the Council's methodology in calculating five year supply set out in paragraph 2.9 below. We have also raised issues regarding the Council's approach to windfalls, delivery rates and phasing rates, which has potential implications in respect to the maintenance of a five year supply of housing over the plan period. We consider that the Plan needs to provide for greater flexibility, which can in part be attained through a larger buffer.

d) Can the Council confirm the contribution the different sources of housing supply are likely to make each year over the Plan period? (e.g. the figures which have informed the housing trajectory graph in the Plan)? Should this information be included in the Plan alongside the graph?

2.08 We consider that this is a matter for the Council to address.

e) Is the Council's approach to calculating five year land supply robust and in line with national policy and guidance? Should the Plan include reference to the Council's assumptions and parameters and the five year supply position?

2.09 We have no comments to make regarding the Council's methodology in calculating five year supply as set out in Table 8. We note however, that the Council rely heavily on local plan allocations that have yet to gain planning permission (13,135 dwellings over the 5 year period), with a significant number identified to come forward in years 2 and 3 of the plan. We consider that this is unrealistic for the reasons set out in the submissions made in respect to Main Matter 4f) – see our **Appendix 1**).

f) What the main risks and potential barriers to the delivery of the housing requirement in Kirklees over the Plan Period?

2.10 Please see submission made by Walton & Co in **Appendix 1**.

g) Is the application of a 10% lapse rate to outstanding planning permissions justified and supported by evidence? Should a lapse rate also be applied to allocations?

2.11 Table 5 Meeting the Housing Requirement of the Strategies and Policies DPD (SD1) sets out a housing requirement of 31,140 dwellings for the plan period based on 1,730 dwellings per annum. It is noted that there is a 10% lapse rate provision on planning permissions not allocated in the Local Plan. The inclusion of a lapse rate figure is welcomed, albeit not based on local evidence. We do consider that a lapse rate for allocations should also be included to ensure flexibility of the Plan. Although the Council state that the Local Plan allocations have been robustly assessed using the site selection methodology set out in Background Papers 22 and 23, the approach taken is considered to be very broad brush with a development density of 35 dwellings per hectare across the board and reductions for particular site constraints such as Flood Risk. There is no detailed assessment of how the overall net site area is arrived at in the Allocations and Designations DPD and it will only be at the stage that a planning application is submitted that the actual capacity of the site will be known. A lapse rate for allocations should therefore be included to provide sufficient flexibility in the plan. This approach would also provide for allocations that do not come forward during the plan period, for whatever reason.

h) Is the windfall rate of 450 dwellings per annum justified and supported by local evidence?

- To what degree is this figure based on large windfall sites (0.4 hectares or more), and what are the reasons for the inclusion of this element? Is the information on large potential housing sites in the SHLAA and other evidence sources sufficiently comprehensive? Does the Plan allocation all known large potential housing sites within existing built-up areas?*
- Does the use of a large windfall rate create issues of double counting with outstanding permissions on large sites and allocations within urban areas in the period 2020-2031?*
- Is the application of the windfall rate from 2020/21 justified and reasonable?*

- *To what degree have historical windfall rates been influenced by the availability of housing allocations and other site specific opportunities in the area?*

2.12 In the Council's Housing Supply Topic Paper (July 2017) (EX30) they set out the overall number of homes delivered on windfall sites in the period 1999/2000 and 2015/16 as 15,165 or 892 per annum. They go on to assess the windfall delivery from small sites (below 0.4ha) as being an average of 454 dwellings per year since 2006/7. Prima facie the Council appears to have based the windfall rate solely on small windfall sites. However, when the figures for individual years are reviewed (Appendix 1, Table A2) the figures appear somewhat skewed with three of the ten years recorded delivering in excess of 700 dwellings, whereas for most of the other years less than 400 dwellings per year have come from small windfall sites. Based on this assessment, we consider that the Council should take a more cautious approach to the contribution of windfalls to the overall supply of housing.

2.13 The Council appear to acknowledge in the Topic Paper (EX30) that some of the contribution towards the windfall allowance will come from former previously developed employment sites and through permitted development rights. Although the Council is of the view that the reliance on large windfall sites will decrease as site allocations start to deliver, it is clear that the windfall figure is partly reliant on larger sites. We do not support this approach, and in line with the conclusions reached in paragraph 2.12 above, we consider that a lower windfall allowance should be utilised by the Council.

- i) *How many empty homes have been brought back into use in the borough in recent years? Does the Council have a projected figure or target for future supply from this source?*

2.14 The Council has an Empty Homes Strategy (LE25) which has assisted in reducing the number of empty homes in the district, including long term vacancies, through a variety of methods. The Local Plan does not rely on additional new housing from this source as the Council would need to provide evidence to demonstrate that this would occur consistently over the plan period. We agree with the Council's approach on this matter and consider that any capacity that does arise from empty homes provides additional flexibility to meeting the overall housing requirement set out in the Plan.

j) Are the estimated delivery and phasing rates from site allocations in Appendix 3 of the Plan robustly based and justified? In particular:

- *Are the standard lead-in times and build out rates (as set out in Tables (and 10 in the Council's Housing Technical Paper) justified by local evidence?*
- *Have the standard lead-in times been applied to all sizes of schemes?*
- *Is the standard net density of 35 dwellings per hectare (dph) justified by local evidence? Why has this approach been adopted?*

2.15 Notwithstanding the changes made by the Council to lead in times in the Housing Supply Topic Paper (July 2017) (EX30), we consider that the standard lead in times set out in Table 9 of the Council's Housing Technical Paper (April 2017) (SD23) is over optimistic. On sites where there is already a full or reserved matters permission there is only provision for a 6 month lead in time, however we are of the view that provision should be made for site preparation (5 months) and a further 6 months to allow for the completion of the first dwellings i.e 11 months rather than the 6 months allowed by the Council. On sites where there is already an outline planning permission but no reserved matters permission, we would allow 7 months to prepare, submit and allow for the determination of the relevant permission plus an additional 11 months for site preparation and the construction of the first dwellings. A realistic assumption for sites with only outline planning permission is considered to be 18 months rather than the Council's lead in time of 12 months. In relation to sites without planning permission, notwithstanding the additional 6 months factored in for the preparation of the planning application by the Council in the Housing Supply Topic Paper (EX30), we still consider that the Council's estimate of 24 months is unrealistic. The time to prepare and submit an application together with the drafting of the ensuing s106 agreement is considered to be on average approximately 10 months, with a further 7 months to achieve reserved matters and 11 months to prepare the site and construct the first dwellings. In total for sites without planning permission we would anticipate a lead in time of 28 months rather than the 24 months anticipated by the Council. Unless there is evidence to the contrary on specific sites, the Council should utilise lead in times that are more reflective of the above, however on larger more complex sites the use of generalised parameters may not be appropriate and a bespoke approach should be considered. We would also draw the Inspector's attention to the comments on urban extensions set out in the note

provided by Walton & Co and the paper by Savills 'Urban Extensions – Assessment of Delivery Rates (2014) set out in **Appendix 1**.

2.16 The Council's approach to build out rates does not appear to be based on any evidence and does not reflect the complexities of site development, particularly in relation to larger sites where there is likely to be more than one house builder on site. The build rate will be affected by such factors as timings of different house builders coming on site and local market conditions. The presence of two or more house builders may result in a slowdown in build rates due to competition.

2.17 We would also reiterate the points made in our representations to the Publication version of the Plan that the Council rely heavily on two significant strategic housing allocations (H1747 and H2089) and two mixed use urban extensions (MX1904 and Mx1905) to make unrealistic early contributions to housing supply. We consider that the Council should be allocating additional smaller and medium sized sites as these are more able to deliver housing earlier in the Plan period. Our client's site, land to the north east of Whitehall Road, Birkenshaw (Rejected Site Options H675 and H1792) is one such site.

k) Does the Plan provide sufficient clarity regarding the total number of dwellings which are proposed for allocation? Should the figure be included in a policy?

2.18 We consider that the Council should include a Spatial Policy that sets out the total number of dwellings (and amount of employment land) to be allocated. This could reflect the information in the Strategy and Policies section of the Local Plan but expressed as a policy. This would assist ensure that the Plan is sufficiently clear for future users.

l) Has sufficient flexibility been provided in the housing trajectory? Should an additional buffer be applied to ensure that the overall housing requirement is met and exceeded?

2.19 No. We consider that give our comments made above on supply a larger buffer is required to ensure that, as a minimum the housing requirement can be met and to ensure continued flexibility during the Plan period.

APPENDIX 1

NOTE ON DELIVERY FROM WALTON & CO FOLLOWED
BY THE SAVILLS DOCUMENT

Urban Extension Sites – Delivery Rates

H2089 – Dewsbury Riverside

MX1905 - Chidswell

MX1904 - Grimescar Valley

H1747 Land north of Bradley Road, Bradley, Huddersfield

1. Introduction

- 1.1 In this note we comment upon the realism of the delivery rates which are put forward by the Council in their Housing Supply Topic Paper July 2017.
- 1.2 We do not comment upon the appropriateness of these locations in this note, save to comment that, in our view, all these locations are ‘new’ locations that will take time to establish their own identity, and are not currently areas that are in high demand market areas and particularly H2089 Dewsbury Riverside, which is a regeneration area, which will therefore take even longer to establish normal levels of sales rates.
- 1.3 The main purpose of this note however is to comment upon the practicality of the delivery rates having regard to their particular circumstances and historic delivery on urban extensions throughout the country. In that regard, we append the report from Savills which reviews the delivery rate upon 84 urban extensions through the planning system over the last 25 years.

2. Savills Report – General Comments

As a generality (and it is accepted that is what it is), on average, across all sites analysed, an urban extension site starts construction on the first phase of housing more than 4 years after the submission of an outline application. Sites coming forward since 2010 have reduced to 3 years after the submission of an outline application but it is not unusual for sites to take much longer and that, in our experience, the reality.

The Housing Supply Topic Paper July 2017 also includes revised trajectory rates for the four main sites.

3. **H2089 – Dewsbury Riverside**

3.1 It is noted that in the specific information for this site, that a Delivery Site Masterplan and statement relating to access have been provided. Nevertheless, in our view, it is unrealistic to assume the delivery rates set out in the housing supply topic paper.

3.2 The majority of this site does not have planning permission and is in Green Belt. Two planning applications for 120 homes each (240 in total) were approved by the Council on 12 April 2017 on two portions of Dewsbury Riverside which accord with the current Development Plan. The planning permissions and sites are at: Lees Hall Road (ref. 2016/94117) and Ravensthorpe Road (ref. 2016/94118). Lees Hall Road is designated Provisional Open Land whilst Ravensthorpe Road is an existing housing allocation. Both schemes are able to come forward immediately and deliver an early first phase of housing, which will start to open up the site and enable the housing-led regeneration.

However, on the larger site, the planning application will therefore not be submitted until the allocation is approved in the adopted plan which is not likely to take place until Spring 2018. Thereafter, a planning application will have to be prepared and this will be accompanied by an Environmental Impact Assessment. The submission of a planning application is therefore unlikely in our view before the end of 2018.

3.3 The planning application will then have to be determined and it will necessarily be subject to a very comprehensive Section 106 Agreement given that a primary school is required on site together with substantial other infrastructure. In our view, this process would take quite reasonably, a further year. Outline planning permission therefore would reasonably not be expected until 1st January 2020. Following this application, a reserved matters application will be required which might again take up to 6 months. Mobilisation could thereafter take 3-6 months and therefore a start on site 1st January 2021 is a much more realistic proposition.

In the case of Dewsbury Riverside, the smaller planning applications allow some short term early delivery, but it is unlikely that any completions will take place before summer 2018, and would be unlikely to exceed 60 until the larger site moves forward, and even then it is likely that completion rates will be unlikely to exceed 40 per annum. The assumption therefore that sales rates of more than 100 from 2021 are wholly unrealistic,

and the potential to come close to and exceed 200 per annum from one developer from 2023 is equally incredulous.

- 3.4 The consequence of this is that significant numbers of houses are predicted in the final years of the plan which will not be delivered because of an unrealistic assumption about an early start on site. In our view, a delay of 3 years for delivery is quite likely and this simply as an example, produces a deficit in the plan period of circa 600 houses.

4. MX1905 – Chidswell

- 4.1 This site is a mixed use proposal, and has potential to accommodate around 1,535 dwellings in total, 35ha of employment development (indicative capacity of 122,500 sqm), a primary school, green spaces, and supporting uses.
- 4.2 The project plan key dates are that an Outline Application will be submitted early in 2018, the site will be granted permission and marketed in the summer 2018, and that a developer start on site will be made in winter 2018. This timetable is wholly unrealistic in our experience (as well as that of all large sites, and the conclusion of Savills report).
- 4.3 In the case of Chidswell it is assumed that 105 units will be delivered in 2019/20 which is wholly unrealistic in terms of the start date and the unit numbers. This then rises to 125 units pa, and then 140 from 2024. This would assume 3 developers were on site in 2018, and then 5 developers from 2024. These are completion rates that are unheard of and unprecedented in the North of England. Developers/housebuilders generally prefer to control sites themselves, but if they site share with one other party they prefer to do so with a like minded developers/housebuilders, and may even site share with two others, but usually this is only done to stimulate sales rates because they are below the more normal rate of 30 units pa.
- 4.4 The consequence of this is that significant numbers of houses are predicted in the final years of the plan which will not be delivered because of an unrealistic assumption about an early start on site. In our view, a delay of 3 years for delivery is quite likely and this simply as an example, produces a deficit in the plan period of circa 420 houses.

5. MX1904 Grimescar Valley

- 5.1 This is also a proposed mixed use allocation. The Grimescar Valley – Northern Gateway Vision document contains a section about deliverability (section 9) which talks about the first phase being delivered between 2014 to 2016 (so is obviously out of date) but does not include much further detail.
- 5.2 The Appendix 4 – Revised Local Plan housing phasing table 92016-based information assumes this site will contribute 1,535 units, with delivery commencing in 2019 of 105 units, then increasing the following year to 120 units followed by 125 units per annum rising through 140 units.
- 5.3 The site is located in a better market area than some of the other larger sites, but never the less, obtaining planning and commencing on site with 2 years of today's date is unrealistic.
- 5.4 The consequence of this is that significant numbers of houses are predicted in the final years of the plan which will not be delivered because of an unrealistic assumption about an early start on site. In our view, a delay of 2 years for delivery is quite likely and this simply as an example, produces a deficit in the plan period of circa 280 houses.

6. H1747 Land north of Bradley Road, Bradley, Huddersfield

- 6.1 This shows the part allocated and remaining Green Belt portion of the site delivering 120 units from 2019/20 onwards, in addition to the unallocated and green belt portion delivering 40 units per annum from a year later (2020/21).
- 6.2 The consequence of this is that significant numbers of houses are predicted in the final years of the plan which will not be delivered because of an unrealistic assumption about an early start on site. In our view, a delay of 2 years for delivery of the green belt part of the site is quite likely, as is a delay on site of one year in relation part allocated and green belt portion of the site, and this simply as an example, produces a deficit in the plan period of circa 200 houses.

6.3 General assumptions on the Housing Supply Topic Paper July 2017

This paper includes the following:

Table 6 - Build Rates

Overall dwelling capacity	Build rate
Less than 200	30 dwellings per year
200 - 499	50 dwellings per year
500+	Bespoke figure assumed for each site

6.4 We understand that the reason for assuming 50 dwellings per year for sites with the 200 to 499-unit capacity is because it is assumed that sites of these size will be developed by two developers. This is too simplistic in that many sites of this size are controlled by one developer/housebuilder and that a housebuilder will not give up control of a site for commercial reasons, so that in many cases this build rate will not be realistic and it will in fact be more like 30 units.

7. **Conclusion**

7.1 The above adjusted assumptions lead to a reduction of the anticipated supply of easily in excess of 1,500 units in the first five year period.

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Urban Extensions

Assessment of Delivery Rates



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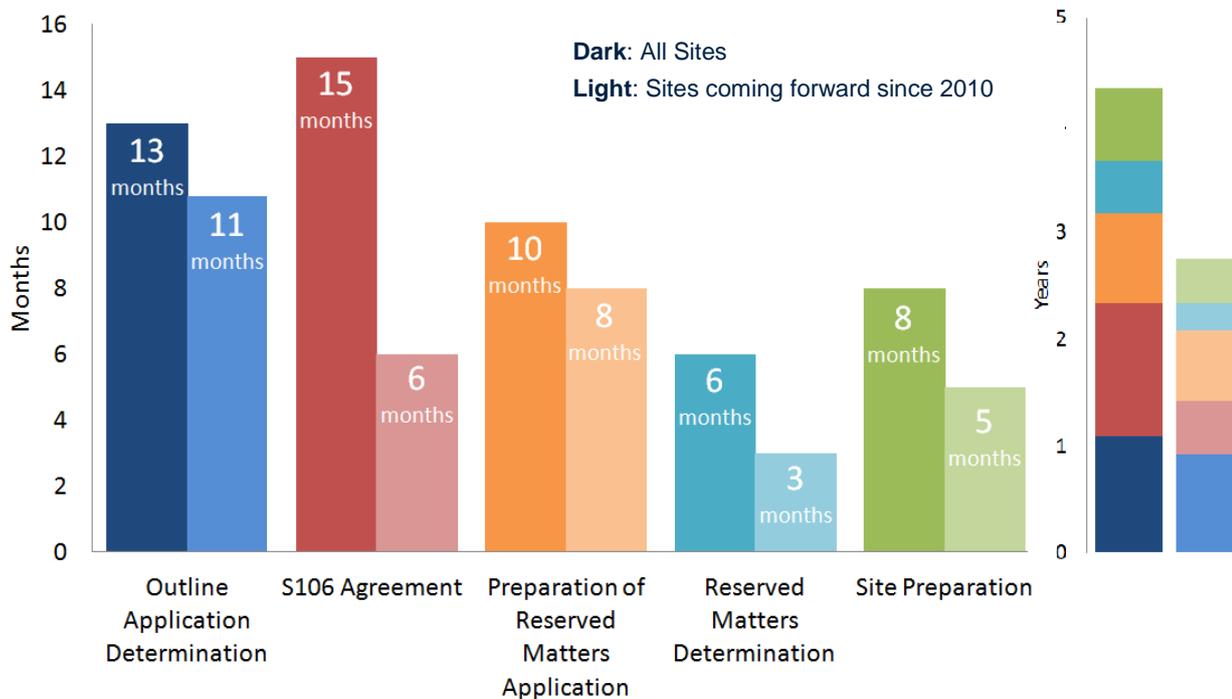
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1. Summary and Conclusions

This report assesses the pace of delivery of large scale development in order to establish how these sites contribute to five year housing land supply and the implementation of development plans. It considers firstly how long it takes for an urban extension to progress through the planning system, and once construction has started, the rate at which new housing units are delivered.

The report tracks the progress of 84 urban extensions through the planning system over the last 25 years. On average across all sites analysed, an urban extension site starts construction on **the first phase of housing more than four years after the submission of an outline application**. There are however many exceptions to this timescale. Whilst it is **not unusual for sites to take much longer**, in recent years urban extension sites have tended to progress more quickly. Considering only sites coming forward **since 2010**, the average time taken to start on **site drops to under three years after the submission of an outline application**.



Nevertheless, there are clearly significant risks of longer timeframes on these large complex sites. Delays can occur at any stage of the process, and can be due to many factors such as problems with funding, infrastructure requirements or local objections. However, the individual nature of these sites means it is difficult to identify absolute trends.

Some urban extensions have progressed through the planning process **more quickly in established growth areas**, suggesting that the appetite of the local authority for development and the resource available for progressing major planning applications plays a crucial role. Analysis of the sites in the sample indicates that, once construction starts and in a strong market, annual delivery can be anticipated to be around **60 units in first year of construction, picking up to more than 100 units per annum in subsequent years and increasing to around 120 units**. The build out rate of each site will depend on the disposal strategy of each developer, but the presence of multiple developers on site helps to drive higher annual completion

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rates. We are aware of many urban extensions in the south of England where recent delivery rates have been substantially in excess of 120 units per annum.

It should be noted that the above timescales do not take into account:

- a) Time taken between the allocation of the site and starting preparation of the planning application
- b) Pre application discussions/negotiations and preparation of the outline planning application
- c) The period between starting construction and delivering the first residential unit.

This study has not provided evidence in relation to these time periods. **Whilst previous research estimated b) and c) at 2.5 years, it is also the case that outline applications can be made very soon after allocation**, where local planning authorities and a developer are working together to bring forward sites, allowing processes to run in parallel.

In simple terms the data reviewed for the study points to the following indicative timescales.

	All sites	Post 2010 sites
Not reviewed in this study		
Allocation to first completions (years) ¹	6.8	Data not available
Allocation to start on site (years) ¹	5.3	
Reviewed in this study		
Outline application to start on site (years)	4.3	2.8
Build rate first year (homes per annum)	65	Not analysed separately
Build rate after first year (homes per annum) ²	110	

(1) According to earlier study by Hourigan Connelly for Gladman Developments.

(2) This rose to 120 per annum in 2013. Observed build rates in the south of England can be significantly higher.

The study indicates that, whilst many urban extensions have taken longer than four years to progress from outline application to a start on site, it appears that these timeframes have compressed more recently, to less than three years on average. This suggests that, if pre-application timeframes can be accelerated, it has become more likely that these sites can start to deliver housing within the lifetime of a five year housing land supply plan.

2. Introduction

Barratt Homes are seeking to understand the pace of delivery of large scale development in order to establish how these sites contribute to five year housing land supply and the implementation of development plans. This report will be used as evidence for planning applications and Development Plan submissions.

The report references a study by Hourigan Connolly on behalf of Gladman Developments Limited, *A Report into the Delivery of Urban Extensions*, published in February 2014, to provide case studies of sites of over 500 units that have been brought forward in the last 25 years. These case studies have been analysed to determine the timescales involved for these sites to progress through the planning system and start on site, and thereafter the rate at which housing units are delivered.

2.1. Methodology

The Gladman study was supported by evidence provided by local authorities on 78 sites via a site specific proforma. We have updated the study by reviewing recent planning activity recorded by Glenigan, adding in a further six sites for which an application has been made since 2010. All sites in the sample are urban extensions, predominantly on greenfield land. For the most part, the responses did not include sites on previously developed land which may require extensive remediation before houses are completed, new settlements which may require significant infrastructure work, or sites which have received government funding.

The regional spread of the sites is as follows:

Region	Number of Sites
South East	27
South West	12
East of England	6
East Midlands	14
West Midlands	5
Yorkshire and Humber	6
North East	1
Scotland	11
Wales	2

Of the sites in the sample, 64% are under construction, 6% have been built out, and 30% are yet to commence on site.

This data has been analysed in two stages. Firstly, we have examined how long it takes for a site to progress through each stage of the planning system, from the submission of an outline application to beginning construction of the first housing units, and sought to establish whether the size or location of the site influences this process.

The second part of the study examines the rate of delivery of units once construction has started, assesses how many units are deliverable from these sites per annum, and investigates the relationship between delivery and housing market strength.

3. The Planning Process

To establish the length of time for a site to progress through planning, we have broken down the process into 5 stages: submission of outline application to resolution to grant, negotiation of section 106 leading to the grant of outline permission, preparation of first reserved matters application, consideration of reserved matters application, and discharging the pre commencement conditions prior to the start on the first housing units. This study does not account for time spent on pre application discussions.

We have used the dates provided for each stage in the site proforma, supplemented by data from Glenigan Planning Database and local authority planning archives to establish when applications were submitted and determined for each site, and calculated the time period between each month. Taking the median time period for each stage indicates that **commencement on the first phase of housing delivery is likely to be in the fifth year following the submission of the outline application**. This is shorter timescale than the seven years detailed in the Gladman report, which accounts for additional stages, such as the preparation of the outline application (1 year) and the period between starting on site and delivering the first residential units (1.5 years). We do not have data covering these stages so have relied on the elapsed times of the schemes in question.

Table 1 – Median time taken from submission of outline application to start on site

	Year 1				Year 2				Year 3				Year 4				Year 5	
	Q1	Q2	Q3	Q4	Q1													
Outline Application Consideration	■	■	■	■														
Section 106 Negotiations			■	■	■	■	■	■	■									
Preparation of 1 st Reserved Matters Application										■	■	■						
Reserved Matters Consideration													■	■				
Site Preparation including discharging pre commencement conditions											■	■	■	■	■	■		
Start on Site (Housing)																	■	

Source: Savills using data from Gladman, Hourigan Connolly, Glenigan and local authorities

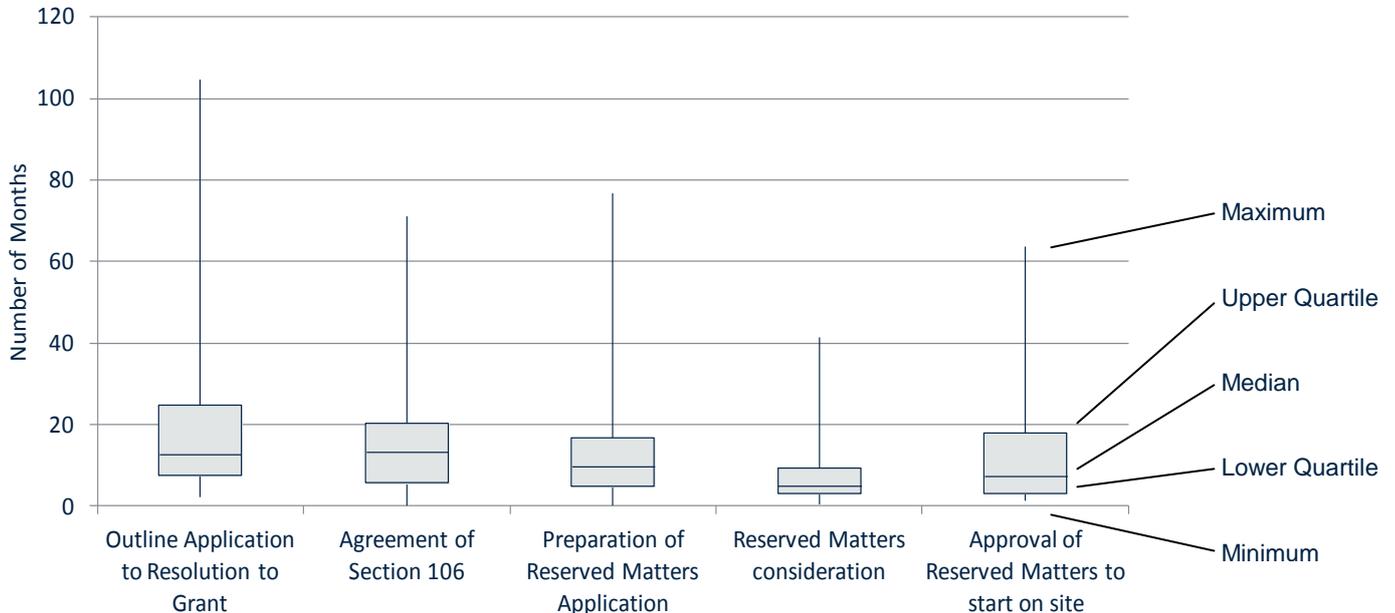
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Within the sample however, there are significant variations from this timescale. Figure 1 shows the maximum, minimum, median and lower and upper quartiles of the time taken to progress through each stage.

Figure 1 – Range of timescales for urban extensions to pass through planning process



Source: Gladman & Hourigan Connolly

There are outliers over long time periods at each stage of the process, which highlights the complexity of bringing this type of site forward. The **median time for a site to gain a resolution to grant permission is just over one year**, but the sample also includes eight sites which took over 3 years to reach the same stage. Within each category there are also sites which are yet to reach the end of that stage. Among these sites are Bronham Road in Bedford, Ladygrove East in South Oxfordshire and Shawfair in Midlothian. All these sites are at the Agreement of Section 106 stage, having gained a resolution to grant in 2003, 2005 and 2006 respectively. The amount of time taken to agree the Section 106 or Section 75 agreement on these sites has already far exceeded the current maximum in the sample of 71 months, likely due to the changing housing market affecting viability following the economic downturn in 2008.

Each site has unique circumstances that may hamper its progress, from local opposition, statutory challenges, a call in for determination by central government, to the strength of local housing market. This can be simply due to the complexity of the application, as the size of these schemes often means there are multiple development partners involved. At Cranbrook in Devon, the Section 106 took over 64 months to agree, well above the median time of 14 months, as multi-agency agreements and clawback clauses, combined with difficult market conditions caused significant delay. Initial delays can also result in further complications; Outline Permission was granted in 1991 for the 660 unit site at Branston, East Staffordshire, and although several reserved matters applications were approved between 1994 and 2004, only 50 units were ever built. The site was sold in 2010, and rather than continue to submit reserved matters applications for the 1991 permission, the new developer instead submitted a revised outline application to reflect the changed housing market conditions in October 2011. The new application has progressed much more quickly, gaining Outline Permission in 2013.



3.1. Infrastructure Requirements

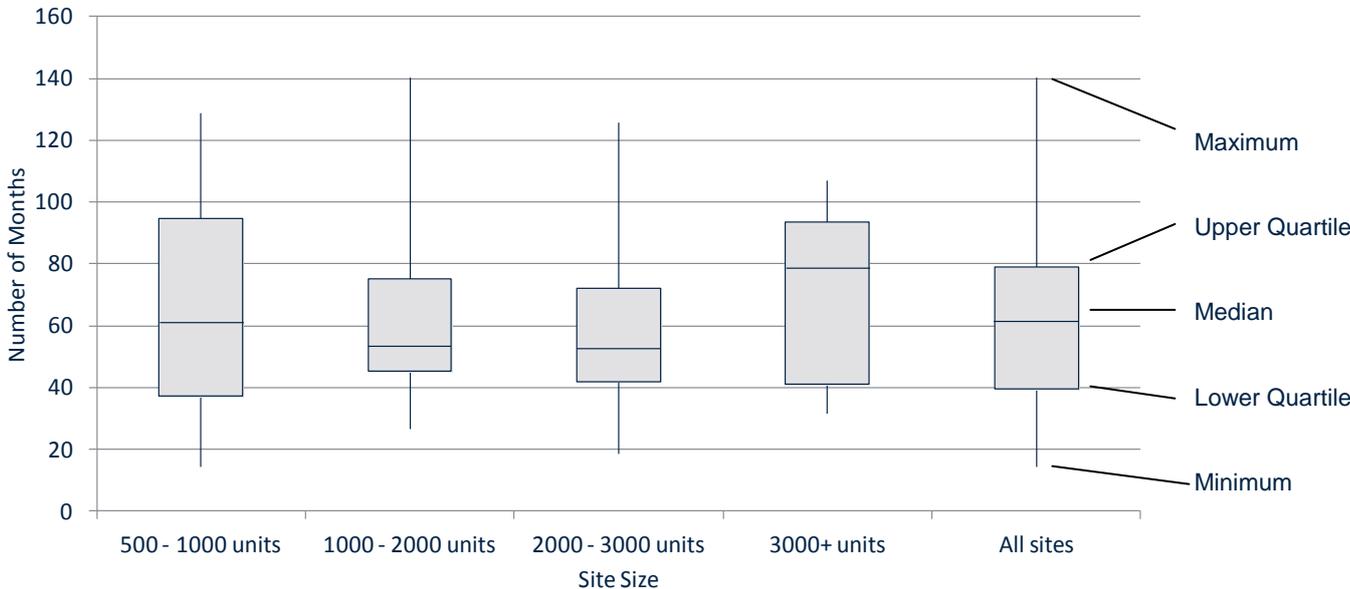
A recurring hindrance to quick progress is the provision of infrastructure. This tends to slow down the delivery of urban extensions at two key points, firstly in agreeing the Section 106, and secondly between approval of reserved matters and starting on the first housing units. It took three years for the Section 106 for the 1,284 unit site at Sharp Lane, Leeds to be agreed, as it was complicated by requirement for off-site highway works.

The timing of the infrastructure works is also key. Where is it planned to be delivered in line with the phasing of housing delivery, the potential for problems is limited. At Hunts Grove, Gloucester, major off-site works have been scheduled in line with delivery of later phases, allowing construction to start on housing four years after the submission of the outline application, and the site to deliver 400 units since construction started in 2010. However, if the infrastructure works are not phased alongside the housing delivery, it can pose problems; the site at Melton Road, Rushcliffe made smooth progress through the planning system. The outline permission was granted a year after submission, and approval of the first reserved matters application followed 18 months later. Three years later however, construction is yet to start on site as major off site infrastructure is still required. Similarly, the North Colchester urban extension gained a resolution to grant subject to the agreement of the Section 106 in September 2013, but improvements to the Northern Access road are required before development can get underway and consequently timescales for the submission of reserved matters and subsequent delivery of housing is undetermined at present.

3.2. Site Size

There is little correlation between the size of the urban extension and how long it takes to progress through the planning process. **The median for 3000+ unit sites is slightly higher at 79 months compared to 50 – 60 months for the other size bands.** However, the maximum time taken for the 3000+ unit sites is lower than the maximum in all other site size bands. .

Figure 2 – Time taken from submission of outline application to start on site by site size



Source: Gladman & Hourigan Connolly

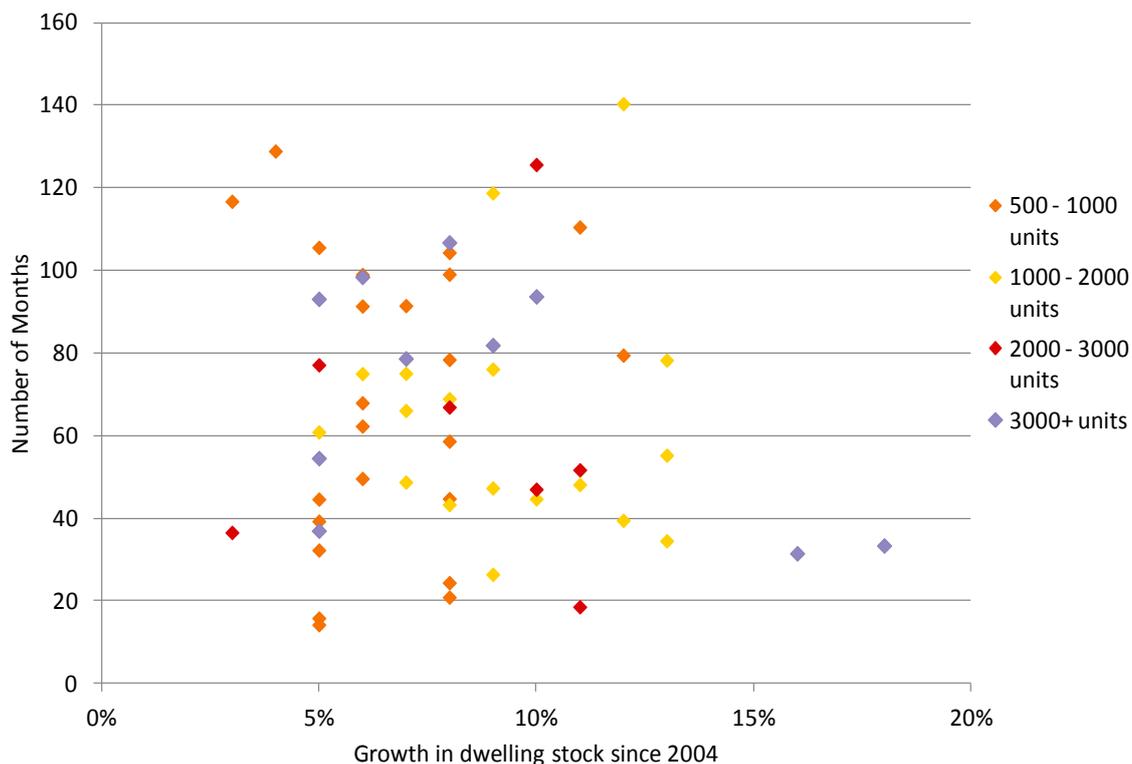
Urban Extensions

Assessment of Delivery Rates



There is however some indication that sites are more likely to progress quickly through the system in local authorities with high housing growth. Plotting the total time taken for construction to begin from the submission of an outline application against the increase in dwelling stock in each local authority over the last decade shows rapid progression of sites of over 3000 units in the established growth areas of Milton Keynes and Corby.

Figure 3 – Time taken from submission of outline application to start on site by authority delivery rates



Source: Savills using DCLG, Scottish Neighbourhood Statistics, Gladman & Hourigan Connolly

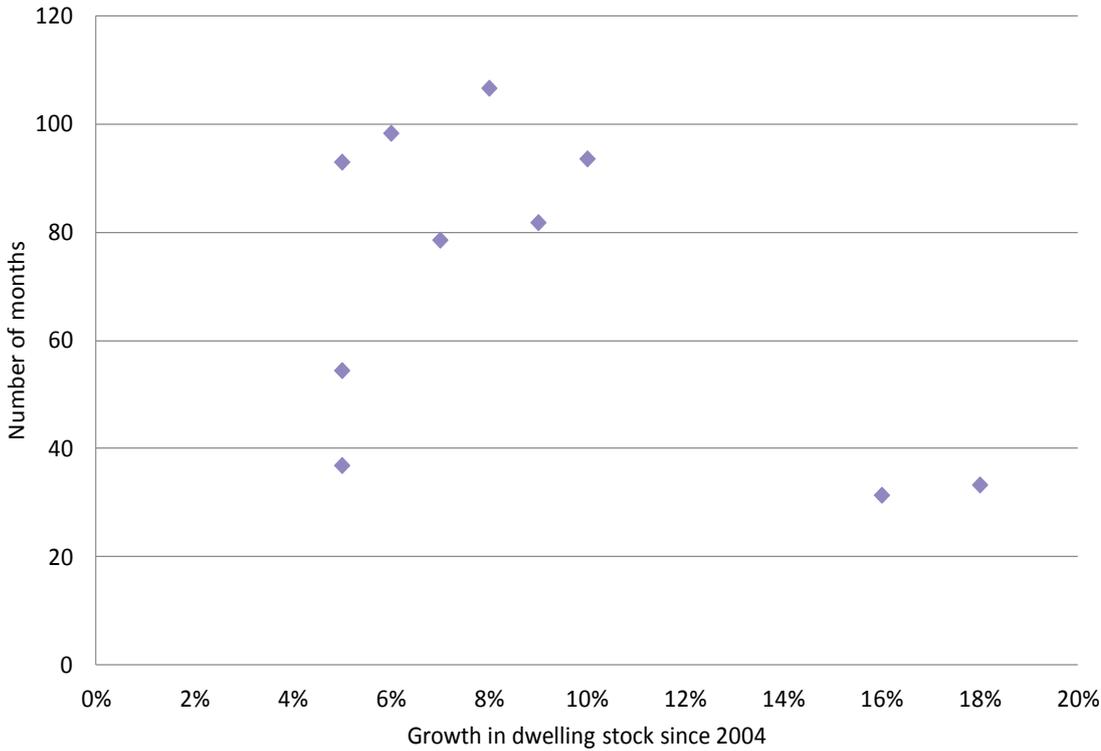
Urban Extensions

Assessment of Delivery Rates



In these two local authorities, which have respectively seen a 16% and 18% growth in dwellings since 2004, construction began within three years of an outline application being submitted. Conversely in the local authorities which have seen less than 10% growth, all but two of the 3000+ unit sites took longer than the 5 year average outlined in Table 1.

Figure 4 – Time taken from submission of outline application to start on site by authority delivery rates: 3000+ unit sites



Source: Savills using DCLG, Scottish Neighbourhood Statistics, Gladman & Hourigan Connolly

The rapid progress of these sites through the planning process in local authorities which were already delivering high numbers of new dwellings suggests that the appetite for development and resource for dealing with major applications within the local authority plays just as important role in bringing forward urban extensions as the characteristics of the site itself. Corby and Milton Keynes were both recipients of funding through the 2003 Sustainable Communities Plan, which included grants totalling £350 million across the country for Planning Delivery, enabling them to progress major development sites more rapidly.

Urban Extensions

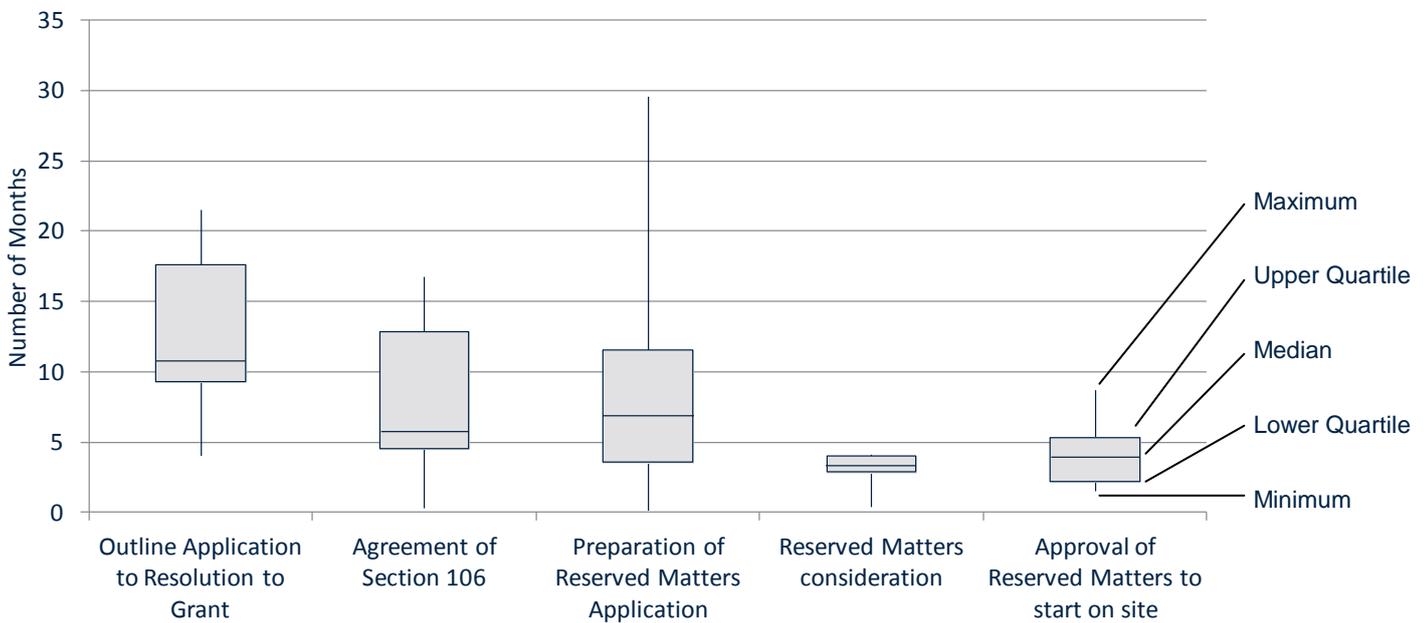
Assessment of Delivery Rates



3.3. Recent Trends

The sites sampled in Gladman’s report have come forward over a thirty year period, reflecting a variety of market conditions. To gain a clearer understanding of the progression of urban extension sites in the current climate, we have identified 24 sites for which an outline application was submitted after 2010, 18 of which were identified in the original Gladman report. Compared with the overall sample, these sites have progressed much more quickly, taking an **average of 33 months from the submission of the outline application to start on site, against the average of the whole sample of 60 months.** This suggests that it has become more likely that large sites will progress through the planning system quickly enough to begin delivering housing units within the lifetime of a five year housing land supply plan.

Figure 5 – Progression of urban extension applications submitted since 2010

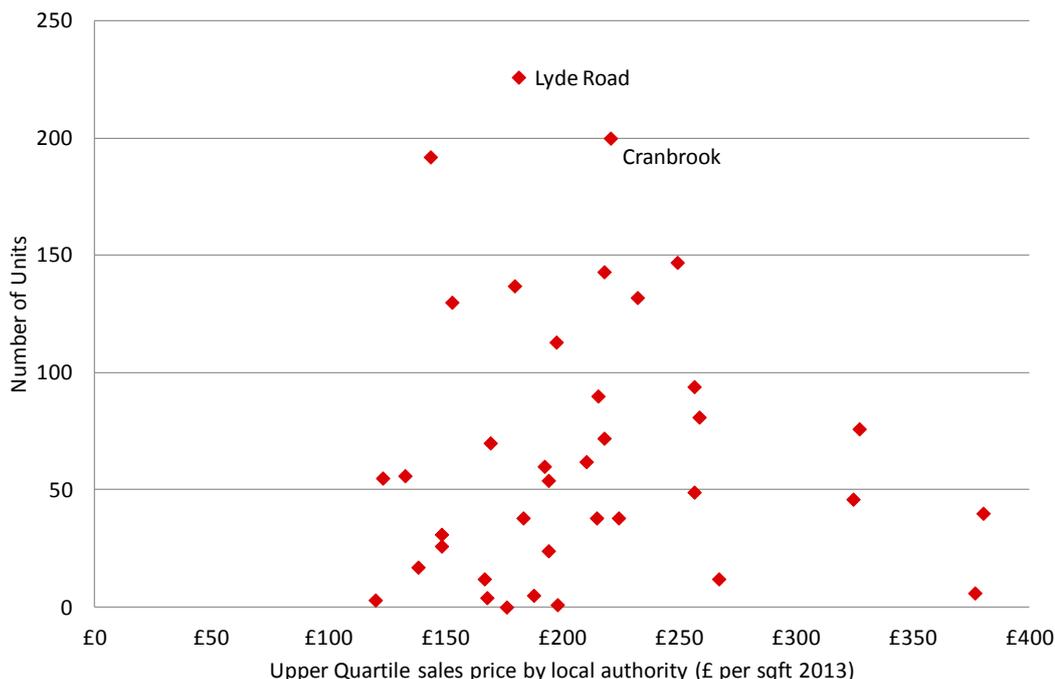


Source: Savills plus Gladman & Hourigan Connolly

4. Housing Delivery Rates

The site proforma in the Gladman study detail the number of units delivered per annum on sites where construction has started. Data is provided for 43 sites. **On average, sites delivered 65 units in the first year of construction**, although again there is a wide variation in the numbers delivered.

Figure 6 – Delivery of housing in the first year of construction



Source: Savills using Hometrack, Gladman & Hourigan Connolly

The sites which delivered high numbers in the first year generally did so due to their funding arrangements. The Lyde Road site in Yeovil which delivered 226 units had a high completion rate as the majority of the units were affordable homes and had to be completed within that financial year as a condition of government funding. The second highest delivery in the first year of construction was 200 units at Cranbrook in Devon. This site benefitted from strategic restrictions on development elsewhere in the borough, creating a positive climate for investment in the scheme, and competition between multiple developers on the site has led to high build rates.

After the first year of completions, the number of houses delivered by a site **rises to an average of 110 units, and remains at or above that level until year six of delivery**. After that point, delivery rates on sites in the 500 – 1000 unit band taper as they near completion. We do not have sufficient data to comment on delivery rates on larger sites in the later years of development.

Urban Extensions

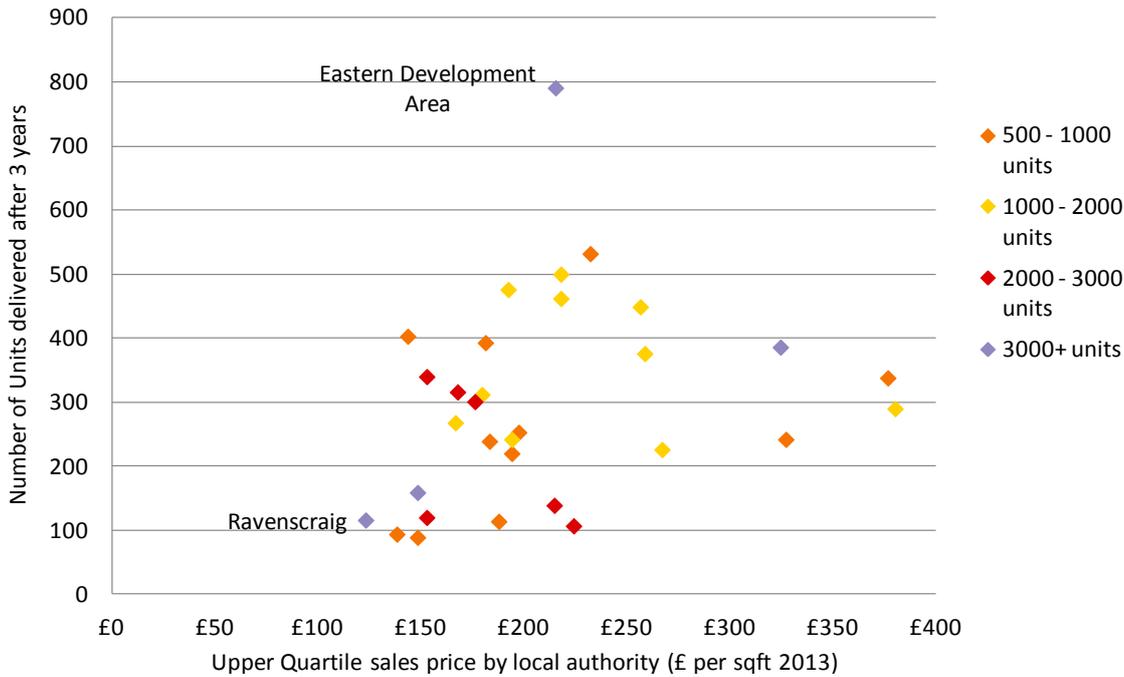
Assessment of Delivery Rates



4.1. Housing Market Strength

To study the relationship between delivery rates and housing market strength, we have plotted the number of units delivered three years after construction commenced against Hometrack house price data for the site's local authority.

Figure 7 – Impact of site size and housing market strength on rates of delivery in three years following start on site



Source: Savills using Hometrack, Gladman & Hourigan Connolly

This demonstrates that sites that struggle to deliver at high volumes tend to be in lower value areas. Every site that had not delivered 200 units or more after three years of construction is located in a local authority where the upper quartile sales value was less than £250 per sqft in 2013.

There is no overall trend of higher levels of delivery on the larger sites. There are very high rates on Eastern Development Area at Milton Keynes (capacity 4,000 units) where 791 units were delivered after three years of construction. This is in an established growth area, and was associated with high levels of competition between multiple developers on site. However, volumes have been much lower on other sites of a similar size. Conversely, the Ravenscraig site (capacity 3,500 units) has only delivered 116 units over the same period. Factors contributing to this include a weaker housing market, with upper quartile sales values of £126 per sq ft, and only having one developer active on site.

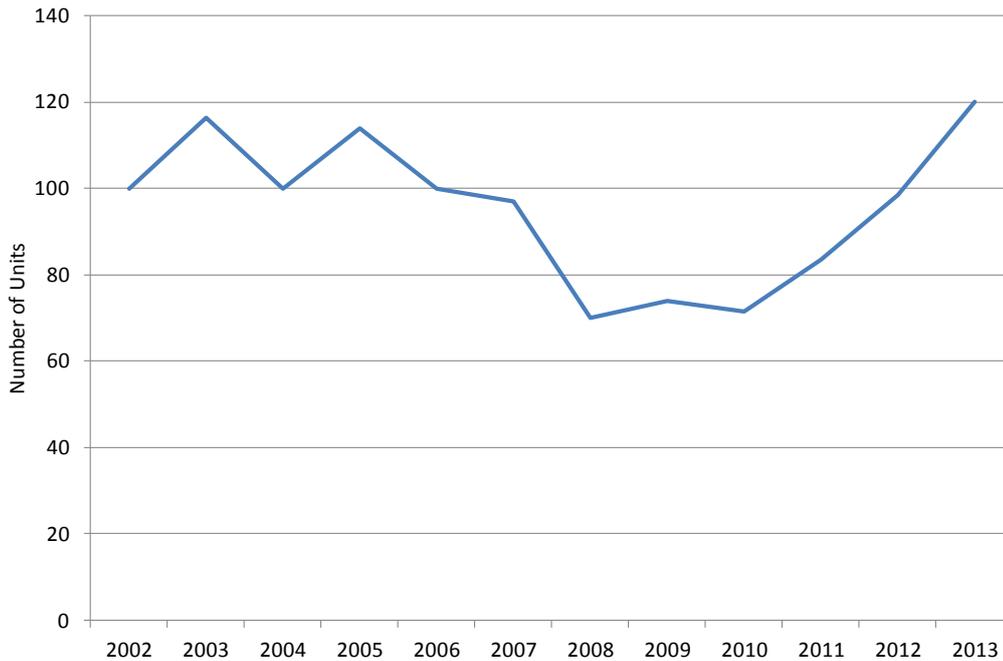
Urban Extensions

Assessment of Delivery Rates



The influence of the strength of the housing market on delivery from urban extensions is further shown by looking at the average total number of units, including affordable, delivered from the sites in the sample each year since 2002. In the years prior to the economic downturn, average delivery never dropped below 100 units a year. The weaker market from 2008 resulted in reduced delivery of fewer than 80 units a year from 2008 to 2011. As the housing market has strengthened in the last two years, delivery from the sites in the sample has increased sharply to an average of 120 units in 2013.

Figure 8 – Average annual housing delivery on urban extensions



Source: Gladman & Hourigan Connolly

At these rates, it takes a significant period to build out an urban extension to reach site capacity, but will see steady supply and high numbers of delivery, over the build out period, especially when building out in a robust housing market. The sites in the sample that have reached their first allocated capacity are:

- Cortonwood Colliery, Rotherham – 529 units, eight years from construction start, 17 years from submission of the outline application
- Former Brymbo Steelworks, Wrexham – 700 units, seven years from construction start, 17 years from the submission of the outline application
- Marks Farm, Braintree – 1000 units, twelve years from construction start, 14 years from submission of the outline application
- North East Caterton, West Oxfordshire – 1500 units, twelve years from construction start, 15 years from submission of the outline application
- Queen Elizabeth Park, Guildford – 500 units, seven years from construction start, 8 years from the submission of the outline application.

We are aware of many urban extensions in the south of England where recent delivery rates have been substantially in excess of the 120 units per annum shown in the chart for 2013.

Important Note

Finally, in accordance with our normal practice, we would state that this report is for general informative purposes only and does not constitute a formal valuation, appraisal or recommendation. It is only for the use of the persons to whom it is addressed and no responsibility can be accepted to any third party for the whole or any part of its contents. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent, which will not be unreasonably withheld.

Our findings are based on the assumptions given. As is customary with market studies, our findings should be regarded as valid for a limited period of time and should be subject to examination at regular intervals.

Whilst every effort has been made to ensure that the data contained in it is correct, no responsibility can be taken for omissions or erroneous data provided by a third party or due to information being unavailable or inaccessible during the research period. The estimates and conclusions contained in this report have been conscientiously prepared in the light of our experience in the property market and information that we were able to collect, but their accuracy is in no way guaranteed.