

**Wednesday 15 January  
2020**

**Morning session**

**9.30am – 1.00pm**

## **Matter 4**

### **Build Out Rates**

#### **AGENDA**

*The numbered questions in italics below are the original questions from the Inspector's matters, issues and questions document [IED/020]. For any original question that is not shown below, the Inspector has sufficient information from the hearing statements and responses, and is not inviting further discussion on it.*

*The commentary in normal typeface is from the Inspector.*

*The lettered questions in **bold typeface** are the further questions on which the Inspector will be inviting discussion at the hearing session. He is not inviting written responses to these questions.*

1. *Would the NEAs and NEGC Ltd please respond to the critique of the Topic Paper Build out rates in the Garden Communities (July 2019) [EB/082] in:
  - a) *the Review of NEA Build Out Rates Topic Paper report (27 Sept 2019) prepared by Lichfields (Appendix A to Gladman's consultation response)?*
  - b) *representations from other participants?**

Some of the comparators cited in EB/082, and by NEGC Ltd in their hearing statement, provide evidence of projected, as opposed to actually-achieved, build-out rates. In most cases the build-out rates shown in the Letwin Review [EXD/055 & 056] combine actual and projected rates.

ANSC & Countryside refer in their hearing statement and response to the North East Chelmsford development, which has delivered an average of 308dpa (max of 372dpa) over the last three years, and Great Kneighton near Cambridge, where an average 389dpa were delivered from 2013 to 2017. The Letwin Review's Graph AX23 appears to show seven years of actual build-out at Great Kneighton, delivering about 95% of the capacity of 2,300 at an implied rate of about 312dpa<sup>1</sup>.

#### **A. How much reliance should be placed on projected, as opposed to actual, build-out rates when seeking to estimate likely build-out rates at the North Essex GCs?**

The NEAs and NEGC Ltd both stress that housing tenure mix is an important consideration when considering build-out rates.

<sup>1</sup>  $2,300 \times 0.95 = 2,185 / 7 = 312.1$

**B. What mechanism would be used to ensure that the housing tenure mix set out in the tables at Appendix 1 of NEGC Ltd's response is achieved?**

EB/082 refers at to three sites at Bicester (included in the Letwin Review) as evidence that high build-out rates can be maintained on large sites that are close to one another. Graph AX20 in Annex A to the Letwin Review show years of actual and projected build-out on each site. Graph AX23 appears to show seven years of actual build-out at SW Bicester, delivering about 40% of the capacity of 2,425<sup>2</sup>. That would imply an average actual build-out rate of about 139dpa. For Graven Hill, AX23 does not clearly show the actual build-out rate over the two years referenced in AX20, and no information is given in AX23 for NW Bicester although four years of actual build-out are referenced in AX20.

**C. Is any information available on when each of the three Bicester sites began delivering housing, and on how far away from each other they are?**

In their hearing statement, NEGC Ltd say that, because the North Essex GCs are a unique public sector-led initiative, identifying directly comparable evidence is challenging. They point to comparators such as Development Corporation-led developments, large-scale strategic land releases with elements similar to GCs, and similar large-scale developments such as Harlow Gilston Garden Town.

**D. When estimating likely build-out rates at the proposed GCs, is it important to select comparator sites with similar characteristics?**

The Homes and Communities Agency [HCA] paper *Notes on Build out rates from Strategic Sites (July 2013)* says "evidence would suggest that forecast trajectories for the very largest sites (say 4,000 units+) may be in the range of 300-500 units pa". However, the site-specific examples in the table on the fourth page of that paper give average build-out rates of 205dpa, 265dpa, 281dpa & 321dpa for the four sites of 4,000 units+ that feature in the table.

**E. Is there clear evidence in the HCA paper to support forecast trajectories in the range of 300-500 units pa for sites of 4,000 units+?**

2. *Representations from a number of participants argue that lead-in times for the start of housing development at the proposed GCs would be longer than four or five years from the adoption date of the plan establishing their acceptability in principle.*
- What are the NEAs' and NEGC Ltd's responses to those arguments?*
  - What is the NEAs' and NEGC Ltd's expected timescale for each key stage (including masterplan & DPD adoption, outline planning permission and reserved matters approvals) from the adoption of the Section 1 Plan to the start of development at each GC?*

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<sup>2</sup> 2,425 x 0.4 = 970 / 7 = 138.6

In response to Q2(b), both the NEAs and NEGC Ltd have provided expected timescales in their hearing statements. The NEAs' cover two scenarios, with and without the use of Local Development Orders (and Compulsory Purchase Orders if necessary), which see development at West of Braintree and Tendring Colchester Borders GCs beginning in mid-2023/24 and early 2024 respectively. NEGC Ltd's, which includes use of LDPs and CPOs, anticipates development beginning in 2023/24.

Mr Lambert draws attention to the table at para 16 of the Avison Young Viability Evidence for NEGC Ltd, which shows development at Colchester Braintree Borders beginning in Year 11, five years later than at the other two GCs.

**F. Does the NEGC timescale also apply to just the West of Braintree and Tendring Colchester Borders GCs?**

**G. How would the use of the Local Development Order process, as proposed by the NEAs and NEGC Ltd, provide a faster route to an implementable consent, as the NEAs claim?**

**H. What would be the purpose of the CPOs that are included in the NEAs' and NEGC's expected timescales?**

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

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

In their hearing statement the NEAs say that in estimating the number of outlets needed at the proposed GCs:

(a) a conservative delivery figure of 40dpa per outlet should be used for the 70% market housing share, and

(b) the 30% affordable housing share should not be included when estimating the number of outlets.

In EXD/049, response to Inspector's Q15(i), the NEAs say that 40% of the 30% affordable housing share (ie, 12% of total housing delivery at the GCs) is to be provided as shared ownership/intermediate tenures, to reflect the national policy expectation that 10% of large sites should be low-cost home ownership products.

**I. Is a delivery figure of 40dpa per outlet reasonable?**

**J. Should low-cost home ownership products be included in the market housing share?**

Status of the Uttlesford part of the West of Braintree GC

In their response, Galliard express concern that the Uttlesford part of the West of Braintree GC "could by default drop out of this proposal altogether". But it appears to the Inspector that only the part of the West of Braintree GC within BDC's area is a proposal in the submitted Section 1 Plan. The part in the UDC

area is a proposal in the submitted Uttlesford Local Plan, which is the subject of a separate examination. Inspector Mr Clews has no ability to recommend land allocations outside the North Essex plan area.

**K. Is the Inspector's understanding of this point correct?**

**L. Are there any other points, not already covered, which need to be discussed at this hearing session?**