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MATTER 5 HEARING STATEMENT

Hart District Council Local Plan Examination

SUBMITTED ON BEHALF OF WATES DEVELOPMENTS LIMITED

October 2018

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1 INTRODUCTION

- 1.1 This statement has been prepared on behalf of Wates Developments Limited ('Wates'), the promotion party and developer relating to the potential development of up to 700 residential dwellings, site for primary school, Suitable Alternative Natural Greenspace (SANG) and community facilities at Pale Lane, Fleet.
- 1.2 This Statement is made following the submission of the Hart District Council ('HDC' or 'the Council') Local Plan to Secretary of State for examination. We note and approve of the scope of examination as detailed by yourself in the 'Schedule of Matters and Issues for the Examination'. This Statement covers those questions posed within Matter 5 – Housing trajectory, deliverability and housing land supply.
- 1.3 For the submitted Local Plan, Wates has submitted duly made representations to each stage of the Local Plan production. This includes submissions to the Council's Regulation 19 consultation on the submission draft plan, where comment was made on the soundness of the Plan, the Sustainability Appraisal and Strategic Housing Land Availability Assessment. This submission must be read in the context of, and in conjunction with, these earlier representations.
- 1.4 In accordance with the transitional arrangements of the 2018 National Planning Policy Framework (NPPF) and as stated within the 'Guidance Note' to this Examination, the Plan will be assessed against the policies of the 2012 NPPF. Unless specifically stated, where the NPPF is made, this will be referencing the 2012 iteration.

2 MATTER 5 – HOUSING TRAJECTORY, DELIVERABILITY AND HOUSING LAND SUPPLY

Are the projected commitments in the Housing Trajectory based on a realistic and robust assessment of the likely timing of delivery?

Is the anticipated delivery from Hartland Village for each year in the Plan period realistic?

- 2.1 Research¹ by NLP on the delivery rates of large scale projects investigated both the realistic lead-in time for large scale housing developments as well as the realistic annual build rate once the scheme starts delivering. The analysis considers the length of planning approval period for different sizes of site, including comparing largescale sites with small sites.
- 2.2 Even for sites that currently benefit from existing planning permissions considerable time is required to create an implementable permission², negotiating commercial deals, site clearance and infrastructure works all prior to the first housing completions being achieved. Interestingly, smaller sites have struggled to equally or to an even

¹ Start to Finish: How Quickly do Large-Scale Housing Sites Deliver? November 2016 (**Appendix A18**)

² Discharging pre-commencement conditions and planning obligations

greater extent than larger sites. This period of development takes just over 18 months for small sites of under 500 units, including those of 0-99 dwellings.

- 2.3 The developer had previously targeted first completions from Phase 1 to commence in July 2018. However, as of October 2018, the developer was still seeking approval of numerous pre-commencement conditions (save for clearance and demolition works).
- 2.4 Given the historical uses on the site, including identified high-risk historic infrastructure, there are anticipated to be significant contaminated land issues experienced during the ground infrastructure phases of the development. Whilst these are likely capable of being overcome, to expect a straightforward, uninhibited implementation (such as is applied to unconstrained greenfield developments) would be both unrealistic and irresponsible.
- 2.5 Accounting for already known delays and an optimistic lead-in time of 12 months³, should the all pre-commencement conditions be discharged by the end of the year⁴, first completions can be expected from the start of 2020.
- 2.6 Further research⁵ demonstrates that a single sales outlet on a development will typically generate 30–40 sales per annum. Whilst Hartland Park forms a new settlement of sorts, capable of creating its own micro-market, it is currently being bought forward by a single house builder (Berekley Homes) as part of a Joint Venture with National Grid. We contest that this single developer would not realistically seek to encourage multiple outlets, from multiple different house builders at a single time.
- 2.7 Furthermore the low (20%) provision of affordable housing at the site diminishes its ability to achieve higher build out rates. The same NLP research on housing output found that strategic sites providing only 20-29% affordable housing would achieve outputs of just over 80 dwellings per annum, whilst sites providing 30-39% achieved over 130 dwellings per annum.
- 2.8 The phased trajectory anticipates that these strategic sites can all deliver high build-out rates at the same time towards the latter part of the Plan period. The emerging Independent Review of Build Out by Sir Oliver Letwin MP published its interim findings in March 2018 and concluded that a (if not 'the') key constraint to improving build-out rates is the absorption rate, particularly in relation to large, homogeneous sites.
- 2.9 A way around this is to provide greater diversity of product either through rented units, affordable housing, or different house builders providing different styles of sale product. As detailed above, the evidence suggests Hartland Park will be delivered by a single house builder who specialise in for-sale, market housing.

³ Noting the Environment Statement Volume 2 supporting the Hartland Park application proposed 12 months for 'Enabling and Site Preparation Works'

⁴ There are three pending applications, one of which with a target determination in December 2018

⁵ NLP Stock and Flow Planning Permissions and Housing Output January 2017

2.10 In the context of the above, it is unrealistic and unjustified for the Plan to propose the site to be capable of delivering up to 130 dwellings per annum, and an average of 115 dwellings per annum over a sustained 12 year period.

2.11 Taking together anticipated first housing completions from January 2020 and an averaged peak housing yield of 80 dwellings per annum⁶, Hartland Park would be expected to deliver 984 dwellings within the Plan period.

Table 2.1: Revised Housing Trajectory for Hartland Park

Site	Oct 17 – Mar 18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
Hartland Park	0	0	24	80	80	80	80	80	80	80	80	80	80	80	80	984

Are the projected completions in the Housing Trajectory based on a sound assessment of infrastructure requirements?

2.12 Given the recognised and evidenced⁷ viability concerns with Hartland Park, there are to be concerns over the timing of infrastructure necessary to justify the delivery of new housing at the site.

2.13 There are significant upfront infrastructure needs prior to the delivery and occupation of new housing on the site. In particular there are significant costs associated with the provision of SANG, bus services, and various financial obligations prior to first occupation.

2.14 As has been detailed, there are serious concerns over the ability of the site to be delivered quickly, particularly in the context of the significant contamination remediation that is required at each phase of the development.

2.15 There are further questions on the restrictive triggers in relation to the provision of particular infrastructure secured within the S106. In particular, no more than 180 dwellings or Phase 2 (whichever is earlier) is to commence prior to the provision of a serviced primary school plot has been prepared and transferred to the County Council. Whilst there is suitable time for this to occur⁸, we are well aware of the complexities around the preparation and legal transfer of this land.

⁶ Wates has contended Pale Farm will deliver 75 dwellings per annum even with a far higher (40%) affordable housing provision

⁷ Application could only deliver 20% affordable housing due to viability issues and the Council’s own Viability Study (ECO3a-d) supports

⁸ Should the delivery rates we have provided at paragraph 2.11 are applied

Is the use of a 5% buffer justified? Has there been a record of persistent under delivery?

Should any lapse rates be included in the Housing Trajectory?

2.16 Wates believes that these two issues are interlinked and require consideration in unison, particularly where uncertainty arises over the historical performance of the Council’s housing delivery against earlier trajectories.

2.17 The Cotswold High Court judgment⁹ establishes that persistent under delivery can be assessed using a number of different metrics. Whilst housing delivery has picked up over the assessment years of 2015/16-2017/18, preceding this housing delivery had fallen short of the OAN of the District in seven of eight years.

2.18 Both the application of a buffer to need and an adjustment for lapse rates are typically applied to provide greater certainty given the poor historical record of councils in predicting supply and the number of applications generally which fail to translate to into completions.

2.19 At a national level, current trends on the delivery of housing versus the number of planning permissions approved show continued pattern of completions falling behind historical permissions. Table 2.2 details how nationally, approximately 30% more permissions than actual completions are made each year:

Table 2.2: Residential Planning Permissions vs Completions

	Residential Units Approved (England)¹⁰		Housing Completions (England)¹¹
2011	176,209	2011/12	134,900
2012	195,300	2012/13	124,720
2013	217,488	2013/14	136,610
2014	239,310	2014/15	170,690
2015	260,778	2015/16	189,650
2016	293,127	2016/17	217,350
Total	1,382,212	Total	973,920

2.20 Even with the vast majority of sites within the Plan benefiting from planning permissions, this does not guarantee their delivery within the Plan period, or at all. If the Local Plan is to be effective, there should be consideration for applying a lapse rate and the allocation of further deliverable sites.

⁹ Cotswold District Council Vs Secretary of State for Communities and Local Government & Anor [2013] EWHC 3719 (Admin)

¹⁰ House Builder’s Federation - Housing Pipeline report – Q2 2017 Report

¹¹ MHCLG Table 12: Components of net housing supply