



THE HOME BUILDERS FEDERATION

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Cheshire East Local Plan Strategy - revised build rate and lead in methodology

1. Thank you for seeking the views of the Home Builders Federation (HBF) on the proposed revised build rates and lead in methodology.
2. The HBF is the principal representative body of the house building industry in England and Wales and our representations reflect the views of our membership of multinational PLCs, through regional developers to small, local builders. Our members account for over 80% of all new housing built in England and Wales in any one year including a large proportion of the new affordable housing stock.
3. The HBF welcomes this opportunity to provide comment upon the Council's proposed changes to build rates and lead-in times.

General issues

4. The use of standardised build rates and lead-in times are in principle acceptable. The HBF do, however, advocate discussion with the relevant site developer so that the implications of infrastructure provision, site constraints and construction start-up can be properly assessed and built into the trajectory for site completion.
5. Where standardised build rates and lead in times are utilised it is important that these are supported by robust up to date evidence (PPG paragraph 3-031). The covering email to the consultation alludes to evidence gathered via discussions with developers at section 78 appeals and the Local Plan Technical Workshops. In addition it is stated that data analysis has taken

place upon development patterns of sites that have recently been delivered. The evidence used in the derivation of the Council's assumptions should be made publicly available to enable independent analysis of the Council's proposed assumptions. Without this information it is impossible to identify how the Council has come to its assumptions and whether they are rational. Our experience suggests that the assumptions used need to be amended to more closely reflect reality within Cheshire East.

6. It is also noted that the focus of this data analysis has been on activity on sites delivering within the last financial year (2014/15). The HBF recommend that data from more than a single year be considered to ensure that robust analysis can take place. This point was clearly expressed and recorded in the minutes of the HMP workshop on 19th December 2013 as well as our comments upon the SHLAA update, dated 17th January 2014.
7. It should also be noted that the Council will play a significant role in the lead-in times and any delays in determining applications, completing section 106 agreements or discharging conditions, particularly pre-commencement conditions, will have a significant bearing upon the timescales for delivery of a site.
8. The Council's assumptions make no allowance for sales capacity within an area. This is particularly relevant where there are numerous competing sites within close vicinity. Where such competition exists it is important that the Council provides a discount upon delivery rates. This is particularly important if the sites are similar in nature and are expected to come forward in a similar time frame.

Build Rates

9. The Council proposes a range of build rates across a variety of site sizes, this is generally considered appropriate. However, as noted above, the chosen build rates should be based upon analysis of data from more than one year. The HMP workshop minutes (19th December 2013) clearly identifies that this should be based upon delivery rates over the previous five years. The HBF further noted within our comments upon the SHLAA update (17th January 2014) that an element of caution should be factored into such analysis based upon geographic variations and any particularly high rates, such as those which may be associated with apartments. As noted previously the Council should make this evidence available for comment.
10. The Council also makes reference to sites with more than one developer delivering at a faster rate. Whilst it is reasonable to make such an assumption this should only be used where the Council has clear evidence that more than one developer will operate on a site. It should not be simply assumed that because a site is above a certain size threshold more than one developer will be present. The HBF therefore strongly recommends that,

unless there is evidence to the contrary, the delivery rates for sites of 200-499 homes and 500+ homes be set at 30dpa.

11. The Council will also need to justify why two developers on a site would lead to a doubling of the delivery rate. Due to the fact that demand will limit build rates, a more conservative uplift is recommended, again the Council should provide evidence to justify its position.
12. The Council's assumptions also include a number of apparent inconsistencies which should either be justified or removed, these are;
 - *Site Size: 11-30 homes* – the Council's table suggests a faster build rate for such sites than the 31-50 homes site size (up to 30dpa). The justification for this is unknown. The HBF consider that a build rate of 15dpa for such sites is more appropriate. This accords with the 31-50 homes site size; and
 - *Site Size: 31-50 homes* – The sites with a resolution to grant (i.e. awaiting section 106) are indicating a build rate of up to 50dpa. This is contrary to the other build rates within this category and considered overly optimistic. To provide conformity with the rest of this site size and provide realism a build rate of 15dpa is recommended.

Lead-in Times

13. The HBF is aware that the Council has been heavily criticised with regards to lead-in times identified within its five year supply position paper at numerous public inquiries. The main thrust of these criticisms was due to the Council reducing lead-in times and increasing the build rates without consulting the HMP.
14. The HBF wish to make the following observations upon the lead-in times identified in the consultation;
 - **Sites under construction** – the HBF has no objection to the indication that such sites will begin to deliver in year 1, subject to phasing and other site specific criteria;
 - **Full planning permission / reserved matters** – the HBF largely agrees with the assumptions used with the exception of sites of 31-50 homes and 51 to 100 homes. These sites will usually require infrastructure works and are often subject to numerous pre-commencement conditions. It is therefore recommended that the lead-in time for these sites is 'start at year 2';
 - **Outline planning permission** – the revised methodology indicates a year 2 start date for all categories. This is considered

unrealistic and takes no account of the time taken for reserved matters applications to be prepared, submitted and granted. In reality this generally takes approximately a year. It is therefore recommended that a year be added onto the lead-in times for the full / reserved matters category. Meaning 2 years start date for less than 10 and 11 to 30 and year 3 start dates for sites of 31 or above;

- **Sites with resolution to grant** – a timescale of 2 years for sites up to 30 dwellings appears appropriate, however due to the complexities which can be inherent in sites over 30 units it is recommended that these be amended to 3 years. This would bring them into line with the remaining sites sizes.
- **Sites without permission** - the inclusion of this category requires substantiation. It is unclear how and on what basis such sites are to be included, be these allocations or sites with developer interest. The PPG is clear that, an allocation in a development plan is not a prerequisite for a site being deliverable in terms of the five-year supply (paragraph 3-031). Therefore to include any five year delivery allowance from sites without permission requires clear evidence, including the commitment of a developer that the site will be brought forward in a specified time-frame. It is notable that such sites are anticipated to come forward at the same rate as those with a resolution to grant. This is unlikely given the time taken to apply, grant permission, deal with any section 106 agreements, discharge pre-commencement conditions and start on site. Due to the uncertainties involved in such sites the HBF strongly recommend that the Council base any generalised starts in this category, which can be substantiated, within year 4 or 5.

15. I trust that the foregoing is useful and look forward to further progress upon the Local Plan in the near future. I would be happy to discuss any of the issues raised further with the Council.

Yours sincerely,



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