



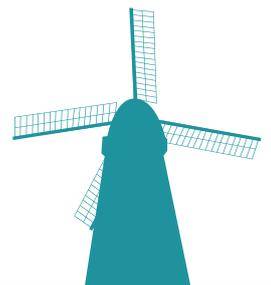
Eastleigh Borough Local Plan 2016-2036



Eastleigh Borough Local Plan 2016-2036

Strategic Growth Option - Housing Trajectory

June 2018



This background paper supports the Eastleigh Borough Local Plan and provides background information on the delivery of housing on large scale strategic development sites. This document is not on deposit for consultation and is background evidence.

Any queries regarding the document should be sent to:

Email: localplan@eastleigh.gov.uk

Website: www.eastleigh.gov.uk/localplan2016-2036

Address: Local Plan team, Eastleigh Borough Council,
Eastleigh House, Upper Market Street, Eastleigh SO50 9YN

Contents:

Executive Summary	1
Introduction & Background	2
Strategic Scale Growth in Eastleigh	2
Towards a housing trajectory for the Strategic Growth Option	4
Gladman Study – Hourigan Connolly	4
NLP Study	5
Savills Study	6
Relevance of these studies to the Eastleigh SGO position	7
Averages versus Specifics	8
That was then, but this is now	9
PUSH Delivery Rates Report	11
So what does this mean for Eastleigh?	12
The ‘Eastleigh Factor(s)’	12
What does this mean for delivery of the SGO ?	17
Future delivery rates on the SGO	18

Appendices (1-5 are separate documents):

Appendix 1 - Original NLP Study	
Appendix 2 - NLP Greenfield sites only	
Appendix 3 - NLP Large Greenfield sites only	
Appendix 4 - New Site Projections	
Appendix 5 - Gladman Study Site Size	
Appendix 6 - 2011-29 Local Plan Housing Allocations	23
Appendix 7 - Case studies of Future Major Developments	25

Housing Delivery on large strategic scale development

Executive Summary

1. This paper reviews the available evidence on the delivery of housing on large scale strategic development sites. This is relevant to the emerging proposal for a large scale Strategic Growth Option comprising approximately 5,200 dwellings in the emerging Eastleigh Borough Local Plan 2011-36 and the role this will play in the wider local plan housing trajectory and the ability for the borough council to be able to demonstrate the local plan housing target will be met. This is important as it is considered unlikely that the entirety of the 5,200 dwellings will be complete within the plan period meaning that additional provision in the form of smaller greenfield allocations will be required in the local plan in addition to the SGO.
2. That evidence comprised a number of studies which have investigated delivery rates on large scale developments across the country and developments currently in the pipeline including sites in Hampshire but also on sites elsewhere which are comparable, to varying degrees, with the proposed Eastleigh borough SGO. Some studies looked just at completion rates while others looked at lead-in times covering the pre-planning and processes which need to be gone through before development can even commence. Other studies looked at the effects of variables such as the number of developers operating on a site at any point in time and the tenure of units delivered and, particularly, the amount of affordable housing provided on these sites. Others anticipated future completion rates on large sites currently being developed.
3. These studies show that completion rates vary considerably over time and by individual site based on national economic cycles, local housing market considerations and site specific constraints and circumstances. This means that the evidence of annual completion rates can be interpreted in many different ways (and, no doubt, will be) to argue for relatively low or relatively high completion rate to be applied to the Eastleigh SGO. This paper discusses these different interpretations of the data and relevance of experience from other sites to the specific circumstances of Eastleigh borough and the proposed SGO site under consideration.
4. It concludes that a figure of 3,350 dwellings should be allowed for in the local plan housing trajectory as the amount of housing likely to be delivered on the SGO within the plan period (to 2036). It should be noted that this is not intended to place a cap or restriction on the scale or extent of the SGO. It is purely an estimate of delivery to inform the local plan housing trajectory and to ensure that the local plan makes sufficient provision in the plan overall to meet its housing target.

Introduction & Background

5. The Eastleigh Borough Local Plan 2011-36 is seeking to make provision for 16,250 dwellings in the period 2011 to 2016. This equates to a target of 650 dwellings per year derived largely from the informal and non-statutory sub-regional strategy prepared by PUSH (the Partnership for Urban South Hampshire) in the form of the Spatial Position Statement published in June 2016. It is important to note that both this level and this rate of development now being planned for are considerably higher than levels and rates planned for in previous versions of the local plan.
6. Taking into account completions in the early years of the plan period and current commitments and permissions for residential development and small / windfall allowances officers estimate that this leaves a residual housing requirement of approximately 4,000 dwellings to be found from greenfield sites.
7. A key element of the emerging local plan is the commitment (again, partly derived from the PUSH Spatial Position Statement) to deliver strategic scale growth in the north of the borough.

Strategic Scale Growth in Eastleigh

8. In the Local Plan Issues & Options consultation which took place between December 2015 and January 2016 the Council proposed a number of options for accommodating the residual housing requirement. These options have been developed in the intervening period with regular update reports provided to the Council's Cabinet and Full Council. These reports are in the public domain. A "preferred" option is emerging of a strategic scale development to be built to the north of Bishopstoke and the north and east of Fair Oak which broadly represents Options B & C contained in the December 2015 Issues & Options consultation paper.
9. The potential capacity of this development option (the 'Strategic Growth Option' (SGO)) is was originally estimate to be approximately 6,000 dwellings. More recent work on the need for mitigation land, ecological buffers and so on are currently indicating this will reduce the amount of development land and so the capacity of the site. Work is on-going on this and will be informed by ecological assessments and future masterplanning. However, at present it is considered that the capacity of the site is likely to be around 5,200 dwellings. The development will be accompanied by all the supporting infrastructure to be expected in a development of that scale including new retail centres, schools, community facilities and so on. Perhaps most significantly it will allow delivery of a new road (the North of Bishopstoke Relief Road – NoBRR) which will bypass the existing east-west route between Eastleigh and Fair Oak and provide a new link for traffic to access the M3 seeking to alleviate existing congestion in the town centre and surrounding roads as well as serving new development in the borough.

10. Clearly, on the face of it, the capacity of this development is considerably larger than the scale of the residual housing requirement the Council needs to allocate in the local plan in order to meet its PUSH housing target. However, it is considered unlikely that the whole 5,200 dwellings will be delivered within the plan period. So, the key unknown for the local plan at present is how many houses will be delivered within the plan period.
11. The question, in terms of producing a housing trajectory for the local plan are:
 - (i) What level of housing is likely to be deliverable on the SGO within the plan period?
 - (ii) If it is not all likely to be built within the plan period, what proportion will be and how much housing will need to be allocated elsewhere in the borough to ensure the residual housing requirement will be met and to ensure a degree of flexibility in the housing market?
12. The land which comprises the SGO is under the control of three parties:
 - (i) The Highwood Group who control the majority of the site;
 - (ii) The Drew Smith Group who control an area of land to the north (and a small area to the south) of Mortimers Lane Fair Oak; and
 - (iii) Cranbury Estates who own smaller parcels of land to the west one of which is needed primarily to deliver the western extent of the NoBRR and provide the link with the M3 via Allbrook Way.
13. The SGO is being promoted jointly by the Highwood and Drew Smith Groups.
14. Completion of the entirety of the development by the end of the plan period is considered unlikely for a number of reasons:
 - There are currently unresolved issues relating to the impacts of development on protected species and habitats which may impact on the capacity of the site and when development could commence;
 - There is a need for the provision of a major new highway connection costing approximately £40m and which may impact on protected habitats and species which will need to be built (at least in the most part) before development can commence;
 - Delivering 5,200 dwellings in the remaining 20 years of the plan period, allowing time for the above constraints to be addressed, for master-planning and infrastructure delivery plans to be agreed, for planning applications to be secured and s106 negotiations to be successfully concluded would mean a rate of development unprecedented on other strategic sites;
 - The local market is unlikely to be able to absorb such high rates of development as would be necessary without potentially undermining the viability of the sites delivery, not least given the substantial infrastructure costs.
15. So, if it is unlikely that the development will be complete by 2036 the questions remain; how much will be and what other provision should be made in the local plan for development on other sites elsewhere in the borough to

ensure both that the housing target is met, and that there is flexibility in the local plan strategy and choice and variety in the housing market.

Towards a housing trajectory for the Strategic Growth Option

16. There is a history of strategic scale development being delivered both across Hampshire, in South Hampshire and in Eastleigh Borough through various iterations of the Hampshire County Structure Plan and, prior to that, the South Hampshire Structure Plan First Alteration during the 1980s and 1990s. However, this is somewhat historic and reflective of very different policy, economic, market and financial climates to those which exist today. That is not to say that historic evidence of delivery of previous growth areas is not relevant. Merely that it needs to be supplemented by evidence of more recent developments which better reflect the considerations which will affect the future delivery of the SGO (in so far as these can be predicted looking forward over a period of some 20 years). Helpfully, Hampshire County Council maintains LAMS (its Land Availability Monitoring System) which contains a wealth of information on housing land supply and delivery.
17. In addition, a number of studies have been undertaken in recent years which consider the rate at which strategic scale development has been delivered in the more recent past and look more widely than just developments in Hampshire.

Gladman Study – Hourigan Connolly

18. In November 2013 the land promotion company Gladman Developments Limited published a [report](#) produced on their behalf by Hourigan Connolly Consultants which investigated the timing of delivery of urban extensions “An interim report into the delivery of urban extensions”.
19. The study looked at over 80 sites across England, Scotland and Wales which delivered over 500 dwellings. These sites included a number in Hampshire:
 - Whitehill/Bordon in East Hampshire district;
 - Rowner Estate Regeneration in Gosport district;
 - Centenary Quay in Southampton;
 - West of Waterlooville in Winchester / Havant;
 - East Anton and Picket Twenty both in Test Valley.
20. It also produced 36 case study reports which included 3 sites in Hampshire (Park Prewett and Sherfield Park in Basingstoke and the Aldershot Urban Extension in Rushmoor).
21. The paper concluded that, on average, it takes 8 years to move from the initial concept of a strategic development in the local plan to delivery of the first housing unit. Then development proceeds at an average rate of 35 dwellings per year per builder operating on site. The paper notes (paragraph 31) that:

“The provision of off-site infrastructure is a major hindrance to the delivery of houses from urban extensions. Many of the sites reviewed have not progressed (or have taken many years to progress) due to the

impact the requirement to provide off-site infrastructure work has on scheme viability”.

22. On this basis, applying this timescale and delivery rate to any strategic scale development in Eastleigh borough might mean only between 1,680 and 2,100 dwellings are likely to be delivered on the SGO by the end of the plan period (based on 12 years of completions and 4/5 developers operating at the same time on different parts of the SGO). This would equate to completions of between 140 and 175 dwellings per year.

NLP Study

23. A [more recent paper](#) published in November 2016 by the consultancy NLP (Nathaniel Lichfield & Partners) looked at a similar issue ‘Start to Finish: How quickly do large-scale housing sites deliver?’. This study looked at around 70 large sites (each capable of accommodating more than 500 homes) across England & Wales. The developments studied ranged from 504 dwellings to 15,000 dwellings in size and included a number in Hampshire and one in Eastleigh borough. The study also looked at 83 smaller sites (of between 50 and 499 dwellings) to provide a comparator.
24. The sites in Hampshire were:
- Land at Popley Fields, Taylors Farm/Sherfield Park and Park Prewett Hospital in Basingstoke & Deane borough;
 - Dowds Farm, Hedge End in Eastleigh borough;
 - Rowner Estate Regeneration in Gosport borough;
 - Velmead Farm, QE II Barracks and Elvetham Heath in Hart district;
 - West of Waterlooville in Havant / Winchester district;
 - Farnborough Business Park in Rushmoor borough (small site);
 - Centenary Quay in Southampton city and
 - Picket Twenty and East of Icknield Way in Test Valley borough.
25. The study illustrated that:
- There is an average lead-in time of 3.9 years between the first concept and submission of the first planning application;
 - 6.1 years is the average planning approval period for schemes of >2,000 dwellings;
 - The average annual build-out rate on schemes of >2,000 dwellings is 161 dwellings
 - The highest average annual build-out rate is 321 dwellings but this level of delivery is only sustained for 3 years during the life of the development;
 - Sites on which there is a requirement to deliver 30% + affordable housing tend to exhibit average annual build out rates around 40% higher than on sites delivering between 10% and 19% affordable housing.
26. Applying these findings to the Eastleigh SGO scenario would result in a 10 year lead-in time and then 10 years of development at an average of 161 dwellings per year totalling 1,610 dwellings during the plan period.

Savills Study

27. In October 2014, the consultancy Savills produced a [report](#) on the delivery rate of urban extensions on behalf of Barratt Homes. It looked at the timing of implementation of strategic scale development from the perspective of its likely contribution to five-year land supply. The report tracked 84 urban extensions through the planning system over the last 25 years.
28. It noted that, on average across all sites considered, it takes 4 years for construction to commence after the submission of an outline planning application meaning that it is possible for sites on which outline applications have been submitted to make a marginal contribution to five year supply. That supply increases in respect of more recent sites where the study notes this period drops to 3 years for sites which have come forward since 2010.
29. It should be noted that this period is shorter than the timescale quoted in the Gladman report as it starts from the submission of the first outline application so does not take into account the local plan allocation process nor the time required to prepare and submit the outline planning application nor any time take up with pre-application discussions all of which are accounted for in the Gladman timescale.
30. This study notes that, once construction starts, completions in the first year can average 60 dwellings picking up to 100 completions in subsequent years up to 120 per year. However, this will depend on the land disposal strategy of each developer and the presence of multiple developers on a site. The study notes that there are many urban extensions in the south of England where recent delivery rates have been substantially in excess of 120 units per annum. This is borne out in the site information based on the NLP work above which is appended to this note. Related to that, Savills note the important role the strength of the local housing market plays in speeding up delivery rates. The higher delivery rates tend to be in the higher values market areas (large parts of southern England) with the opposite being the case in respect of otherwise similar sites in lower market value areas.
31. Finally, Savills helpfully note the important role that local authorities themselves can play in speeding up the delivery of sites. The study acknowledges that:

“...the appetite for development and the resource available for dealing with major applications within the local authority plays just as important a role in bringing forward urban extensions as the characteristics of the site itself.”
32. This is a key point which will be revisited later.
33. However, to counter that, like the Gladman study, Savills also highlight the “recurring hindrance to quick progress” caused by requirements for the provision of infrastructure. The study quotes a number of examples of excessive delays to the implementation of sites caused by protracted negotiations over major off-site highways works.

34. It must be noted that all of the above studies acknowledge that the figures quoted are average figures and that all sites are different. Some will deliver more quickly than the average and others more slowly. However, they do provide a useful starting point for the preparation of a housing trajectory for the potential Eastleigh SGO. It should also be noted that none of the figures quoted take any account of market demand, finance and related factors ('absorption rates') which would obviously have a significant effect on real-world delivery over an extended period.

Relevance of these studies to the Eastleigh SGO position

35. The key question regarding the relevance of this work for estimating future delivery of the Eastleigh borough SGO is whether the circumstances which resulted in the delivery rates quoted in these studies are likely to be replicated in respect of development of the SGO?
36. Looking at the most comprehensive and most recent NLP study, this looked at a range of brownfield and greenfield sites down as small (in the context of 5,200 dwellings in the SGO) as 500 dwellings (See Appendix 1). Although the 161 dwellings per year figure quoted in the NLP work related to large sites of >2,000 dwellings, a number of these sites were brownfield sites which would have their own challenges. So, not all of the sites included in the study are comparable to the situation which will be faced in the delivery of the potential Eastleigh SGO which calls into question whether the average figure of 161 dwellings quoted is relevant to the Eastleigh situation.
37. If only greenfield sites over 2,000 dwellings are counted the average annual completion rate rises to 190 dwellings per year (See Appendix 2). Adding in the large (>2,000 dwellings) greenfield Hampshire sites from the County Council's LAMS database increases this to 192 dwellings per year if only large greenfield sites with three or more years' worth of completions are included and no account is taken of years in which there were fewer than 10 completions recorded (See Appendix 3).
38. But, at 10 years' worth of completions this still equates to fewer than 2,000 dwellings likely to be delivered on the SGO within the plan period. With a residual requirement of approximately 6,000 dwellings this would leave 4,000 dwellings to be allocated on other greenfield sites.
39. It is worth bearing in mind that the borough council is considering the prospect of allocating a site with a capacity of approximately 5,200 dwellings in its local plan. It could be argued that this limits the relevance of the aforementioned studies as they tended to consider sites much smaller than this. Of the 70 sites studied in the NLP report only 4 comprised 5,200 dwellings or more. Only 9 sites comprised 4,000 dwellings or more. Only 4 of the Savills sites were for 3,000 dwellings or more. In the Gladman study, of the 80 sites, only 1 of the sites comprised 6,000 dwellings or more and only 9 comprised 4,000 dwellings or more.

Averages versus Specifics

40. By their very nature all of these studies looked at the delivery of housing development in the past. This means that the outputs are a reflection of previous central and local government planning policy, historic financial and market considerations and a house building industry which was structured very differently and operated in a very different way to now. The post-2008 housing market crash and post-NPPF world in which are now required to plan is a very different world to that which was the case when a lot of the development identified in the above studies were being planned and delivered.
41. Whist the studies referred to above were largely commissioned by the house building industry for the purpose of demonstrating that local planning authorities were taking an over-optimistic view of housing delivery on large sites (and so “under-allocating” sites for new housing overall), as all the studies acknowledge, all sites are different and the degree of variance in annual completion rates on sites included in the studies is huge.
42. In the NLP study, while the average rate of completions on sites of >2,000 dwellings was 161 dwellings this ranged from sites which delivered on average around 80-90 dwellings per year to sites which delivered over 300 (See Appendix 2).
43. In Eastleigh borough in the Hedge End North development (3,200 completions during the 1990s) this achieved an average of 214 dwellings per year (or 267 per year if years in which there were fewer than 10 completions recorded were ignored) (See Appendices 2/3). It achieved peak rates of 523 completions 2 years running and achieved over 200 dwellings in 8 of its 15 years (or 12 years in which there were 10 or more completions).
44. The Chineham development in Basingstoke (4,500 dwellings completed during the 1980s and 90s at an average rate over 27 years of 167 dwellings per year) achieved over 200 dwellings in 9 consecutive years. In 6 of those 9 years it achieved over 300 completions in consecutive years and, within that period, it achieved over 400 in 2 consecutive years (See Appendices 2/3).
45. It should be noted that these development rates in Hampshire were achieved in the context of lower overall housing targets set in the Hampshire County Structure Plan (HCSP) and, prior to that the South Hampshire Structure Plan First Alteration (SHSPFA), than are being planned for now. The SHSPFA included a target for Eastleigh borough which equated to an annual rate of 609 dwellings per year over the 14 year plan period. The HCSP, “baseline” target for Eastleigh borough equated to an annual rate of 420 dwellings per year over the 15 year period 1996 to 2011. However, in addition was a “reserve” allocation for the 10 year period 2001 to 2011 for Eastleigh borough equating to a further 250 dwellings per year. Local Plans were required to identify the reserve provision in their local plans but it was only to be released if the results of annual monitoring indicated there was a compelling

justification. None of the reserve provision was ever called on to be released during the life of the HCSP.

46. Also, as noted in opening, the level and rate of development currently being planned for in the emerging local plan are both higher than the levels and rates planned for in previous versions of the local plan. The adopted Eastleigh Borough Local Plan Review 2001-2011 made provision for 560 dwellings per year over the 10 year plan period as a “baseline” figure with a further 40 per year in “reserve”. This baseline and reserve approach reflected the higher order policies in the Hampshire County Structure Plan at the time. The Revised Pre-Submission Eastleigh Borough Local Plan Review 2011-29 made provision for 10,140 dwellings over its 18 year plan period; an annual rate of 563 dwellings per year.
47. The significance of this fact to this paper is that, in the past, some high completion rates were achieved on large strategic scale sites and across the borough as a whole set in against the context of a lower overall housing target than is now being planned for. Logic would suggest that, now that the emerging plan is making provision for higher levels and rates of development than in the past, it is more likely that higher rates should be achievable in the future.
48. While it may be unreasonable to argue that these peak completion rates are likely to be achieved year on year as an average completion rate in the Eastleigh SGO, equally it has to be acknowledged that the use of average figures, whilst a helpful initial benchmark, can mask great variation in delivery and could result in local authorities under-estimating true likely performance on their allocated sites if the conditions which resulted in average past delivery are no longer relevant either to the current situation or site specific considerations.

That was then, but this is now

49. In order to arrive at a possibly different and more relevant benchmark, rather than simply look at past performance, it is helpful to consider likely future performance on large strategic sites. Whilst noting the point raised above about local planning authority ‘optimism bias’ there is a balance to be struck between optimism and being constrained by the increasingly irrelevant past. Somewhere in that balance lies the likely outcome for the potential Eastleigh borough SGO.
50. Building on the Gladman / NLP work information has been gathered on anticipated future rates of development on large strategic sites (See Appendix 4). The information gathered comprises housing trajectories for future completions on large strategic sites across the south of England which are in the planning pipeline or have just begun to be implemented. It is information based on council and developer estimates of anticipated future completions. In some cases those assumptions have been subject to fairly detailed scrutiny by Inspectors through local plan examinations or s78 appeals. In other cases they are simply council officer / developer estimates.

51. Information has been obtained on 30 strategic greenfield sites capable of accommodating over 2,000 dwellings. A handful of the sites making up the 30 featured in the NLP study as sites which have recently commenced. However, most are wholly new. It should be noted that this is not claimed to be a comprehensive information gathering exercise. Information was merely sought via Internet searches and from recent Government announcements about strategic scale development and from personal knowledge of EBC officers. However, all the information gathered is available in the public domain from Annual Monitoring Reports and other related published sources.
52. Looking at these 30 sites it is clear that future estimates of anticipated completions indicate a higher average annual completion rate at 244 dwellings per year than the NLP / Gladman / Savills figures (See Appendix 4). While this may be expected (given the optimism bias point referred to above and given the original reason for NLP et al producing their reports in the first place) the figure is not in the realms of fantasy given the variation in past completion rates summarised above. It is reasonably placed within the rates quoted above and is a level of development which has been achieved on average on sites in the south east and in Eastleigh borough in the past.
53. These 30 sites are located in 19 different local authority areas. So, if the borough council was to produce a trajectory which was founded on higher rates than assumed in the Gladman / NLP / Savills studies, clearly it would be far from alone in doing so.
54. Looking at these 30 sites in a little more detail (See Appendix 4), it is interesting to note that the lowest annual average rate of development estimate quoted for any of the sites is 136 dwellings per year at Bourn Airfield in South Cambridgeshire. That development is not expected to deliver its first completions until 2021/22. The next lowest is 139 per year at RAF Upper Heyford in Cherwell which began delivering completions in 2014/15. In contrast, the highest anticipated rates are at Milton Keynes Western Expansion, a 6,500 home development which commenced in 2014/15. This development has begun achieving very high completion rates of over 300 dwellings as early as year two before (it is anticipated) achieving sustained future completion rates in the 500s and 600s attaining an average forecast completion rate of 472 per year over its lifetime. The next highest rates are at Cranbrook in East Devon which has already started delivering in the 3-400s, a rate of development which is expected to continue at the Cranbrook Expansion Area once it gets up to speed.
55. 11 of the 30 developments listed are expected to deliver at above the average rate of 244 per year. So completions at this level are by no means unique or exceptional. And these sorts of rates have been achieved in the past and are being achieved now in Eastleigh borough and elsewhere. A number of case studies where local plan examination Inspectors have commented on the delivery of these sites and the likelihood of the annual completion rates identified being achieved are included at Appendix 7.

PUSH Delivery Rates Report

56. As part of the supporting work to the PUSH position statement the PUSH authorities commissioned GL Hearn consultancy to investigate the feasibility of delivering the rates of housing which were being considered in the draft Position Statement. The report “Reviewing Potential Rates of Housing Delivery” dated April 2016 is available on the [PUSH website](#). The report includes a review of housing delivery performance historically at a national level, an assessment of the political and market factors which would indicate a likelihood of higher housebuilding rates in the future and considers past and likely future performance within the PUSH area itself benchmarked against other comparable authorities elsewhere and in terms of annual percentage increase in the housing stock rather than absolute completion rates. On the basis of these assessments and comparisons, the report concludes that, while challenging, evidence suggests the future rates which need to be achieved to deliver the PUSH Spatial Position Statement targets are not inconceivable (paragraphs 3.8, 4.3). The report points to five drivers to accelerating housing delivery going forwards. These are:

- Planning certainty
- A mix of sites
- Public sector enabling
- A mix of delivery agents
- Local demand drivers

57. It is clear from the range of initiatives and measures discussed in this paper that these PUSH-wide factors are being specifically addressed in the work underpinning the preparation and delivery of the emerging Eastleigh local plan.

Delivery of the Welborne garden village in Fareham Borough

58. The final report relevant to this study is a study commissioned by Fareham Borough Council looking at potential build out rates for the new community being planned in the borough known as Welborne. The GVA consultancy report “Welborne Build Out Rates Study” dated November 2013 is available on [Fareham Borough Council’s website](#). Welborne is a new community currently being proposed as a garden village comprising approximately 6,000 dwellings and with some major infrastructure requirements in the form of significant improvements to the access to junction 10 of the M27. Like the other studies it uses examples from other developments in Hampshire and some national comparator sites to benchmark potential delivery at Welborne against. However, it draws from considerably fewer examples than the other studies and most of the local examples are not directly comparable with the Welborne proposal. Furthermore, the study does not consider lead in times related to the pre-planning, planning and site preparation of the development before housing delivery can commence. Indeed, Welborne has been through many years of pre-planning consultation and engagement having had its origins in the now withdrawn South East Plan. Rather, it simply looked at the effects on delivery of different numbers of developers operating on the site at

any one time and the impacts of different tenures of housing delivery. The key reason for referring to this report, however, is that it provides evidence of the “scale” effect in that, the bigger the site, the larger the number of builders can be building and selling properties at any one time, the more likely it will be that higher levels of affordable housing might be viable and so the larger number of completions can be achieved in any one year than on a number of smaller sites.

59. The report presented its findings in the form of a range of potential delivery outcomes ranging at one extreme from 48 dwellings per year based on a single marketing outlet and 0% affordable housing to 411 dwellings per year based on 6 outlets and 30% affordable housing. Perhaps significantly for what follows in this report, within that range was a suggestion that, with 4 outlets and the delivery of 30% affordable housing, 274 dwellings per year might be achieved.
60. The over-arching conclusion / recommendation of the report, however, was that an average build out rate of between 320 and 343 dwellings per year might be expected based on an optimum of 5 marketing suites each delivering approximately 52 units per outlet per year with the additional provision of 30% affordable housing. It is suggested that this figure might need to be reduced to 50% of these levels in years one and two of completion as the development gets up to speed. It is likely to be further reduced if areas within the development are targeted towards the higher end of the housing market as these tend to have demonstrate lower rates of delivery in order to protect sales premiums. The report discussed the concept of “diminishing returns” based on larger numbers of sales outlets operating at any one time (the “competition” or “market saturation” point) but concluded that there was no firm data available on this concept.

So what does this mean for Eastleigh?

61. So, how likely is it that the potential Eastleigh borough SGO will deliver completions at a higher rather than a lower rate than comparable sites elsewhere ? Especially given that there will be a requirement that a new road is delivered prior to any substantial level of development being allowed to commence ? To answer that question, it is helpful to revisit the point acknowledged in the Savills report that the attitude of the local authority towards new development is an important consideration.

The ‘Eastleigh Factor(s)’

- (i) Objectively assessed housing need
62. The Inspector who conducted the examination into the 2011-29 version of the local plan concluded that the local plan was unsound based largely on a number of aspects of the plan’s approach to identifying sufficient land for housing. In embarking on a new local plan the borough council has been extremely keen to ensure that the new local plan does not suffer the same fate and has taken a positive and proactive approach to housing delivery in

the emerging local plan. It has commissioned an update of the 2015 SLAA and consulted on a range of housing options in its December 2015 issues and options consultation which tested ranges of potential housing delivery up to almost 21,000 dwellings in the period 2011 to 2036. This equated to 830 dwellings per year. The 2011-29 local plan was proposing to make provision for 563 dwellings per year over its 18 year time period.

63. Following the December 2015 Issues & Options consultation PUSH published its Spatial Position Statement based on a SHMA which identified an objectively assessed housing need for Eastleigh Borough of 580 dwellings per year for the period 2011-36. The position statement sets a housing target for Eastleigh Borough for the period 2011-34 of 14,950 which equates to 650 dwellings per year. This means that Eastleigh borough has agreed, through its joint work on the PUSH position statement, to make provision in its emerging local plan to deliver 70 dwellings per year (12%) over and above its objectively assessed housing need figure in order to contribute to shortfalls elsewhere in the housing market area.
 64. Since the production of the PUSH Position Statement, however, the borough council resolved, at a meeting of its Cabinet on the 14th July 2016, to use a new interim target for the purposes of monitoring 5 year land supply of 630 dwellings per year. This figure arose after consideration of the then current assessment of five year land supply, produced for the borough council by GL Hearn as considered by a Planning Inspector who considered a s78 appeal in respect of land at Bubb Lane, West End dated 24th May 2016. The Inspector determined that, "for the time being" on the basis of the evidence available to him, the OAHN figure for Eastleigh borough should be 630 dwellings per annum (see para 42 of Appeal Decision APP/W1715/W/15/3063753). This figure of 630 has been used as the basis for calculating 5-year supply in subsequent appeals.
 65. Clearly, if the figure of 630 dwellings per year is taken to be the new assessment of OAHN, while this would reduce the contribution made by Eastleigh borough to the wider Southampton housing market area shortfall, it is still less than 650 dwellings per year meaning that the local plan still comfortably exceeds its OAHN figure. This is a very positive and definitive statement of intent and commitment to housing delivery in the borough. It will not be possible for the borough council to further address any shortfall in the wider Southampton housing market area as the OAHN for the wider market area has not been calculated. This will be a matter for the PUSH authorities to consider this through an update of the sub-regional SHMA and a review of the spatial strategy and the distribution of housing across the PUSH area
- (ii) The 2011-29 Local Plan
66. Similarly, the council deliberately decided not to formally withdraw the 2011-29 plan which was found unsound. It remains extant albeit that the weight to be afforded it in decision-making is extremely low. That decision was taken in order that the plan could help facilitate the delivery of housing which would be

required in any event by the policy climate set by the NPPF regardless of the existence of a current adopted local plan.

67. This has proven to be a sensible and prescient decision in terms of ensuring continuity of delivery of housing as, regardless of the fact that the plan was never adopted, the vast majority of the housing allocations proposed in that draft plan have either been granted planning permission (or the Council has resolved to grant permission), are under-construction or have been fully implemented. This from a draft plan on which work ceased only 2 years ago (March 2015).
68. That draft local plan made housing allocations for a total of 6,811 – 6,841 dwellings (two sites expressed a capacity by way of ranges totalling 30 dwellings between them) (See Appendix 6). Subsequently, the total capacity of these sites has increased to 6,951 dwellings through planning applications etc. Of those 6,951 dwellings there is no concrete progress in respect of only 289 dwellings. These 289 comprise only approximately only 4% of the total amount of new housing provision made in that local plan. This means there is development progress on 96% of the new housing provision identified in that draft plan.
69. To delve a little further (See Appendix 6), 3,096 of the dwellings are either complete (admittedly only 221) or are under-construction (2,875). A further 2,303 have either been permitted or are in receipt of a resolution to permit leaving only 1,263 which are only at the planning application or pre-application stage. This demonstrates real progress and a significant commitment on the borough council's part to ensuring future housing delivery.
70. It is only fair at this stage to acknowledge that the Council has refused planning permission for a number of greenfield sites over the past couple of years. Some the Council has lost on appeal but some it has won. The key point is that while the borough council has, not unreasonably, sought to resist inappropriate development, this should not be seen to undermine a genuine desire to encourage sustainable development. The council has only sought to refuse permission for developments in sensitive landscape locations and precarious settlement gaps. As part of work on the review of the local plan the council is reviewing the justification for, and the boundaries of, settlement gaps in order to ensure that the policy approach is justified and fit-for-purpose and that no more land is included in settlement gaps than is absolutely necessary to prevent the coalescence of settlements. The council has not and will not use planning policy as an excuse to prevent appropriate development coming forward and it is still permitting greenfield windfall sites now in order to improve 5 year land supply in addition to those greenfield sites identified in the 2011-29 local plan.

(iii) EBC as a Housing Delivery Enabler

71. The Leader of Eastleigh Borough Council, Cllr Keith House has been a passionate advocate of local authorities increasing their role in the direct provision of new housing. This is in order to give them greater control over the

timing, design, quality and tenure of what is built in their areas. Cllr House co-authored a report with Natalie Elphicke (The Elphicke-House Report: From statutory provider to Housing Delivery Enabler; Review into the local authority role in housing supply – January 2015). That report advocated a stronger and more central role for councils in providing new homes. The key recommendation of the report is that councils change from being statutory providers to being Housing Delivery Enablers. It identified a need for councils to be proactive in identifying housing need, growth and opportunity, to work closely with businesses and other partners to share ideas and experience – and actively use their own assets and knowledge to unlock housing opportunities and deliver more homes and so build strong and sustainable communities.

72. As co-author of the report Cllr House was keen that Eastleigh Borough Council led by example. While the council was, at the time the report was being researched and drafted, beginning to explore opportunities for a more direct and proactive role in facilitating the early delivery of sites, this activity has subsequently increased substantially.
73. The council has publicly committed to actively use its own assets and knowledge to unlock housing opportunities and deliver more homes so building strong and sustainable communities. The Council's aim is to set up a Housing Delivery Program to;
- Identify additional small sites where EBC can directly deliver an average of 100 new homes per year
 - Liaise and work with developers to un-lock any stalled sites that have been identified in the Local Plan and that have current planning approvals
 - Support the delivery of existing sites by removing barriers and acting as Financier possibly through the Aspect Building Communities Ltd the (SPV)
 - Investment in Partnerships through things like joint ventures and encouraging new entrants into the industry
 - Access Central Government funding streams
 - Work with developers and RSLs to deliver more Affordable housing in the Borough
74. The Council is supporting the delivery of housing developments across the borough through a proactive approach to working with developers and the establishment of Aspect Building Communities Ltd.
75. The Council has entered into partnerships and joint ventures with developers of a number of sites granted permission in recent years to facilitate a wider tenure mix on the sites. As well as meeting a clearly identified need, this also speeds up the delivery of housing on those sites as delivery is not constrained by the need to sell full-price housing on the open market. More outlets offering a different type, size, tenure and affordability of product means that more houses can be delivered on a site in any one year than if just market housing or a traditional market / affordable mix was being offered. The largest example to date of such activity in Eastleigh borough relates to a development of 1,100 dwellings at South Stoneham in Eastleigh where the Council is entering into a joint venture with the developer to purchase up to around 20% of the

dwellings on the site which the council will make available through a variety of discounted purchase, shared ownership and other subsidised means.

76. There are a number of other opportunities where the council is actively looking to purchase whole sites and enter into joint ventures with developers in order that it has greater control over what is delivered, the speed, quality, design and tenure of what is delivered and ensure the provision of key infrastructure and other local community benefits which may not otherwise arise from a strictly market development. These include opportunities that the Council is pursuing through the One Public Estate initiative to rationalize the holdings of public sector bodies in and around Eastleigh town centre so as to release value for those bodies, facilitate the delivery of much needed new housing and regenerate parts of the town centre.
77. The relevance of this to the delivery of the SGO is that both of the main promoters of the SGO have agreed to partner with the Council on other sites which they are currently developing in the borough. This is not only an illustration of the Council's proactive approach to housing delivery in the borough in general terms but it will have a direct bearing on delivery rates on the SGO for the same reasons described above. Some form of joint venture or partnership will mean that infrastructure might be delivered early and that more dwellings can be brought forward more quickly than if it was being brought forward as a traditional market / affordable housing development. This point is recognised in the NLP work by reference to the higher delivery rates which are achieved on sites with higher proportions of affordable housing. The Eastleigh approach described above takes this to the next level and is a strong argument that delivery rates on the Eastleigh SGO will be towards the upper rather than the lower end of the range based on delivery elsewhere. The same principle described above was accepted by the Inspector who conducted the examination into the Basingstoke Local Plan in the context of the Manydown development in which both Basingstoke & Deane and Hampshire County Councils have a considerable stake (see Appendix 7).

(iv) Early delivery of the SGO

78. A further illustration of the Council's commitment to housing delivery is evident in the Council resolving to grant planning permission in January 2017 for around 250 dwellings at Pembers Hill Farm, Fair Oak. This site lies within the potential SGO area so will mean that the SGO will deliver at least some early completions which are not dependent on the construction of the NoBRR (albeit that the development is capable of making financial contributions to the infrastructure cost of delivering the wider SGO). Depending on advice from the Highway Authority regarding development triggers for the delivery of the NoBRR and other statutory bodies it may be possible to release further sites early in order to kick-start delivery on the SGO provided similar financial and legal mechanisms can be devised to ensure the developments contribute proportionately to the wider SGO infrastructure requirements.

(v) The potential SGO housing market

79. The potential SGO site stretches for approximately 7-8km from its western extremity adjacent to Stoke Park Woods to Stroudwood Lane to the east of Fair Oak. The concept being proposed is of an SGO comprising two distinct areas separated by a green gap / buffer. One new community is proposed north of Bishopstoke and the other to the north and east of Fair Oak. As well as comprising two separate communities this puts the development into two different types of housing market; an urban housing market reasonably accessible to, and served by, the infrastructure and facilities of Eastleigh town centre to the west and a more remote, rural environment which forms part of the setting to the South Downs National Park in the east. These characteristics will be reflected in the form the two new communities take and the nature of the housing offer provided meaning that the communities are likely to be complementary to each other to some degree rather than competing on a like for like basis. This means there is greater potential for more sales outlets to be operating at any one point in time without creating a market saturation effect.
80. The fact that significant new infrastructure will be provided alongside the development also sets the SGO apart from other large scale developments currently being developed in the borough (namely the Stoneham Lane scheme of 1,100 dwellings in Eastleigh close to junction 5 of the M27 and the development of 1,400 dwellings to the north of Boorley Green). Whilst the borough council will be undertaking further research in to the capacity of the housing market to absorb the scale and extent of new development being proposed in the emerging local plan alongside that permitted in recent years, at this stage, there are not understood to be any significant market capacity factors which would unduly restrict the delivery of the SGO below the levels set out below.

What does this mean for delivery of the SGO ?

81. Returning to the point of this paper it is clear from the above that a simple comparison with past delivery rates experienced elsewhere only tells part of the story. The future development of the SGO will take place in a very different political and policy climate to that which operated in the past. It would be unfair and unreasonable, therefore, to constrain estimates of the future delivery of the SGO by those past rates or even by delivery rates currently being allowed for elsewhere.
82. The Council must make an estimate of delivery which is robust and credible. There are serious risks to the local plan should the council either under or over-estimate a realistic delivery trajectory on the SGO. If the Council under-estimates the true likely rate of delivery it will have made provision for additional greenfield sites elsewhere in the borough which are not only 'unnecessary' (notwithstanding the presumption in favour of development in the NPPF) but could actually serve to reduce the viability and deliverability of the SGO. A major strategic site is a long term commitment, a major investment and is a difficult option to deliver. The more "easy options" the council gives to developers to bring forward lots of smaller options elsewhere

in the borough, the more difficult it makes the job of trying to deliver the SGO from a market absorption and demand perspective.

83. On the other hand, if the Council over-estimates the likely rate of delivery from the SGO this may be challenged by those who object to the SGO and by other developers who wish to see their sites allocated in the local plan meaning that the plan could be found unsound. Having a second plan found unsound would be an extremely unfortunate not only for the council's reputation in the light of its genuine commitment to housing delivery described above, but also in terms of the ability to deliver something innovative and new for Eastleigh borough which seeks to address longstanding residents' concerns and broader council priorities.
84. The NLP work advocates an 8 year lead-in time between the first concept being mooted and the delivery of the first completion. We are some way into that period with the concept having first appeared in the December 2015 issues and options consultation. However, if the starting point is taken as 1st April 2016 (consistent with the housing supply base date of the local plan), this leaves 20 years of the plan period remaining. An 8 year lead in would result in 12 years of completions on the SGO plus the 250 dwellings at Pembers Hill Farm which would be highly likely to be complete within 8 years in view of the fact it already has the benefit of an outline resolution to permit.

Future delivery rates on the SGO

85. The average annual rate of completion based on large scale developments included in the main data source for this paper (the Lichfields consultancy study) equated to 108 dwellings per year. However, this figure included development on greenfield and brownfield sites of any size over 500 dwellings.
86. So, looking at only greenfield sites with a capacity of 2,000 dwellings or more in the NLP study the average annual completion rate rises to 133 dwellings per year. Adding in the experience of 5 sites in Hampshire (greenfield and 2,000 dwellings +) which were not included in the NLP research increases the average annual rate to 136 per year. The average annual rate achieved on the 5 large greenfield sites in Hampshire alone was 161 per year. If only large greenfield sites of over 2,000 dwellings and the Hampshire sites were included and both any year with less than 10 completions and any site which had only delivered less than 3 years of completions were excluded (the latter on the basis that the site would have just commenced meaning completion rates would be at their lowest), the average increases to 192 dwellings per year.
87. The highest annual completion rate achieved on any site was 620 dwellings at Cambourne in South Cambridgeshire. However, this was closely followed by a figure of 619 completions achieved in a single year on the Hatch Warren development in Basingstoke. The Chineham development, also in Basingstoke, achieved over 300 completions in 6 consecutive years with a further three years either side of this 6 years where rates of 298, 298 and 296

completions were achieved. Eastleigh's own Hedge End North development achieved completions of 523 dwellings in each of two consecutive years.

88. Moving away from the NLP work on past completions and, instead, looking at the completion rates being allowed for in housing trajectories for large scale strategic development currently going through the planning process, results in an average annual completion rate of 244 dwellings per year. The highest forecast annual completion rate is 697 dwellings on the Milton Keynes Western Expansion development. This development is estimated to achieve completions of over 300 dwellings in 11 consecutive years, completions over 400 dwellings per year in 8 consecutive years and rates of over 600 per year in 4 consecutive years and an average completion rate of 472 dwellings per year (over the 12 year period covered by the trajectory). At the other end of the scale Bourn Airfield New Village in South Cambridgeshire and RAF Upper Heyford in Cherwell are forecast to achieve average completion rates of 136 and 139 per year respectively.
89. While the council could never reasonably argue it was in the same league as Milton Keynes there is a strong argument that the Eastleigh SGO might deliver at a level higher than the average. It might not be unreasonable to argue, on the basis of all the preceding discussion, that a rate of around 275 dwellings per year might be achievable. The implications of the different rates are set out below:

<u>Annual completion rate</u>	<u>No. of years</u>	<u>Early release</u>	<u>Total by 2036</u>
192 dwellings per year	12 years	+250 @ PHF	2,554
244 dwellings per year	12 years	+250 @ PHF	3,178
275 dwellings per year	12 years	+250 @ PHF	3,550

90. However, it is acknowledged that this can never be an exact science and that we are dealing in conjecture. Different people will take different views as to how robust this exercise has been. But for the purposes of wider local plan trajectory planning, as described above, a robust estimate must be made.
91. To err slightly on the side of caution the borough council is proposing to allow for a delivery rate approximately midway between the two higher rates set out above. Accordingly, an allowance will be made for **3,350** dwellings to be delivered on the SGO within the plan period. This equates to an annual completion rate of 258 per year over the 12 years of the plan period (allowing for an 8 year lead-in time) on the main SGO plus 250 dwellings at Pembers Hill Farm.
92. The borough council considers that this figure is based on a reasonable interpretation of past and anticipated future performance on comparable sites across Hampshire and across the (mainly) south of England summarised above and set out in detail in this report and its appendices. It also reflects a

number of characteristics which apply to specifically to Eastleigh borough, not least of which are the positive and proactive actions taken by the council in facilitating and encouraging the early delivery of sites and in its direct involvement in housing delivery. This reflects the view of the consultancy Savills quoted above but which is worth re-stating here that:

“...the appetite for development and the resource available for dealing with major applications within the local authority plays just as important a role in bringing forward urban extensions as the characteristics of the site itself.”

Appendices 1 to 5 Excel Spreadsheets

1 – Original NLP Study

2 – NLP Greenfield sites only

3 – NLP Large Greenfield sites only

4 – New Site Projections

5- Gladman Study Site Size

Appendix 6 - 2011-29 Local Plan Housing Allocations

AL1 – Portchester Rise	25 (24)	Under construction
AL2 – Allbrook Farmhouse	30 (50)	Complete
AL3 – Allbrook Hill	20	No progress – needed for SGO link road
Bi1 – The Mount	260	Part complete, part Under construction
Bi2 – Bishopstoke Cemetery	55 (60)	Under construction
BO1 – Boorley Green	1,400	Under construction
BO2 – Uplands Farm	300	HCC - Pre-application received
BU1 – Providence Hill	75 (62)	Part Permitted
BU2 – Bridge Road / Blundell Lane	100 (101)	Part UC (90), part pre-app (11)
BU3 – Sundays Hill	250	Under Construction
CF1 – Chandlers Ford Precinct	85	No progress but in UE
CF2 – Common Rd IE	30	No progress but in UE
E1 – Chestnut Avenue / Stoneham	1,100	Permitted
E3 – Woodside Avenue	80-100 (94)	Under construction
E4 – Toynbee Road	190	Part permitted and UC (120)
E5 – Travis Perkins	115 (113)	Complete
FO1 – Hardings Lane	330	Part Complete Part UC
FO2 – Mortimers Lane	30 (46)	Applic withdrawn, new pre-app
FO4 – Whitetree Farm	20-30 (17)	Under construction
HE1 – Woodhouse Lane	800	HCC – Pre-application received
HE2 – Foord Road / Dodwell Lane	125 (209)	Phase 1 UC (109); pre-app Phase 2 (100)
HE3 – Shamblehurst HWRC	10	No progress but in UE
HO1 – Abbey Fruit Farm	90 (93)	Resolved to Permit
WE1 – W. Horton Heath (Chalcroft)	950	Resolved to permit
WE2 – Hatch Farm	80 (98)	Resolved to Permit
WE3 – Romill Close	60 (58)	Complete
WE4 – Coach Depot	80	No progress but in UE
WE5 – Moorgreen Hospital	115 (121)	Under construction
WE12 – Pinewood Park	6	Pre-application enquiry

	6,811 – 6,841 (6,951)	

NB the figures in brackets refer to the number of dwellings actually permitted or being proposed where these are different to the original local plan allocation.

Of 6,951 dwellings for which provision was made in the 2011-29 local plan there is only no progress to report on 289 dwellings which equates to approximately 4% of the total dwellings. Progress on the remainder is as follows:

Complete:	221
Under construction:	2,875
Permitted:	1,162
Resolved to permit:	1,141
Application / pre-app:	1,263

Appendix 7 – Case studies of Future Major Developments

Manydown – Basingstoke & Deane Borough

290 hectares
3,400 dwellings
Two new primary schools and land for a new secondary school
New 250 acre country park
40% affordable housing

Summary of extract from a statement of common ground Basingstoke and Deane BC and Hampshire County Council Property Services, Worting Business Park Ltd (Pro Vision), Flavia Estates (Woolf Bond) and Basingstoke and Deane Borough Council (as Local Planning Authority) produced as part of the examination of the Basingstoke and Deane Local Plan (2011 to 2029) (Local Plan Policy: SS3.10, October 2015)

BDBC/HCC site: Delivery

The two councils see the delivery of the Manydown site is a significant corporate priority and both are committed to the early delivery of housing and infrastructure. This is reflected in the suitable resourcing of the relevant council functions.

The landowner has already undertaken significant technical work to support the planning application in relation to masterplanning, highways and landscape. Ecological surveys have been undertaken across the site. The proposals were refined through community engagement which took place late in 2015, in advance of the planning application being submitted in 2016.

The promoter's Statement recognises the lead-in time required for a development of this size, and sets out a realistic timetable, taking into account the need for pre-application consultation and determination of the planning application, which would result in the first housing delivery on their land in 2018/19.

The timescales proposed are:

- Community consultation and EIA baseline work: Late 2015 – early 2016
- Submission of planning application: Autumn 2016
- Determination of planning application: Early 2017
- Discharge of conditions and commencement of development: Early 2018
- First housing delivery: 2018/19 monitoring year

It is anticipated that the first phases of development can be initially opened up with only a modest amount of strategic infrastructure, enabling development to commence quickly.

It is thereafter considered that completions as high as 320 dwellings per annum are achievable on the site, with up to four sales outlets. These delivery rates are considered reasonable and achievable in light of the following:

- The public ownership of the wider site by BDBC and HCC enables the councils to forward fund and implement the strategic infrastructure. This would enable the infrastructure to be put in 'up front' either for serviced plots to be sold to developers to build homes or as part of an overall joint delivery company involving private sector developers. For developers, the Councils' participation in the development of the scheme presents less risk than the traditional 'developer-led model', and this has the potential to boost delivery rates and facilitate comprehensive masterplanning.
- The scale of development (and public ownership) will allow a mix of products and tenures (such as publicly-owned private rented housing and older persons' housing), and a range of differently priced housing within distinct character areas, that would not occur on smaller sites. This diversity in product can allow delivery to be increased and rates to be more consistent.
- BDBC and HCC have a long-term interest in the site and its delivery is a key priority for both councils. It will be brought forward in line with corporate priorities with the overall objective of meeting the needs of both councils and the residents and businesses that they serve.

In light of the above, it is considered that the site capacity and delivery schedule is both realistic and robust.

Extract from Inspector's report – 6th April 2016 – Mike Fox Inspector

(ii) Viability, deliverability and provision of infrastructure, services and facilities

130. The SCG between the Council and HCC as landowner, LHA and LEA confirms that the allocation could be delivered during the plan period, with a trajectory showing the first housing completions coming on stream in 2017/18, and averaging 300 dpa from 2019/20 onwards. I have already concluded that I do not consider the policy is over-optimistic in its proposed delivery rate. The SCG points out that the delivery rates have been informed by a study by Aecom and HDH Planning and Development, to arrive at a realistic build-out rate for Manydown. This study notes that the Savills and Hourigan Connolly research on length of time for the implementation of large sites (referred to earlier in this report) "does not necessarily reflect the unique circumstances of Manydown which will not be a traditional private sector led model".

131. The Aecom document draws attention to a number of other factors in support of the housing trajectory in the SCG. Stronger housing market conditions support higher rates of delivery, with a recent report by Savills predicting a 6.5% increase in 2015 and an 18.5% increase over the next 5 years in the mainstream residential markets. Secondly, the 2015 Budget provides capacity funding to Basingstoke to support proposals for development on garden town principles. Thirdly, a wide range

of housing tenures is available, which should provide for a more consistent delivery rates. Also, the allocation is large enough to clearly establish phases and differently priced market housing across the site and a range of densities. All the above points support the likelihood that the Manydown allocation will be delivered during the plan period.

132. Bearing in mind the site's importance to the overall housing delivery of the Plan, a second SCG was issued between the Council and the landowners. This reaffirmed the delivery trajectory across all the sites at Manydown, including the parcels at Worting, which could provide an early phase of development.

133. The second SCG underlines the fact that delivery at Manydown is a significant corporate priority for both the Council and HCC, both of which are committed to an early delivery of housing and infrastructure; the SCG sets out a realistic timetable for community consultation, submission of planning application, discharge of conditions and commencement of development, and first housing delivery is programmed for 2018/19; it anticipates that the first phases of development can be opened up with only a modest amount of strategic infrastructure, enabling development to commence quickly; and that a delivery rate of **320 dpa** is achievable with up to four sales outlets.

134. In view of the importance of ensuring the provision of infrastructure in a timely manner, the modification to require an Infrastructure Delivery Strategy (IDS), to accompany each outline/full planning application within the allocation, will ensure that the infrastructure and mitigation requirements of the Manydown allocation are comprehensively planned and will be met. This ensures the effectiveness of the Plan. This modification has been agreed by all parties involved in the implementation of the Manydown allocation.

135. The viability of the allocation, including the supporting physical and community infrastructure, is confirmed in the consultant's Viability Report, which sets out both the key residential valuation assumptions and the principal 'other development' costs, which I consider to be reasonable.

Monkton Heathfield - Taunton Deane Borough Council

220 Hectares

4,500 new homes (35-40 dwellings per hectare)

Mixed-use district centre comprising 13,400sqm of A1, A2 and A3 floorspace

22.5 hectares of additional employment floorspace

The Monkton Heathfield site lies to the north-east of Taunton and was allocated within the now superseded Taunton Deane Local Plan 2004 for a proposed 900 dwellings which were not implemented during the duration of the plan.

The site was identified as a potential area for development within TDBC's 'Taunton Urban Extension Study', November 2004 as an 'Area of Search'. The study recognised the areas significant advantages in terms of its access to existing services and employment opportunities as well as making effective use of available land. On balance, the Council stated that the benefits of developing Monkton Heathfield for mixed-use, outweighed the loss of best and most versatile agricultural

land. It was concluded that Monkton Heathfield would provide the most appropriate location for a major urban extension in Taunton with the provision of 3,000 to 4,000 dwellings, 10-15 hectares of employment land, a local centre, primary and secondary school provision and supporting highway infrastructure.

Other than the areas surmountable impact on local landscape the extension area was reportedly free from environmental constraints.

Taunton Deane Borough Council's Published Plan Core Strategy 2011-2028, adopted in 2012 allocated the Monkton Heathfield site through Policy SS1.

At examination, the inspector acknowledged that the projected quantum for the site (5,000) was deemed too ambitious and not backed through the accompanying evidence base. The inspector recommended this figure to be reduced to 4,500 dwellings. The inspector highlighted the fact that there has been a longstanding and comprehensive suite of studies submitted in the form of an evidence base that provided a greater level of certainty of delivering housing in accordance with the housing trajectory. The average delivery rate over the life of the development is **267 dwellings a year** with the average maintaining 300 per year through the bulk of the development period.

The inspector was also aware of the advanced stage of masterplanning for the site and although acknowledged there had been delays in commencement of development at the Monkton Heathfield site, recognised the commitment from developers that progress would still be as rapid as that assumed within the trajectory.

Summary

The factors which justify the sites high rate of delivery stem from the protracted history of the sites inclusion within previous plans, such as TDBC's Local Plan 2004 and the South West Regional Spatial Strategy which identified the Monkton Heathfield site as being the most appropriate 'Area of Search' for a strategic extension. This is attributable through the sites isolation from environmental designations.

At Examination of the now adopted TDBC Core Strategy (2014), the inspector looked favourably upon the advanced stage of masterplanning as well as the information received via evidence base documents and close collaboration with developers.

The two developers active on site are Redrow Homes and Persimmon Homes.

Aborfield Garrison SDL - Wokingham Borough Council

290 Hectares (approx.)

3,500 new homes (35-40 dwellings per hectare)

Contains a district centre, two neighbourhood centres and two new schools

30 hectares of additional employment floorspace

The site at Arborfield Garrison is a mix of both greenfield and previously developed land containing former MoD buildings. This site forms part of a suite of four 'Strategic Development Locations' (SDL's) within Wokingham Borough which have been identified and allocated through Policy CP18 of the Adopted Core Strategy 2011 to deliver long-term sustainable urban communities, and to avoid the need for piecemeal small scale housing development which may harm the character of well-established communities.

In February 2014 Wokingham Borough Council (WBC) adopted its Development Plan – Managing Development Delivery (MDD) Local Plan. This document is designed to add further detail to policies contained within the existing Core Strategy 2011 and sets out how the Borough will spatially develop in the years up until 2026.

At the examination of the MDD (2013), the inspector raised concerns as to the rate at which housing could be delivered at these four SDL's, and commented on the Council's persistent inability to meet its annual housing requirement and not being able to demonstrate a 5-year housing supply, although the Council considered this to be a wider regional issue attributed to the recovering economic market and mortgage rates.

The inspector commented that the Councils' reliance on the four SDL's raised an element of risk to delivery in the short term. He also suggested that the delivery of housing through smaller sites outside of the SDL boundary's may also prejudice the delivery of housing within the SDL's themselves over time.

In spite of this, at the examination of the Core Strategy in 2011, the inspector acknowledged the commitment demonstrated by the Defence Estates and other land owners towards progressing the development. Due to the quantum of housing provided on the site, the inspector stated that there was a realistic prospect of funds being forthcoming to support the necessary infrastructure, particularly with regards to transport/highway improvement, schools and community facilities. The inspector therefore concluded that it was unlikely that major costs would threaten the level of implementation suggested. Overall the inspector concluded that he sees '*no reason to doubt that all of the site will not come forward to achieve the proposed housing numbers by the end of the plan period*'.

The Arborfield Garrison SDL development is split into two areas to create north and south divisions. These are overseen by two separate developers; Crest Nicholson to the North and the Marino Family Trust to the south.

Summary

The realistic prospect of housing delivery at a rate of **around 270dpa** at the site is corroborated through several factors. The inspector identifies these factors as the full commitment from landowners to progress the development as well as evidence that the necessary infrastructure required could be delivered.

North east of Leicester Strategic Urban Extension - Charnwood Borough Council

360 hectares
4,500 homes
13 hectares of employment
3 primary schools and 1 secondary school
a local centre and Gypsy, traveller and travelling showpeople pitches

The site is allocated within Charnwood Borough Council's (CBC) Local Plan: Core Strategy (2015). The Planning Inspector's report into the Local Plan: Core Strategy, dated 2015, raised concerns regarding the rate of delivery at the site.

CBC projected the site to deliver 3,750 dwellings within the remainder of the plan period(2016-2028). This was deemed too ambitious by the inspector who suggested a more realistic projection of 3,250 homes. This was due to the inspector's view that the first completions on site wouldn't be seen until 2017/18. The inspector therefore believed an **average delivery rate of 271 dwellings per year over the life of the development** and delivery of over 300 dwellings per year for most of the trajectory and up to 325 dwellings per year in peak years to be achievable.

Within the report, the inspector acknowledged that there were several issues still to be resolved on site relating to the provision of infrastructure and land ownership. Despite this, the inspector acknowledged there to be few physical and environmental constraints, as well as mechanisms in place to ensure the necessary infrastructure could be provided as the development progressed. Based on this, the inspector concluded that the development was both viable and achievable.

The inspector also noted that fewer completions would be evident within the initial years of development, but recognised the strength of the housing market around Leicester as being an indicator of prospective potential housing growth.

www.eastleigh.gov.uk/localplan2016-2036

