

**LOCAL PLAN EXAMINATION
CAMBRIDGE CITY & SOUTH CAMBRIDGESHIRE**

**MATTER 8C and 8B
ASSESSMENT OF THE DELIVERABILITY OF SITES FROM
THE HOUSING TRAJECTORY**

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**ON BEHALF OF
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Assessment of the Deliverability of Sites from the Housing Trajectory

Matter 8A and 8B
ID 5102/20801

Jesus College, Pigeon Investment Management and Land Improvement Holdings
Cambridge South
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Brian Buckingham: Participant at Matters 8A and 8B

Brian Buckingham is a Chartered Surveyor having qualified as a Professional Member in 1991 and has 24 years' experience in the development industry. In 1995 Brian joined Bidwells working in Residential Development team based in the Cambridge office. In 1999 Brian became Head of Residential Development at Bidwells.

Brian's main area of practice is advising clients in the disposal and acquisition of land for primarily residential development. Clients include private Landowners, Cambridge Colleges, PLC House Builders, Institutions and Charities.

Over the past five years Brian has advised on the sale and purchase of over £500m of residential development land in East Anglia. Some of these projects include;

- The sale of approximately 154 acres of greenfield land at Clay Farm for the development of up to 2,300 residential dwellings on Cambridge's Southern Fringe to Countryside Properties on behalf of private landowners;
- The acquisition of approximately 43 acres of greenfield land at Trumpington Meadows, again on Cambridge's Southern Fringe, for the development of up to 847 residential dwellings on behalf of Barratt David Wilson;
- The disposal of the first phases of the North West Cambridge development comprising 404 residential dwellings on behalf of the University of Cambridge;
- The marketing of Mallets Park adjacent Cambridge Airport for the development of approximately 270 residential dwellings on behalf of Marshalls; and,
- Providing ongoing advice to the University of Cambridge as part of the Wellingborough East Consortium regarding the planning application and viability of the proposed development including up to 6,000 residential dwellings.

Brian has a great depth of local market knowledge having spent the vast majority of his career operating in the Cambridge and the East Anglian market. He is a leading provider of advice within the development industry on large scale development projects including both urban extensions and new settlements. During Brian's career he has witnessed the full extent of market economics through periods of rapid market growth and economic recession.

Brian is extremely well placed to comment on housing land supply and delivery for the purpose of Cambridge City's and South Cambridgeshire's Local Plan Examination.



Executive summary

- 1.1 This report has been produced to assess the deliverability of what the Councils have called the 'Strategic Sites', all of which are located beyond the Cambridge fringe and Northstowe within South Cambridgeshire and housing allocation sites in Cambridge city which are identified in the housing trajectories over the Plan period 2011-2031.
- 1.2 The report also appraises the past deliverability of urban extension sites in Cambridge and new settlements in South Cambridgeshire in order to demonstrate using the evidence available how these different forms of large-scale housing allocations have performed in the last Local Plan period.
- 1.3 In particular, the report has analysed the performance of Northstowe and Cambourne which were new settlements allocations from previous Plans. Cambourne took 8 years from being allocated as a housing site to the first delivery of housing. The most recent planning permission for 950 dwellings at 'Upper Cambourne' proved to be unviable and, in consequence, the affordable housing provision had to be reduced to 30%.
- 1.4 Northstowe has still not delivered any dwellings after 13 years from its allocation. This new settlement has also proven unviable and the affordable housing provision for phase 1 comprising 1,500 dwellings has been reduced to 20%.
- 1.5 The evidence shows that expectations of delivery at new settlements in South Cambridgeshire (both from the promoters and planning authorities) have been excessively optimistic. New settlements in South Cambridgeshire cannot be relied upon to deliver housing in the Plan period and may only deliver housing at the end of the Plan period.
- 1.6 Urban extension sites on the edge of Cambridge have been shown to deliver dwellings within the Plan period. Trumpington Meadows, Clay Farm and Glebe Farm are housing allocation sites all on the Southern Fringe of Cambridge. Dwellings were delivered at all three of these housing allocations within 6 years of being allocated in the Plan. We believe that Cambridge South can be delivered within this period, if not within the first five years of the Plan period. These urban extension sites have also been able to viably deliver the affordable housing provision of 40% in accordance with adopted planning policy.
- 1.7 The CCC and SCDC Memorandum of Understanding acknowledges that fringe sites that were released from the Green Belt in the last round of plan making are now well underway and delivering new homes, jobs and associated infrastructure on the ground. These urban extension cross-boundary fringe sites are logically building out from the edge of the existing built-up area. Urban extension sites to Cambridge are viable and deliverable in the Plan period.
- 1.8 In terms of delivery rates, Cambourne has been delivering housing for the past 15 years. The average delivery rate over this 15 year period was 235 dwellings per annum. This may be compared with the housing trajectory forecast for Northstowe which claim delivery of a peak of 400 dwellings per annum over the Plan period. Cambourne has only delivered in excess of 400 dwellings per annum once, in 2003-2004, at a time when it was the only major site being developed within the District. The housing trajectory for delivery of housing from Strategic Sites and Northstowe is not realistic and should be capped at 250 dwellings per annum. A total of 705 dwellings have been delivered at the Southern Fringe of Cambridge equivalent to 353 dwellings per annum (2012-2014). It is expected that Cambridge South as an urban extension would deliver housing which reflects the same rate as the Southern Fringe.



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Appendix 2 South Cambridgeshire District Council's Housing Trajectory

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1 Introduction

- 1.1 The report appraises the deliverability of the Strategic Sites and Northstowe within South Cambridgeshire and the urban extension sites to Cambridge. The report also assesses the deliverability of brownfield housing allocation sites in Cambridge city.
- 1.2 The report demonstrates that urban extension sites on the fringe of Cambridge are more certain of housing delivery during the Plan period compared to the allocated Strategic Sites and Northstowe in South Cambridgeshire and that CCC and SCDC housing objectives will not be met by the provisions of their Plans.
- 1.3 This report is not provided to assess if CCC and SCDC have objectively assessed their housing need.

2 Spatial Strategy of the Plans

- 2.1 A Memorandum of Understanding has been produced by CCC and SCDC setting out their agreement to consider their two housing trajectories together for the purposes of the assessment of housing land supply. Both Councils have prepared their own Local Plan which proposes a development strategy for the Greater Cambridge Area and the policy implications of the Memorandum of Understanding have yet to be addressed
- 2.2 The Memorandum of Understanding supplements the Memorandum of Cooperation (May 2013) under which the Councils have committed to meeting in full their objective assessed needs within their respective areas. The Memorandum of Understanding claims that both Councils can provide a continuous 5 year housing land supply, but only when projected jointly. It also acknowledges that the Councils may be required to make modifications to their Plans in order to demonstrate this.
- 2.3 CCC confirms its commitment to delivery of housing in the urban areas and fringe areas already consented in the early and middle parts of the Plan period. SCDC is committed to delivery of housing in the fringe areas and at new settlements with emphasis on delivery in the middle to the later parts of the plan period due to the longer lead-in time of these Strategic Sites.

Cambridge City Council

- 2.4 Policy 3 of CCC's Plan allocates 14,000 additional dwellings within CCC's administrative boundary. The housing allocation implies an average delivery rate of 700 dwellings per year.
- 2.5 CCC propose to achieve the housing allocation from the delivery of the below provision of sites;

Table 1

Dwelling Provision	Number of Dwellings
Completions 2011-2012	331
Sites with Planning Permission	8,955
Urban Extension without Planning Permission (i.e. Worts' Causeway GB1 and GB2)	430
Existing Allocated Sites without Planning Permission	721
New Local Plan Allocation Sites	1,904

Windfall	1,850
Total	14,191

2.6 CCC's Plan includes a Proposals Schedule of sites allocated for development in order to meet their housing allocation. Sites identified in the Proposals Schedule are discussed in Section 3.

South Cambridgeshire District Council

2.7 Policy S/5 of SCDC's Plan allocates 19,000 new homes to the District. The housing allocation implies an average delivery rate of 950 dwellings per year.

2.8 SCDC propose to achieve the housing allocation from the delivery of the below provision of sites;

Table 2

Dwelling Provision	Number of Dwellings
Completions 2011-2012	696
Major Sites	11,113
Smaller Rural Sites	2,220
New Local Plan Allocation Sites	5,000
Total	19,029

2.9 The dwelling provision from Major Sites includes allocations from the South Cambridgeshire Local Development Framework (2007-2010) together with allocations contained in the Area Action Plans for Northstowe, North West Cambridge, Cambridge Southern Fringe and Cambridge East.

2.10 The dwelling provision from Major Sites also includes four new Strategic Site allocations known as Waterbeach New Town (Policy SS/5), New Village at Bourn Airfield New Village (Policy SS/6), Northstowe Extension (Policy SS/7) and Cambourne West (Policy SS/8). Only Waterbeach New Town, Bourn Airfield New Village and Cambourne West are identified in the housing trajectory to deliver dwellings in the Plan period. Northstowe Extension is not identified in the housing trajectory to deliver dwellings in the Plan period.

3 Deliverability of Housing Allocations – Cambridge City sites

3.1 The NPPF states that Local Planning Authorities should identify and update annually a supply of deliverable sites sufficient to provide five years' worth of housing against their housing requirement (NPPF, para. 47). The NPPF provides guidance on how to assess if a site can be considered 'deliverable'. Footnote 11 of the NPPF states;

'To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable.'

3.2 Local Planning Authorities must also identify a supply of developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15. The NPPF provides guidance on how to assess if a site can be considered 'developable'. Footnote 12 of the NPPF states;

'To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.'

3.3 Table 3 identifies sites from the Residential Proposals Schedule of CCC's Plan for housing allocations which were also historic housing allocations in the Local Plan 1996 or the Local Plan 2006

Table 3

Allocation No.	Site	Address	Dwelling Allocation (Dwellings Trajectory different)	in if	First Allocated	Trajectory for Delivery	Principal Constraint
R2		Willowcroft, Histon Road	78		1996 Local Plan	0-5	ATS Commercial Unit – business relocation
R7		The Paddocks Trading Estate, Cherry Hinton Road	123		2006 Local Plan	6-11	Occupied under multiple leases
R14		British Telecom, Long Road	76 (55)		2006 Local Plan	6-11	Operation requirement. Relocation is unviable due to fibre optic cables
M4		Police Station, Parkside	50		1996 Local Plan	6-11	Operational requirement
R12		Ridgeons, Cavendish Road and Cromwell Road	245 (28)		1996 Local Plan	6-11	Ridgeons Commercial Unit – business relocation but part may become available
R4		Henry Giles House, Chesterton Road, CB4	48		2006 Local Plan	6-11	Existing Use Value exceeds Market Value for residential development
R1		295 Histon Road	32		2006 Local Plan	6-11	Leased to the Squash Club
R21		Magnet Warehouse, 315-349, Mill	30		2006 Local Plan	6-11	Part of site has planning permission for a Mosque and part

	Road					subject to imminent student accommodation application
M1	379-381 Milton Road	95		2006 Local Plan	11-15	Currently car dealership business relocation –
R10	Mill Depot and adjoining properties	Road 167		1996 Local Plan	11-15	Operational requirements and occupied under multiple leases

3.4 Unlike cities that are in decline, where there is an increasing supply of brownfield sites, Cambridge's growth means there are a decreasing number of brownfield sites coming forward. It is not realistic to assume that there will be an acceleration of units built on existing brownfield sites and that these sites can be considered developable in the Plan period.

3.5 We have reviewed all of the Existing Allocated Sites without Planning Permission which are identified to deliver 721 dwellings in the housing trajectory contained in the Annual Monitoring Report (December 2013) (appendix 1). **We have concerns about the availability of 10 sites and their ability to deliver 706 dwellings during the Plan period by 2031 as they have historically been allocated and not delivered for the reasons set out as the Principal Constraint detailed in Table 3.**

3.6 Table 4 identifies sites from the Residential Proposals Schedule of CCC's Plan for new housing allocations.

Table 4

Allocation No.	Site Address	Dwelling Allocation	First Allocated	Trajectory for Delivery	Principal Constraint
R5	Camfields Resource and Oil Depot, 137-139 Ditton Walk	35	2014 Proposed Local Plan	6-11	Currently fuel depot – operational requirements and possible contamination
R16	Cambridge Professional Development Centre, Foster Road	67	2014 Proposed Local Plan	6-11	Operational requirement
R17	Mount Pleasant House, Mount Pleasant	50	2014 Proposed Local Plan	6-11	Existing Use Value exceeds Market Value for residential development
R6	636-656 Newmarket	75	2014 Proposed	11-15	Operational

	Road, Holy Cross Church Hall, East Barnwell Community			Local Plan			requirement	
R8	149 Cherry Hinton Road & Telephone Exchange, Coleridge Road	33		2014 Proposed Local Plan		11-15	Operation requirement business relocation	–
R11	Horizon Resource Centre, Coldham's Lane	40	285	2014 Proposed Local Plan	Local Local	11-15	Operational requirement	
M2	Clifton Area	Road	550	2014 Proposed Local Plan		11-15	Occupied under multiple leases	
M5	82-88 Hills Road & Bateman Street	20	57-63	2014 Proposed Local Plan		11-15	Existing Value does not exceed Market Value for residential development	Use not for

3.7 We have reviewed all of the New Local Plan Allocation Sites which are identified to deliver 1,904 dwellings in the housing trajectory contained in the Annual Monitoring Report (December 2013) (appendix 3). We have concerns about the ability of 8 sites to be developable in the Plan period and their ability to deliver 870 dwellings in the Plan period by 2031 for the reasons set out as the Principal Constraint detailed in Table 4.

3.8 Table 5 shows how many dwellings have been delivered in CCC for the 13 years period (1999-2012) compared to the Local Plan 2006 Housing Allocation.

Table 5

Local Plan	Housing Allocation	Average Delivery Rate / Annum	Actual Delivery	Actual Delivery Rate / Annum	Actual Delivery as % of Allocation
2006	12,500 (1999-2016)	735	5,366 (1999-2012)	413	56%

3.9 CCC has historically only delivered 56% of the housing allocation for the period 1999-2012. CCC's latest Annual Monitoring Report (December 2013) states that the latest reporting year (2012/2013) forecast a cumulative undersupply of -378 dwellings for the period.

4 Deliverability of Housing Allocations – New Settlements

Lead-in Times

- 4.1 New settlements such as those identified as Strategic Sites in SCDC housing trajectory, typically experience long lead-in times from initial allocation of the site in a Plan through to delivering dwellings onsite. Strategic Sites require significant amounts of due diligence to be undertaken to enable their delivery, infrastructure upgrade works offsite and enabling works onsite prior to first dwelling delivery. This is not new and Bar Hill warrants mentioning. Bar Hill was conceived in the 1950's with the first residents arriving in 1967. The village took 23 years to complete and was built out at an average of around 80 dwellings per annum.
- 4.2 Some of the Strategic Sites allocated in the Plan are existing housing allocations from previous Plans and have taken many years from initially being identified to dwellings being delivered onsite.
- 4.3 A new settlement to the west of Cambridge was originally included in the approved South Cambridgeshire Local Plan 1991. Planning permission (reference S/1371/92/O) was first granted for Cambourne in April 1994 for a mixed-use development including up to 3,000 dwellings (later increased to 3,300 dwellings). In 2011 a further planning permission (reference S/6438/07/O) was granted for 'Upper Cambourne' for a mixed-use development including up to 950 dwellings. Cambourne benefits from planning permission for up to 4,250 dwellings and a total of 3,518 dwellings have so far been delivered (1999-2014).
- 4.4 Cambourne West is a Strategic Site proposed to be allocated in the Plan to the west of the existing new settlement at Cambourne. Whilst it took 8 years from Cambourne originally being allocated to the first delivery of dwellings, in contrast, the Plan proposes that Cambourne West will deliver dwellings in years 2016-2026 of the Plan which is the equivalent of 3 years from allocation. Whilst it would be realistic to expect such a new settlement expansion to take less time to first delivery than the development of Cambourne itself, the 3 year period is far too optimistic given the issues which have to be addressed before construction can commence.
- 4.5 Northstowe was originally identified as a new settlement in Cambridge Sub-Region Study (2001). The Northstowe Area Action Plan (adopted July 2007) allocated the site for the delivery of at least 4,800 dwellings by 2016 and ultimately 10,000 dwellings beyond that date. In April 2014 SCDC granted outline planning permission (reference S/0388/12/OP) for phase 1 comprising a mixed-use development including up to 1,500 dwellings. In August 2014 a planning application (reference S/2011/14/OL) for phase 2 was submitted comprising a mixed-use development including up to 3,500 dwellings. The planning application has not yet been determined. To date no dwellings have been delivered at Northstowe and the housing trajectory now only forecasts 64 dwellings to be delivered by 2015-16. This is a massive -4,736 dwelling shortfall compared to the Area Action Plan forecast and shows the difficulties of predicting delivery for such proposals.
- 4.6 The Southern Fringe was originally allocated for housing in CCC's Local Plan (adopted July 2006). The Southern Fringe Area Development Framework (adopted January 2006) allocates four housing sites (Trumpington Meadows, Clay Farm, Glebe Farm, Bell School) on the fringe of Cambridge in CCC for a total of approximately 3,320 dwellings (appendix 3). A further 600 dwellings are allocated in the Cambridge Southern Fringe Area Action Plan (adopted February 2008) in SCDC at Trumpington West (aka. Trumpington Meadows).
- 4.7 In 2009 Trumpington Meadows was granted planning permission for a mixed-use development including 1,200 dwellings. In 2010 Clay Farm and Glebe Farm were granted planning permission for a mixed-use development including 2,300 and 286 dwellings respectively. Development commenced on these sites in 2011 and the first dwellings were delivered in 2012.
- 4.8 Table 6 demonstrates that sites on the fringe of Cambridge are able to be delivered within a significantly shorter lead-in time than Strategic Sites.

Table 6

Site	Strategic Site or Fringe	Date Allocated	Date Planning Permission Granted	Date Dwellings Delivered	First	Years Between Allocation and Delivery	Dwellings Delivered to Date
Cambourne	Strategic Site	1991	1994	1999		8	3,518
Northstowe	Strategic Site	2001	2014	N/A		13+	0
Trumpington Meadows	Fringe	2006	2009	2012		6	230
Clay Farm	Fringe	2006	2010	2012		6	308
Glebe Farm	Fringe	2006	2010	2012		6	167

4.9 Table 7 identifies the lead-in times assumed by SCDC for the delivery of housing from Strategic Sites and Northstowe allocations.

Table 7

Strategic Site	Date Allocated for Delivery	Years between Allocation and Delivery
Waterbeach New Town	2026-2027	13
New Village at Bourn Airfield	2022-2023	9
Northstowe	2015-2016	2
Cambourne West	2016-2017	3

4.10 We believe that the lead-in time for the Strategic Sites appear reasonable from allocation (2013-2014) to delivery of dwellings, although we are concerned that the lead-in for Cambourne West is too optimistic. However none of the lead-in times for the Strategic Sites are likely to be shorter than detailed in the housing trajectory.

Delivery Rates

4.11 The delivery rate of dwellings from each housing allocation is fundamental in formulating the housing trajectory. There is evidence available from the historic delivery rate of dwellings on Strategic Sites and fringe sites in Cambridge to provide a robust delivery rate for dwellings in the housing trajectory.

4.12 The table below summarises the delivery rate of dwellings at Cambourne and the Southern Fringe to date.

Table 8

Site	Strategic Site or Fringe	Dwellings Consented	Dwellings Delivered including 2013-	Average Dwellings Delivered	Dwellings per
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			2014 Predictions	Annum
Cambourne	Strategic Site	4,250	3,518	235
Southern Fringe	Fringe	3,920	705	353

4.13 The three Strategic Sites and Northstowe are intended to deliver a total of 9,981 dwellings within the Plan period to 2031 (appendix 2). Table 9 illustrates the delivery rate that has been assumed by SCDC in the housing trajectory for the Strategic Sites and Northstowe.

Table 9

Strategic Site	Dwelling Allocation	Dwelling Allocation by 2031	Upper Trajectory per Annum
Waterbeach New Town	8,000 – 9,000	1,400 (2026-2031)	400
New Village at Bourn Airfield	3,500	1,700 (2022-2031)	220
Northstowe	9,500	5,681 (2015-2031)	400
Cambourne West	1,200	1,200 (2016-2025)	150

4.14 Cambourne has delivered approximately 235 dwellings per annum over a 15 year period since dwellings first started being delivered in 1999. Housing delivery peaked at 620 dwellings in 2003-2004 but reached allow of 102 dwellings in 2011-2012. The low point in housing delivery was at a time of turbulent economic conditions and shows that Strategic Sites and Northstowe are unreliable to consistently deliver housing at the rate detailed in the housing trajectory during the course of an economic cycle. Cambourne only achieved a sale rate in excess of 400 dwelling per annum once for the year 2003-2004. The average delivery rate for the last 5 years (2009-2014) is 148 dwellings per annum.

4.15 Northstowe is similar in nature to Cambourne. The peak predicted delivery rate in the housing trajectory for Northstowe is 400 dwellings per annum for the period 2019-2031 (12 years). The housing trajectory for Northstowe is not consistent with the housing delivery rates achieved at Cambourne and is not realistic.

4.16 Cambourne West and Bourn Airfield New Village are both south of the A428 road and are within approximately 1 mile of each other. The peak housing delivery for housing trajectory across these two Strategic Sites is 370 dwellings per annum which is unrealistic to assume for the housing trajectory.

4.17 It should be noted that Cambourne has historically not had to compete with housing production from other new settlements in the District. The delivery of housing from the Strategic sites and Northstowe which are all of a similar nature will undoubtedly have a delivery cap based on the market's demand.

4.18 We have concerns with the housing trajectory for the Strategic Sites and Northstowe are based on unrealistic delivery rates. The housing trajectory should be assumed at a maximum of 250 dwellings per annum for Northstowe which is more consistent with Cambourne's historic housing trajectory. Cambourne West and Bourn Airfield's combined housing trajectory should also not exceed 250 dwellings per annum.

Viability

- 4.19 The NPPF requires Local Planning Authorities to set policies in order to meet their objectively assessed affordable housing need onsite.
- 4.20 SCDC affordable housing policy is contained in Policy H/9 of the Plan. For all development which increases the net number of homes by three or more will require that 40% of the homes will be affordable. Policy H/9 allows the affordable housing provision to be negotiated if it can be demonstrated that the level of affordable housing sought would make the development unviable.
- 4.21 Strategic Sites are contingent on infrastructure to be delivered at the front-end of the developments which is a significant cost of the overall development scheme. These infrastructure costs relate to servicing the site by providing highways, sewers and utilities with capacity to enable the development to commence.
- 4.22 Strategic Sites inevitably require greater expenditure to enable their delivery compared to urban extensions, however they will only come forward if viable. The higher costs of developing Strategic Sites directly affects the project's overall viability which means the scale of planning obligations delivered by Strategic Sites is reduced.
- 4.23 There have been very recent demonstrations of the viability issues relating to Strategic Sites in SCDC. In April 2014 SCDC granted outline planning permission (reference S/0388/12/OP) for Northstowe phase 1 comprising a mixed-use development including up to 1,500 dwellings with only 20% affordable housing. In 2011 SCDC granted outline planning permission (reference S/6438/07/O) for Cambourne comprising a mixed-use development including up to 950 dwellings with just 30% affordable housing. This indicates, as is to be expected, that viability constraints can be resolved only by reducing or delaying the level of affordable housing provided.
- 4.24 In contrast, urban extensions on the fringe of Cambridge have been shown to be viable with 40% affordable housing provision onsite which is compliant with CCC's affordable housing policy contained in Policy 45 of the Plan.
- 4.25 In May 2009 the Secretary of State recovered two appeals by Countryside Properties PLC & Countryside Properties (UK) Ltd to Cambridge City Council (reference APP/Q0505/A/09/2103599/NWF and APP/Q0505/A/09/2103592/NWF). The appeals were made under section 78 of the Town and Country Planning Act 1990 against a failure to give notice within the prescribed period of a decision on an application for outline planning permission for Clay Farm and Glebe Farm.
- 4.26 The appeals sought to reduce the affordable housing provision in phase 1 based on viability of the development. The Secretary of State concluded that the appeal schemes should be capable of delivering 40% affordable homes and dismissed both appeals, thereby refusing planning permission. In August 2010 CCC approved a duplicate application to the appeal schemes but with a policy compliant 40% affordable homes provision. The development of this site is now well underway and delivering dwellings.
- 4.27 Northstowe phase 1 and Cambourne are examples of Strategic Sites which are unable to be developed viably without the reduction of affordable housing. Clay Farm and Glebe Farm are examples of urban extensions to the fringe of Cambridge which can viably meet the policy requirement for affordable housing provision.

Table 10

Site	Strategic Site or Fringe	Planning application reference	Affordable Housing
Northstowe (Phase 1)	Strategic Site	S/0388/12/OP	20%
Cambourne	Strategic Site	S/6438/07/O	30%

Clay Farm	Fringe	07/0620/OUT	40%
Glebe Farm	Fringe	09/1140/FUL	40%
Trumpington Meadows	Fringe	S/0054/08/O and 08/0048/OUT	40%
Bell School	Fringe	13/1118/S73	40%
Darwin Green	Fringe	07/0003/OUT	40%

4.28 We have concerns about the ability of South Cambridgeshire District Council to meet their objectively assessed affordable housing need from Strategic Sites and Northstowe allocated for housing in the Plan due their ability to be developed viably.

Demand

4.29 There is strong demand from house builders to acquire land in Cambridge to build out consented residential development schemes. There are currently a host of house building companies actively delivering housing allocations on the Southern Fringe which are named below;

Table 11

Southern Fringe Site	House Builder
Trumpington Meadows (parcels 1-5)	Barratt Homes
Glebe Farm (parcels 1, 2, 7-11)	Countryside Properties
Clay Farm (parcels 1B, 2, 5, 10 -12)	Countryside Properties
Clay Farm (parcels 16)	Bovis Homes
Clay Farm (parcels 19-20)	Skanska
Bell School	Hill Residential

4.30 The demand from house builders to acquire land on the fringe of Cambridge to deliver dwellings is evident by the current market conditions demonstrated through recent land disposals of consented development schemes. In summer 2014 Bidwells marketed 1.09 hectares (2.69 acres) of parcels 9A and 9B at Clay Farm with planning permission for the development of 66 dwellings. A number of proposals were received for the site demonstrating the depth of the market for consented land on the fringe of Cambridge.

4.31 In January 2014 Savills marketed 5.39 hectares (13.3 acres) at Clay Farm with planning permission for 274 dwellings. It is understood that Crest Nicholson has acquired this development opportunity.

4.32 There is strong demand from house building companies to acquire land on the fringe of Cambridge for the delivery of dwellings and this has been demonstrated by the market.

5 Market Economics

5.1 Revenue is, of course, a function of demand and supply. Table 12 below shows the revenues that are being achieved (measured in pounds per square foot) at various locations.

Table 12

Site	Strategic Site or Fringe	House Builder	Average Revenues (£/sq ft)	Sales (£/sq ft)	Est. Cost of Development (£/sq ft)	Fixed of	Residual for Infrastructure and Planning Obligations (£/sq ft)
Clay Farm (parcels 1B, 2, 5)	Fringe	Countryside Properties	£480		£180		£300
Clay Farm (parcels 10, 11, 12)	Fringe	Countryside Properties	£400		£180		£220
Glebe Farm	Fringe	Countryside Properties	£380		£180		£200
Trumpington Meadows	Fringe	Barratt Homes	£370		£180		£190
Cambourne	Strategic Site	Taylor Wimpey	£250		£180		£70
Longstanton (next to Northstowe)	Strategic Site	Charles Church (built 2006)	£230		£180		£50

5.2 Table 12 demonstrates the diversity of the sale revenues being achieved on development schemes on the fringe of Cambridge and those revenues being achieved outside of the City in South Cambridgeshire. Revenues are driven by the local housing market and are relatively rigid and the cost for the construction of the dwellings are fixed. A simple residual approach of these two inputs demonstrates the amount available for infrastructure and financial obligations. Table 12 demonstrates that the fringe sites are much more viable due the higher GDV's of the developments compared to Strategic Sites.

5.3 Revenues show where the demand is for housing; it shows for where people want/need to live. It also demonstrates why the urban extension sites are more certain of delivery. During the life of the Plan, there will be 'ups and downs' in the market. When revenues are higher, the delivery from these sites is far more resilient than when revenues are lower.

5.4 It should be noted that the Cambridge Fringe sites identified in Table 6 were allocated in 2006 and permission was granted in 2009/10 and during this period there was extreme turbulence in the markets. Despite this turbulence these sites progressed. Sites where the revenues are significantly lower would not progress in this way.

6 Conclusion

6.1 The housing trajectory for housing allocation sites in the Cambridge Local Plan contains 4 sites for the delivery of 323 dwellings which are retained allocations from the Local Plan 1996. The housing trajectory also contains 6 sites for the delivery of 383 dwellings which are retained allocations from the Local Plan 2006. There is clear evidence to indicate that these sites for the delivery of 706 dwellings are not

developable during the Plan period 2011-2031. They were not delivered under the previous Plans and there is no evidence that they are any more deliverable now.

- 6.2 SCDC acknowledge that new settlements have long lead-in times to the delivery of housing. That is demonstrated by the histories of Cambourne and more recently Northstowe which was allocated for housing in the last Local Plan but failed to deliver any housing in the Plan period. SCDC housing trajectory does not forecast housing delivery from Bourn Airfield New Village until 2022-2023 which is 9 years in to the Plan period. SCDC housing trajectory also does not forecast delivery from Waterbeach New Town until 2026-2027 which is 13 years in to the Plan period. It is correct to assume that these sites are only capable of housing delivery in the latter period of the Plan. The consequence is that SCDC are unable to deliver a sufficient housing supply at the start of the Plan period.
- 6.3 SCDC has identified 9,981 dwellings to be delivered from Strategic Sites (Waterbeach New Town, Bourn Airfield New Village and Cambourne West) and Northstowe in their housing trajectory. Cambourne has been delivering dwellings over the last 15 year period at an average rate of 235 dwellings per annum and only exceeded 400 dwellings per annum once, 10 years ago in 2003-2004. It is not realistic that Northstowe will consistently deliver 400 dwellings per annum for a 12 year period (2019-2031) during the Plan period. It is also not realistic that Cambourne West and Bourn Airfield New Village will deliver a combined peak housing trajectory of 370 dwellings per annum given that the sites are within approximately 1 mile of each other. The housing trajectory for Northstowe and Cambourne West and Bourn Airfield New Village combined should be capped at a peak of 250 dwellings per annum which is more consistent with the historic delivery rate of Cambourne.
- 6.4 Trumpington Meadows, Clay Farm and Glebe Farm are within a 2 mile radius of each other on the Southern Fringe. A total of 705 dwellings have been delivered at the Southern Fringe of Cambridge equivalent to 353 dwellings per annum (2012-2014). It is expected that Cambridge South as an urban extension would deliver housing which reflects the same rate as the Southern Fringe.
- 6.5 Viability plays a key role in enabling Strategic Sites to come forward for delivery. It is well documented that new settlements detached from existing settlement boundaries require significant investment in infrastructure to enable their delivery. These costs are front-loaded. Strategic sites are also reliant on onsite provision of education and community facilities as they are detached from existing settlements. Strategic Sites are also projected to generate lower revenues which compared to urban extension to Cambridge and this is documented by the market conditions.
- 6.6 As a result of high infrastructure and planning obligation costs and relatively lower revenues, Strategic Sites have been unable viably to deliver a policy compliant affordable housing provision. Strategic Sites in the District at Cambourne and Northstowe phase 1 have been unviable to deliver a policy compliant level of affordable housing. Whereas, urban extensions to the fringe of Cambridge including Trumpington Meadows, Clay Farm, Glebe Farm and Darwin Green have proven viable to deliver a policy compliant level of affordable housing which assists the District in meeting its objectively assessed housing need.
- 6.7 It is evident that urban extensions to Cambridge are deliverable within the Plan period as demonstrated by the Southern Fringe which took 6 years from allocation in the Local Plan 2006 to delivery of the first dwellings. Furthermore, it has been demonstrated that there is strong demand from house builders to deliver dwellings on the fringe of Cambridge.



Appendices



Appendix 1

Cambridge City Council's Housing Trajectory



Appendix 2

South Cambridgeshire District Council's Housing Trajectory



Appendix 3

Southern Fringe Plan

Cambridge Southern Fringe

May 2014



Trumpington Meadows			
Lot (Parcel)	Application Reference	Developer	No. of dwellings
1-5	11/0073/REM	Barratt Homes	163
1-5	11/0075/REM	Barratt Homes	161
6	14/0348/REM	Barratt Homes	39
7	14/0624/REM	Barratt Homes	87

Bell School			
Lot (Parcel)	Application Reference	Developer	No. of dwellings
n/a	13/1786/REM	Hill Residential	270 dwellings and 100 student units

Clay Farm			
Lot (Parcel)	Application Reference	Developer	No. of dwellings
1B, 2, 5	12/0794/REM	Countyside Properties	229
1A, 3, 4	12/0867/REM	Skanska	274
10, 11, 12C, 12C	10/1296/REM	Countyside Properties	306
12A, 13A, 13B, 14A, 14B	14/0520/REM	Countyside Properties	136
15, 17, 18	13/0751/REM	Bovis Homes	295
16	12/0754/REM	Bovis Homes	102
19 & 20	11/0698/REM	Skanska	128
Secondary School	13/0105/REM	Parkside Federation	n/a
Hobson's Square	13/0912/REM	Countyside Properties	n/a
Community Centre	14/0093/FUL	Cambridge City Council	n/a

Glebe Farm			
Lot (Parcel)	Application Reference	Developer	No. of dwellings
1-11	09/1140/FUL	Countyside Properties	286

Sites/blocks with Outline Approval

Sites at Reserved Matters Stage

Sites with Reserved Matters applications approved

Sites Under Construction

Completed sites/blocks

Clay Farm
(City Council Application Ref: 07/0620/OUT)

- Up to 2,300 homes (40% affordable)
- New secondary and primary school, community sport, recreation facilities and shops
- Public open space including allotments

Glebe Farm
(City Council Application Ref: 09/1140/FUL)

- 286 homes (40% affordable)
- Public open space, including allotments

Trumpington Meadows (SCDC Application Ref: S/0054/08/O. City Council Application Ref: 08/0048/OUT)

- 1,200 homes, split between the City and South Cambs boundary (40% affordable)
- An enhanced primary school with additional community facilities
- Local centre
- 60 hectare Country Park
- Open space, recreation facilities and children's play spaces

Bell School
(City Council Application Ref: 13/1118/S73)

- 270 homes (40% affordable)
- 100 bed student accommodation
- Public open space including allotments

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