



M2/20801 M2/5102

MATTER 2

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Land Investment Holdings, Pigeon and Cambridge South Consortium
October 2014

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Executive summary

1. The most sustainable development strategy agreed by both local authorities has been effectively overturned by the dismissal of the large majority of sites on the fringes of Cambridge in favour of less sustainable locations.
2. The dismissal of sites on the edge of Cambridge is based on the perceived importance to Green Belt issues, but the *2012 Inner Green Belt Boundary Study* is not robust. Dismissal of sites based on flawed evidence has resulted in an unsound strategy.
3. By putting the Green Belt assessment early and attaching such considerable weight to its protection, has prevented the proper consideration of: meeting objectively assessed need; the most appropriate strategy when considered against the reasonable alternatives for employment and housing development and delivering sustainable development.
4. The proposed New Settlement strategy is not the most appropriate strategy, it does not accord with the National Planning Policy Framework.

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1 Response to Matters

Is the overarching strategy soundly based?

- 1.1 The most sustainable development hierarchy is set out in the *Cambridge and South Cambridgeshire Sustainable Development Strategy 2012* and accepted by both local authorities is:
- Within the built up area of Cambridge;
 - On the edge of Cambridge;
 - One or more new settlements;
 - Within or adjoining market towns; and
 - At sustainable villages.
- 1.2 LIH and Pigeon agree that this is the most sustainable and preferred approach for new development.
- 1.3 The Councils consider that there are exceptional circumstances for the alteration of the Green Belt as required by the National Planning Policy Framework (NPPF) paragraph 83 and propose six minor allocations within the Green Belt on the edge of Cambridge.
- 1.4 However, the majority of sites on the edge of Cambridge have been rejected in favour of a more dispersed New Settlement option which is less sustainable and deliverable.
- 1.5 This has the effect of largely overturning the agreed and preferred development strategy, set out at paragraph 1.1, because the second most sustainable location for development (the most sustainable option for South Cambridgeshire) has been effectively omitted.
- 1.6 The reason given for the rejection of sites on the Cambridge fringe is given at Issues & Options 2 paragraph 9.4 as due either to their significance to Green Belt purposes and/or for other factors including planning constraints. Green Belt considerations are not, in themselves, considered by either local authority as a policy reason for the rejection of Green Belt sites and are not, in themselves, a sustainability objective of either local authority.
- 1.7 By putting such considerable weight to the protection of the Green Belt has prevented the proper consideration of:
- meeting objectively assessed development need;
 - the most appropriate strategy; and
 - delivering sustainable development.
- 1.8 We have shown that the *2012 Inner Green Belt Boundary Study* is not robust, transparent or properly applied. Neither does the Study take into account the need to promote sustainable patterns of development as required by the NPPF paragraph 84.
- 1.9 The results of the Green Belt Study are negatively skewed, making the perceived importance of Cambridge South to the purpose of the Green Belt greater than it actually is and consequently less likely to be released than had the importance been properly understood.

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- 1.10 The edge of Cambridge sites have been dismissed without proper review of the Green Belt and the Plan-making decisions which follow are not based on robust, positively prepared, proportionate or credible evidence.
- 1.11 Paragraph 14 of the NPPF sets out the presumption in favour of sustainable development unless there are specific policies which indicate development should be restricted. Policies relating to Green Belt are cited as one of these, however, both Councils agree there are exceptional circumstances for the release of Green Belt. There is no policy to restrict Green Belt release.
- 1.12 The NPPF paragraph 17 sets out the core planning principles, one of which states that every effort should be made to objectively identify and then meet the housing, business and other development needs of an area.
- 1.13 The NPPF sets out the twelve issues to be considered to deliver sustainable development in paragraph 18 *et seq.* Green Belt is only one issue to be considered.
- 1.14 The NPPF paragraph 165 requires that a Sustainability Appraisal (SA) which meets the requirements of the SEA Directive should be an integral part of the plan preparation process and should consider all the likely significant effects on the environment, economic and social factors. No SA has been undertaken on the alternative strategic development options by CCC nor jointly by CCC and SCDC so that sites have been rejected at the Issues and Options 2 stage on the basis of an unsound Green Belt review and before an understanding of the consequences on the Councils' sustainability objectives are known. There is no evidence of what effect the decision not to release land on the Cambridge fringe will have on sustainability issues, particularly sustainable transport and climate change and there was no knowledge of the scale of transport mitigation package that would be required nor the source of funding the infrastructure package required by the New Settlement option. No SA has been made to understand the effects of the transport mitigation package required to deliver the New Settlement option.
- 1.15 The way the Councils have deliberated issues to deliver sustainable development has resulted in the Green Belt being considered as more important than all other issues combined. The NPPF, particularly paragraphs 151, 152, 154, 156 and 157, makes it clear that each of the three dimensions of sustainable development: economic; social and environmental; need to be considered and significant adverse impacts on any of these impacts should be avoided. This is not the case as the Plans will have significant adverse effects, including on transportation, climate change, and delivering a strong, competitive economy. These issues will be raised at following sessions.
- 1.16 The NPPF requires that local planning authorities should have a clear understanding of housing need in their area, and meet those needs over the plan period (paragraph 159). The housing need was not properly understood when Cambridge fringe sites were rejected at the Issues and Options 2 stage. These issues will be raised at following sessions.
- 1.17 The NPPF requires that local authorities should have a clear understanding of business needs and to plan for delivery (paragraph 160 and 161). We do not consider the evidence base supports these requirements, particularly for the R&D sector, as set out in our submission on Matter 4
- 1.18 The NPPF requires that local planning authorities should assess and take account of the need for strategic infrastructure. The New Settlement strategy relies on significant infrastructure. There is a significant funding gap and it is expected that the implementation of the infrastructure will delay early delivery of homes and employment. In addition, the completion rates of homes on the allocated new settlement sites and large scale sites beyond the Cambridge fringe have been over-estimated (Appendix 1).

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1.19 The foundation for the Plans is not sound. Decisions have been made on inappropriate and doubtful evidence. The emerging New Settlement strategy is not the most sustainable option, requires the provision of major infrastructure and does not comply with the thrust of the NPPF to promote sustainable patterns of growth.

Is it clear what other strategic options were considered and why they were dismissed?

1.20 Strategic development options were considered by SCDC. Their Initial SA showed that the sites on the fringe of Cambridge supported the scoped sustainability objectives more positively than development options lower in the hierarchy. However, it is not clear why the Cambridge fringe sites were later dismissed.

1.21 The alternatives of the overarching development strategies considered by CCC are not clear. There is no SA undertaken by CCC on the overarching development strategy or jointly by SCDC and CCC before the Cambridge fringe sites were rejected.

1.22 The Councils say that sites are rejected on Green Belt issues. Rejecting sites for Green Belt purposes has the effect of prioritising Green Belt over all other objectives of delivering sustainable development outlined in the NPPF and scoped by both local authorities in their SA Framework – even though the Green Belt is not a sustainability objective identified specifically by either local authority.

1.23 There is no SA on the effects of rejecting sites in the second tier of the sequential hierarchy in favour of less sustainable locations. The SA does not comply with SEA Directive as required by the NPPF paragraph 165.

1.24 The Councils have based their assumptions on Green Belt issues on the *2012 Inner Green Belt Boundary Study*. The review does not take into account paragraph 84 of the NPPF requiring that Green Belt boundaries should take account of the need to promote sustainable patterns of development. In addition, we show clearly that there are errors inherent in this document which skew the results against Green Belt sites, particularly Cambridge South.

1.25 It is not clear why the Cambridge fringe sites were rejected as the decision was not based on credible information.

Are the Plans founded on a robust and credible evidence base?

1.26 The evidence base relating to the overarching development strategy which we consider here is:

- The Sustainability Appraisal;
- Housing need and delivery;
- Employment need and delivery;
- Infrastructure; and
- Green Belt review.

1.27 These will be dealt with at alternative Sessions so only headline issues as they relate to this Matter will be considered here.

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Sustainability Appraisal

- 1.28 This has been largely dealt with under Matter 1, but there are key aspects which affect the credibility of the Plans as the NPPF requires that an assessment according to the SEA Directive is undertaken.
- 1.29 The SEA Directive requires that reasonable alternatives are assessed. SCDC have undertaken SA on the alternative development options showing that the fringe sites of Cambridge is the most sustainable option. However, this is not acted upon.
- 1.30 However, neither CCC nor CCC jointly with SCDC have undertaken SA on the alternative strategic development options. There is no understanding of the effects of the New Settlement option or the reasonable alternatives.
- 1.31 Edge of Cambridge sites have been rejected before the effects on sustainability objectives and spatial extent are understood.

Housing Need and Delivery

- 1.32 The SHMAA was undertaken in May 2013. Previous versions of the SHMAA were not compliant with the NPPF. Consequently the sites on the edge of Cambridge were rejected before there was an understanding of the housing needs in the area compliant with the NPPF.
- 1.33 The CCC SA concedes that the proposed delivery of 14,000 in Cambridge will not meet the need for homes, particularly affordable homes, and that a significant number of people will not be able to live and work within Cambridge and this could impact on its competitiveness.
- 1.34 The New Settlement option requires significant infrastructure and considerable delay in delivery is likely whilst this is implemented. The completion rates are over ambitious (Appendix 1).

Employment Need and Delivery

- 1.35 We welcome the increase proposed by CCC but consider there is an undersupply of B1(b). The attraction of the Cambridge Cluster for employers is based on being within a short distance of similar firms and support services to foster the face-to-face relationships. This is especially important in the R&D sector and new allocations on the fringe are particularly important to nurture this sector.
- 1.36 The NPPF paragraph 154 requires "*local plans should be aspirational but realistic*". In terms of meeting R&D the Plans are not aspirational and they are not realistically going to meet the requirements of the R&D sector in which Cambridge has become exceptional.

Infrastructure and Transport

- 1.37 The New Settlement strategy relies on significant infrastructure at significant investment of around £808million. However, even so, for the New Settlement strategy the only realistic sustainable travel option is the bus and this is found to be attractive for only 7% of trips.
- 1.38 The attractiveness of all sustainable modes of travel (possibly excluding rail) is heavily influence by distance. Walking, cycling and bus are realistic options for the journey to work on the Cambridge fringe as the majority of work is focused on the City (Cambridge has a high use of sustainable travel modes).

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Green Belt Study

- 1.39 The Green Belt review is flawed and is not a robust, adequate or relevant evidence base. It has been used to inform important and far reaching decisions. Green Belt sites on the fringe of Cambridge were rejected early in the process.
- 1.40 The key points we have submitted are:
- the Review does not comply with paragraph 84 of the NPPF;
 - the implementation of the methodology of the 2012 Green Belt Study considers large areas of land over which there is considerable variation in significance relating to Green Belt purpose. As the most significant values for each area is taken, this means that the significance of Green Belt purposes are skewed negatively across the whole tract of land. If the Review was positively prepared, smaller tracts of land would be assessed to help understand the true significance to Green Belt purposes and to help ensure that Green Belt which could be release, should be released;
 - there are discrepancies in the accounting of the importance to the Green Belt for areas of Cambridge South which result in errors. The effect is that tracts of land are considered more important than they are - even according by the Councils' own reckoning. This is set out in our previous submissions.
 - sites have been allocated which are no less significant to the purpose of the Green Belt than areas of Cambridge South which have not been allocated;
 - development could take place on Cambridge South without significant harm to the purpose of the Green Belt with Hauxton Road, the M11 and the river corridor and railway line providing Green Belt boundaries which would endure and which are likely to be permanent.

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2 Conclusion

What part of the Plan is unsound

2.1 The part of both Local Plans which is unsound is the proposed development strategy.

Which soundness criterion it fails and why

2.2 The Plans are not sound because they are not:

- **positively prepared** – the NPPF requires that a Plan should be based on a strategy which seeks to meet objectively assessed development need and infrastructure requirements. It should be prepared to be consistent with achieving sustainable development. We find:
 - i. decisions regarding the location of sites were made before an objective needs assessment complying with the NPPF was undertaken;
 - ii. the infrastructure requirements, implications and funding are unknown;
 - iii. the sustainability effects, including economic, social and environmental, of the proposed development strategy are not known or taken into account;
- **justified** – the Plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence. We find:
 - iv. the SCDC Plan fails to take account of its own SA which shows that the edge of Cambridge is the most sustainable area for growth;
 - v. the strategy of excluding major development on the edge of Cambridge due to Green Belt purpose is not based on proportionate or adequate evidence which means that the results are negatively skewed, making the perceived importance to Green Belt purpose greater than it actually is;
 - vi. the Plans are not based on proportionate evidence. The Green Belt is considered more important than the all other aspects together of delivering sustainable development set out in the NPPF;
 - vii. sites on the edge of Cambridge have been rejected early in the process and have not been fully considered as a reasonable, sustainable and more appropriate alternative;
 - viii. there is no robust evidence base to support the New Settlement development strategy;
- **effective** – the plan should be deliverable over its period
 - ix. the Plans are based on a delivery strategy which will require significant infrastructure. This is likely to delay the delivery of housing and employment in the Plan period;
 - x. the funding for the infrastructure required is not secured;
- **consistent** – the Plan should enable the delivery of sustainable development in accordance with the NPPF:
 - xi. the Plans do not enable the delivery of sustainable development in accordance with the NPPF;
 - xii. the Plans do not comply with the SEA Directive;
 - xiii. the Green Belt study does not take into account the need to promote sustainable patterns of development as required by the NPPF paragraph 84.

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How the Local Plan can be made sound

2.3 We consider the actions required to make the Plans sound include:

- to undertake a robust, accurate and credible Green Belt review which takes account of the need to promote sustainable pattern of development as required by the NPPF paragraph 84;
- undertake SA on the alternatives for the development strategy – this should be undertaken jointly so that the full spatial extent of significant effects is understood as required by the SEA Directive;
- undertake SA on the alternatives for the development strategy, taking into account the significant infrastructure requirement for the New Settlement option;
- to take account of and act on the findings of the SA to help achieve truly sustainable development; and
- for CCC and SCDC to consider the release of appropriate, sustainable Green Belt sites on the fringe of Cambridge so that the most appropriate strategy is pursued.

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Assessment of the Deliverability of Sites from the Housing Trajectory

Matter 2 – Appendix 1
ID 5102/20801

Jesus College, Pigeon Investment Management and Land Improvement Holdings
Cambridge South
10 October 2014



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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Appendices

Appendix 1 Cambridge City Council's Housing Trajectory

Appendix 2 South Cambridgeshire District Council's Housing Trajectory

Appendix 3 Southern Fringe Plan

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
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
R2		Willowcroft, Histon Road	78		1996 Local Plan	6-11	ATS Commercial Unit – business relocation
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 Road Depot and adjoining properties	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 does not exceed Market 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	Housing 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 Not only do the revenues show where the demand is for housing, 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 form 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

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