

Chelmsford Local Plan Examination

11/18

Hearing Statement on behalf of Bovis Homes



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Matter 6b – Housing Provision in Growth Area 2 – North Chelmsford

Q.65 Are the housing site allocations in GA2 within Location 4: North East Chelmsford, Location 5: Great Leighs and Location 6: North of Broomfield justified and deliverable? In particular:

- a. Is the scale of housing for each site allocation, particularly the large new Garden Community for North East Chelmsford and the other Strategic Growth Sites, justified having regard to any constraints, existing local infrastructure and the provision of necessary additional infrastructure?
- 1. Growth Area 2 (North Chelmsford) allocates land for approximately 4,500 dwellings over the plan period, predominantly across five strategic sites of varying scale (between 100-3,000 dwellings in size; the largest of which being North East Chelmsford), the North East Chelmsford site is adjacent to a number of existing commitments. In particular the existing strategic site at Beaulieu Park. This raises concern regarding the Council's considerable emphasis upon the delivery of development within one single location of the City and Plan area.
- 2. CCC is heavily over dependent upon large strategic sites that are not likely to commence delivery on a significant scale until well into the Plan period. We comment in further detail below upon the extensive infrastructure requirements relating to North Chelmsford and their associated costs.
 - b. Is the housing trajectory realistic and are there any sites which might not be delivered in accordance with the timescale set?
- 3. In November 2016, Lichfields' published a research report entitled 'Start to Finish: How quickly do large scale housing sites deliver?' (see Appendix 2.3 of our representations in respect of Policy S8). We highlighted that the research identified that whilst lead-in times for smaller strategic sites (up to 100 units), these increase to an average of around 7 years for larger strategic sites of more than 2,000 units.

- 4. The research concluded that, on average, annual build rates for smaller strategic sites (up-to 100 units) average c.30 units each year, but these increase to an annual average of c.160 units for larger strategic sites of more than 2,000 units, which reflects the limits to number of sales outlets possible on a site, and overall market absorption rates on which the Submission Plan is based.
- 5. Lichfields' findings raise significant doubts regarding specified lead-in times and build-out rates set out in the trajectory for the proposed allocated sites.

Lichfields' Chelmsford Housing Trajectory Review

- Our Client Bovis Homes, commissioned Lichfields to undertake a review of Chelmsford's Housing Trajectory. Their full March 2018 Report and findings were included within Appendix 2.2 of our Regulation 19 representations in respect of Policy S8.
- 7. It is considered to be overly optimistic to expect delivery to actually commence at the stated date, and to deliver at the rates specified, which then are projected to increase to 245 dpa between 2028/29-2035/36¹.
- 8. The Lichfield Housing Trajectory report highlighted that given that CCC does not publish past completions data on a site-by-site basis, it is difficult to ascertain whether projected build-out rates are realistic in the context of historic delivery on past sites.
- 9. The analysis found that a number of the Council's assumed rates are unrealistic and unachievable. In particular, a large number of dwellings are proposed in Growth Area 2 (North Chelmsford), alongside existing commitments, at significantly higher rates of delivery than elsewhere in the Borough. There is, therefore, a necessity to properly evidence assumptions on lead-in times and build-out rates to ensure the trajectory is justified and that CCC's housing need can be met across the Plan period.

¹ SD 002 – Schedule of Additional Changes – June 2018 – ANNEX 5

 $2035/36^{2}$.

- 10. The Trajectory assumes that the North East Chelmsford allocation will deliver the full allocation of around 3,000 dwellings over the course of the Plan period. It anticipates an initial 100 dwellings being delivered during 2022/23. Given that the site does not benefit from planning permission, no application has yet been submitted, the land is in multiple ownership, it is considered to be overly optimistic to expect delivery to actually commence at the date specified, and to deliver at the
- 11. The combined assumed build-out rates of both the proposed North East Chelmsford allocation (3,000 dwellings, 240-250 dpa peak) and the existing Beaulieu Park (2,424 dwellings, 240-250 dpa peak) development are highlighted as being unrealistic and unlikely to be achievable.

rates specified, which then are projected to increase to 245 dpa between 2028/29-

- 12. The proposed allocation at North East Chelmsford, essentially, comprises of an extension to the existing Beaulieu Park development, which when combined would equate to approximately 25% of the Council's land supply across the Plan period. As a result, some periods (2022 to 2036) of the plan would be expecting this area and the two sites to jointly deliver around 480-500 dwellings per annum in North Chelmsford, which would account for approximately 40-50% of CCC's entire completions in those years.
- 13. Lichfields noted that the assumed build-out rates would conflict with the findings of the 'Chelmsford SLAA Viability Study – Final Report (August 2015)'.
- 14. Lichfields conclude that North East Chelmsford is likely to deliver approximately 1,700 dwellings across the Plan period, whereas Beaulieu Park is likely to deliver approximately 2,100 dwellings over the same period. Cumulatively, this results in 1,624 dwellings being removed from the Plan as they will be delivered within the next Plan period, beyond 2036.
- **15.** Lichfields consider that CCC's assumptions concerning other strategic sites are unrealistic, and delivery will take longer. Accordingly, Lichfields produced a revised

² SD 002 – Schedule of Additional Changes – June 2018 – ANNEX 5

version of Table 2 which concluded that CCC's 'Total Local Plan Allocations' figure of 9,085 dwellings (since revised to 8,835 dwellings) should be reduced to 7,785 dwellings. In the same way, it found that CCC's 'Total Existing Commitments' figure of 11,408 dwellings (since revised to 11,737 dwellings) should be reduced to 7,994 dwellings.

- **16.** The report concludes that in order to maintain sufficient flexibility by providing a 20% contingency buffer, further provision for 2,000 dwellings is required.
- 17. CCC's Housing Trajectory places an over-reliance on delivery from sites located at North East Chelmsford, and contains unrealistic assumptions regarding the quantity and timing of completions that will be achievable.
- Much like Beaulieu Park, it is reasonable to assume that North East Chelmsford would be developed through a number of phases; accordingly there would be timescales associated with any sale of serviced parcels, and reserved matters applications would be required for each phase.
- 19. It has been stated within the Mineral Resource Report³ that in order to allow the working of permitted mineral in Park Farm it is proposed to suspend operations within Boreham Airfield and vary the original phasing of extraction. It is said that this will allow all economic mineral within Park Farm to be worked by 2025/26, with progressive restoration allowing significant areas to become available for non-mineral development prior to this date. Extraction within the Airfield will then recommence.
- 20. It is proposed that Hanson and Threadneedle jointly submit two applications (one for each current minerals planning permission) to ECC under section 73 of the 1990 Town & Country Planning Act (as amended) for permission to continue mineral extraction at variance to the current phasing programme⁴. The applications will seek to:

³ SOGC 15 Statement of Common Ground with North East Chelmsford (SGS4) Site Promoters – Mineral Issues, Appendix 2 – paragraph 10.6

⁴ SOGC 15 Statement of Common Ground with North East Chelmsford (SGS4) Site Promoters – Mineral Issues, Appendix 2 – paragraph 6.1

- Suspend extraction within the Airfield and allow the working of minerals
 within Area B (being the section of the Park Farm permission lying within
 the Site) prior to the exhaustion of reserves within the Airfield;
- Vary the working direction within Area B to a generally north to south direction; and
- Extend the time period for the extraction of minerals across the Airfield from 2020 to 2035.
- 21. We note that it has been stated⁵ that Hanson and Threadneedle expect the planning applications to be submitted (accompanied by an Environmental Statement prepared in accordance with the Town and Country Planning (Environmental Impact Assessment) (England) Regulations 2017) to ECC by early 2019 and to have obtained a resolution on the planning applications within 6 months of submission by late 2019.
- 22. It is also said⁶ that ECC officers have confirmed that in principle the period for determination (not including the time to execute any associated legal agreement) estimated by Hanson and Threadneedle is reasonable, on the basis that the submitted applications are complete and thorough. On this basis, Hanson anticipates that extraction across the Airfield will be suspended and works will commence within Area B by mid to late 2020 and be completed by 2026, and completed the extraction of minerals from the remaining areas of the Airfield, and restored those areas, by 2035.
- 23. It is apparent that the timetables specified above are heavily dependent upon any submitted planning applications and Environmental Statement being complete and

⁵ SOGC 15 Statement of Common Ground with North East Chelmsford (SGS4) Site Promoters – Mineral Issues, Appendix 2 – paragraphs 7.1

⁶ SOGC 15 Statement of Common Ground with North East Chelmsford (SGS4) Site Promoters – Mineral Issues, Appendix 2 – paragraphs 7.2 – 7.3

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thorough. The evidence shows that they are overly optimistic, and that in reality the timelines are likely to be pushed further backwards.

- d. Are the specific development and site infrastructure requirements clearly identified for each site allocation, are they necessary and are they justified by robust evidence? Is any other infrastructure necessary for site delivery?
- 24. We consider that very significant supporting infrastructure constraints exist in relation to the NE Chelmsford allocation. These include necessary supporting infrastructure (Chelmsford North East Bypass) and would require phasing around existing gravel extraction on site (which will be subject to significant remediation period after cessation of extraction before development can commence). For instance, it is stated⁷ that, within the site, when all economic minerals have been extracted from beneath the proposed route of the Chelmsford North East Bypass, these areas will be fully restored prior to any highway construction works.
- 25. The North Chelmsford Growth Area is heavily dependent upon the provision of the Chelmsford North East Bypass and the Outer Radial Distributor Road. Which will provide a key strategic missing link in the Essex road network from south to north, linking south Essex through to Stansted Airport.
- 26. The Council acknowledges that it is not expected that the Local Plan will fund the full dual carriageway Chelmsford North East Bypass in its entirety, but the allocated development in the Local Plan will be required to make significant contributions towards the Bypass⁸.
- 27. Our Lichfields' Report⁹ highlighted that the IDP (EB018 A) did not specify details of phasing or 'trigger points' (e.g. levels of housing prior to or post infrastructure delivery) in respect of the delivery of the bypass, despite North East Chelmsford's

[Appendix 3.2 of our Policy S8 Representation)

OGC 15 Statement of Common Ground with North East Chelmsford (SGS4) Site Promoters Mineral Issues, paragraph 5.1

EB018 B – Chelmsford Infrastructure Delivery Plan June 2018 Update, paragraph 3.8
 Paragraph 3.9 Review of Chelmsford Local Plan Pre-Submission Document (2013-2036)

reliance upon its delivery. It also referred to the phasing of funding set out in Table 14.12, which indicates that full funding will not be available until the latter part of the Plan period (2026/27-2030/31), and acknowledges that there is a potential shortfall in funding. Lichfields' referred to the lack of certainty regarding phasing, trigger points, and fundamentally, funding, coupled with the sites reliance on the delivery of the bypass, serving to highlight the uncertainty of its delivery in line with the Council's assumed trajectory, and the need for the Council to adopt a conservative lead-in time.

- 28. It has been stated¹⁰ that some sections of the Bypass will come forward in a phased approach, with single carriageway sections being required by some growth sites and further funding secured to dual these sections being secured in the longer term as part of the overall strategy for the delivery of the full Chelmsford North East Bypass.
- 29. Along with the Radial Distributor Road 2 (RDR2), the early phases of the scheme are critical to the delivery of growth in North Chelmsford, and in particular at North East Chelmsford. The 3,000 dwellings proposed do not need the full NE Bypass which would be a dual carriageway route along its entirety but need the southern sections to link in with the RDR2 which is required in full to support the growth at North East Chelmsford¹¹.
- 30. The total costs attributed to growth sites within the Local Plan has been identified as between £49.1m and £72.1m¹². It is acknowledged that one particular issue which could have an impact on the cost is the need to build the section of the Chelmsford North East Bypass between the Beaulieu Radial Distributor Road and the RDR2 on existing minerals land. This could have a significant impact on the required engineering.

¹⁰ EB018 B – Chelmsford Infrastructure Delivery Plan June 2018 Update, paragraph 3.9

¹¹ EB018 B – Chelmsford Infrastructure Delivery Plan June 2018 Update, paragraph 3.10

¹² EB018 B - Chelmsford Infrastructure Delivery Plan June 2018 Update, paragraph 3.14

- 31. The fully dual Chelmsford North East Bypass is expected to cost in the region of £330m in total. After deducting the contributions above (not including those attributed to RDR2 as this is not part of the Chelmsford North East Bypass itself) from this total cost this results in a further £272m to £291.3m¹³. It is specified that these costs are expected to come from other funding sources, including the Housing Infrastructure Funding Bid and pooled Section 106 contributions from Growth Sites 4, 5 and 6, as well as from development sites in Braintree District.
- Reference is made to bids have been submitted to the Housing Infrastructure Fund (HIF), including an application for up to £250m to the Forward Funding pot by Essex County Council for a package for the Chelmsford North East Bypass and Beaulieu Park Rail Station¹⁴. The cost of this railway station is identified as being £150,000,000, with known funding of £34,000,000, which leaves a funding gap of £116,000,000.
- 33. It is important to note that CCC has stated that for a number of infrastructure items it was not possible to ascertain a precise need or cost¹⁵. Therefore the true cost will be higher than this figure although the identification of specific needs may also release other forms of funding. Equally, with the HIF bid ongoing, it is not know the extent of funding that will come from this source towards Beaulieu Park Station and the North Eastern Bypass, but the funding gap for these two items will be reduced if the HIF bid is ultimately successful.
- 34. In total, Chelmsford's known infrastructure costs have been identified as being £923,594,044, with known funding of £307,320,000, which leaves a funding gap of £616,274,044¹⁶.
- **35.** For North East Chelmsford, CCC identifies the site-related and Section 106 costs equate to £34,657 per dwelling¹⁷. However, we note that this figure excludes other

¹³ EB018 B – Chelmsford Infrastructure Delivery Plan June 2018 Update, paragraph 3.16

¹⁴ EB018 B – Chelmsford Infrastructure Delivery Plan June 2018 Update, paragraph 3.67

¹⁵ EB018 B – Chelmsford Infrastructure Delivery Plan June 2018 Update, paragraph 12.14

¹⁶ EB018 B – Chelmsford Infrastructure Delivery Plan June 2018 Update, Table 12.2

¹⁷ EB018 B – Chelmsford Infrastructure Delivery Plan June 2018 Update, Table 13.4

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potentially very significant additional (unspecified) costs which include S.106 contributions in respect of the following:

- Beaulieu park Railway Station;
- Bus services and infrastructure;
- Cycle and footway links, improvements and crossings;
- Health;
- Indoor sports facilities; and
- Chelmsford North East Bypass full dual carriageway.

It is also specified that additional CIL payments will be required from North East Chelmsford for:

- · Burial space;
- Libraries;
- Municipal waste;
- Park & Ride NE Chelmsford;
- Park & Ride Widford area; and
- Police.
- **36.** The IDP shows¹⁸ that, based on the expected trajectory and timing of infrastructure requirements, development at North East Chelmsford will be cashflow positive until the second half of the plan period. At this point there is a potential cashflow issue, with a deficit of £16,000,000 being identified from 2028/29 onwards.
- 37. It is, therefore, apparent that growth in North Chelmsford is very heavily dependent upon the provision of complex and costly major new infrastructure. The delay or non-provision of which could significantly put back housing delivery rates.

¹⁸ EB018 B – Chelmsford Infrastructure Delivery Plan June 2018 Update, Table 13.12 & paragraph 13.24

f. Will the site allocations in these locations achieve sustainable development?

- 38. CCC's strategy fails to ensure that actual delivery occurs in a range of locations that are associated with where the need arises. Instead, it reapplies a strategy where new development will continue to be overly focused in the northern part of the Borough, to the exclusion of other communities. In doing so, it will result in unsustainable traffic movements that will be harmful to air quality and the principles of delivering sustainable development.
- **39.** CCC is placing undue reliance upon housing delivery in North Chelmsford, which quite evidently will not be achievable given site and infrastructure constraints and normal market absorption considerations.
- 40. Lichfields made no allowance for any increase to the Council's OAHN, and therefore if it were found that the housing needs and housing requirement needed to be greater for the Plan to be found sound, the reduction in the 20% contingency buffer would likely turn into an actual shortfall, further emphasising that the Council will need to allocate more sites across a wider spatial area to ensure a robust trajectory, with sufficient flexibility, to meet housing needs across the plan period.
- 41. We consider that an over dependence upon housing provision at North East Chelmsford also has significant implications with regard to ensuring that balanced employment provision is achieved across the Borough, which benefits all communities.
- 42. We believe that Chelmsford's historic Green Belt designation is restricting development in the more sustainable locations within the Borough, particularly around its principal settlement, Chelmsford. Furthermore, the proposal to introduce further protections through the 'green wedge' and 'green corridor' policies will further preclude housing growth in sustainable locations.
- **43.** A fundamental Green Belt Review is required in order to bring them up to date, and to ensure that the Green Belt boundaries are relevant and justified. Only

through doing so, can Council ensure that the boundaries are robust moving forward and based upon firm new evidence. Any Green Belt release proposed should be accompanied by a reinstatement of new, defensible boundaries to ensure the valuable role of the Green Belt is retained.

- 44. A comprehensive Green Belt Review focussed on the most sustainable settlements with the emphasis being on Chelmsford, is necessary to provide an independent, objective, evidence-based assessment to determine the most suitable and sustainable pattern of development and to identify the most appropriate land for development.
- 45. In the absence of a Green Belt Review, it is impossible for CCC to know whether the land designated as Green Belt continues to fulfil the objectives of including land in the Green Belt and, whether appropriate releases for the Green Belt offer a more sustainable approach to the proposed development strategy than the three growth areas proposed in the draft Local Pan. Our concern is that the Council is unable to demonstrate that the preferred strategy is the most appropriate strategy having considered the reasonable alternatives.
- 46. Our Regulation 19 representations advocate that a deliverable western urban extension to Chelmsford on land within the Green Belt at Skeggs Farm is preferable in sustainability terms to allocations proposed in the Local Plan to the north of Chelmsford, which are considerably further from the city centre and where delivery will be dependent upon complex and expensive infrastructure.

g. Are any amendments necessary to ensure soundness?

47. The Government has restated its clear commitment to significantly boosting housing supply. Whilst the Draft Plan was submitted under the old NPPF and therefore not subject to the standardised housing methodology assessment, it is important that CCC plans positively for the future.

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- 48. It is noteworthy that the proposed standard housing methodology indicated that Chelmsford's housing requirement figure would increase significantly from 805 to 980 dpa. Consequently, CCC will need to consider how it is going to meet this need going forward, and inevitably in the next Plan review, a review of the Green Belt, covering 39% of the District, is going to be critical.
- **49.** We believe that the spatial strategy is undermined by Chelmsford City Council (CCC)'s failure to undertake a detailed Green Belt Assessment to determine the most sustainable locations means to meeting future development needs.
- 50. CCC have been reluctant to consider reviewing the Green Belt on political grounds despite successive Local Plan Reviews. As a consequence, the Green Belt has forced a skewed development pattern around Chelmsford, the principal and most sustainable settlement, resulting in substantial growth of the City to the north increasing distances to the City centre and journey times.
- 51. We believe that the Plan should include a clear commitment to an early review of the Plan to take this higher housing requirement into consideration, and include a review of the Green Belt and proposed green wedge and green corridors, which may prohibit growth in sustainable locations.
- **52.** Without a Green Belt review, it is impossible to know whether the land designated as Green Belt still meets the objectives of Green Belt land and, more importantly, whether it offers a more sustainable option that the three growth areas currently proposed.
- 53. We consider there has been a failure on behalf of CCC to adequately consider and explore other alternative development options, which would not be so dependent on the Growth Areas. This failure has been compounded by the lack of a review of the Green Belt.

JB/1344/PC 15 November 2018