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Ref: MJR/NE

Committee Clerk Communities
Equality and Local Government Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA



1B Oak Tree Court
Mulberry Drive
Cardiff Gate Business Park
Cardiff
CF23 8RS

T: 029 2073 6747
F: 029 2073 6631

walesandwest@boyerplanning.co.uk
boyerplanning.co.uk

Dear Sir / Madam,

Inquiry into Barriers to Home Building in Wales

I am writing on behalf of our clients Newbridge Estates Ltd in response to your consultation into barriers to Home Building in Wales. They are a landowner with interests across south east Wales. They are generally involved with bringing forward small and medium sized housing sites for development through the planning process.

It is our clients experience that there are a number of barriers to small and medium sized developers and landowners in bringing forward land for development. In recent years these barriers have resulted in the decline of smaller developers / businesses operating in housing construction. This is evidenced by much lower completions rates in recent JHLAS's on small sites and far few smaller sites being allocated within LDP's and being brought forward for development.

In this context there are a number of detailed concerns:

1. Market constraints – it is our clients experience that there is a significant amount of land allocated for development in areas that they do not consider to be attractive to the private sector for development. This situation is borne out by the large number of housing allocations that are been identified within the relevant (and recent) JHLAS's and have remained undeveloped for some time.

Accordingly our clients consider that in the process of allocating land, significant consideration should be given to the view of the private sector and helping to actively encourage and facilitate private sector development.

2. Scale of Development – our clients are concerned that there can be a preference for Local Authorities in Wales to seek to allocate large former industrial brownfield schemes (over 500 dwellings) that can potentially accommodate a significant amount of development but these are frequently delayed (sometimes indefinitely) due to large scale infrastructure and remediation requirements. Whilst we support the overarching regeneration initiatives and aspirations, there is concern that the significant sums involved in delivering such sites mean that only very large companies can deliver the proposal and that smaller development sites are not being brought forward in parallel.

3. Local Development Plans (LDP's) – our clients are concerned that the LDP process is not accessible to small scale developers and land owners. There is a significant amount of speculative investment



needed in order to promote sites robustly through the LDP process and indeed to rigorously test and challenge LDPs.

Our clients are further concerned that such work can be abortive as the system appears to them to be heavily weighted in favour of the local planning authority and accordingly, they have a major reluctance to promote land through the LDP process.

It is imperative that the evidence base is rigorously and robustly tested, otherwise situations as at Caerphilly will arise whereby a couple of years after adoption, the LDP has failed to deliver a satisfactory housing land supply. The LDP strategy relies upon large industrial brownfield allocations against the weight of objections through the LDP process but rejected by the Council. Indeed a large number of small and deliverable schemes were promoted through the Caerphilly LDP that in our view were acceptable in planning terms and could be actively contributing towards the housing land supply and economic well being now.

4. Planning Applications – it is our clients experience that the costs associated with preparation of a small application can be disproportionate to the scale of development. Indeed, the costs for the development (including technical studies) of say 10 dwellings can be very similar to an application for 100 dwellings.

5. Planning Conditions – our clients consider that planning consents can be very heavily conditioned, even for a relatively small number of dwellings or for an individual dwelling such that it can take over 12 months or for larger sites several years to discharge the conditions.

6. Planning Appeals – in our clients experience it is often the case an application can end up being determined through a s78 Appeal contrary to the evidence, material considerations, officer recommendations and even Local Plan allocations. This can result in considerable additional costs and delays for small businesses such as our clients where money becomes tied up in appeals and causes significant problems for the day to day running of the businesses.

7. Planning Delays – it is not uncommon for delays at all stages in the planning application process for a variety of reasons – from registering an application, consultation responses, determination, issuing a valid decision notice and negotiation of s106. Such delays can have a significant adverse impact upon a small business.

8. Joint Housing Land Availability Studies – we are concerned over the lack of rigour and scrutiny in JHLAS's given the abandonment of meetings and the most up to date guidance from WG means that many Authorities have an artificially inflated housing land supply (that arise as a result of past build rates being used as a basis for the calculation – where Authorities have underperformed in completions, it follows that the 5 year requirement also falls).

Indeed, in the past such instances may have been fully tested through s78 appeals, however, we are concerned that s78 Appeal Inspectors will be reluctant to consider sources of evidence which suggest an outcome other than within the latest JHLAS. This is despite PPW5 guidance which indicates that the decision maker should make use of all evidence in reaching a decision.

9. S106 Costs – it is our clients experience that the costs associated with a s106 agreement can be prohibitive to small schemes. In their experience Local Planning Authorities may not be willing to

negotiate on s106 requirements and in such cases smaller developments can be rendered unviable with significant costs.

10. Increase in Regulatory Burden – our clients are concerned that smaller developers and businesses do not have the ability to adapt easily or in a cost effective way to new regulatory changes (including Part L changes or sprinkler system). Such significant burdens will result in small developers going out of business and small development schemes not being brought forward as development is not economically viable.

11. Lack of support schemes for purchasers – our clients are concerned that in Wales there is a lack of support schemes for purchasers / first time buyers. The failure of a small site to sell due to lack of mortgage availability could mean that a smaller developer will go out of business rather than it being written off as a loss.

I trust that this is acceptable, if you have any questions or there is any further information that you require please do not hesitate to contact me.

If you have any questions please do not hesitate to contact me.

Yours sincerely



Michael Rees
Associate
Boyer Planning Ltd

Tel: 02921 670067

Email: michaelrees@boyerplanning.co.uk