

Survey Results: Understanding Needs of Builders and Developers

21st July 2016

A questionnaire was developed to be presented by personal interview to a variety of builders and developers selected from those active or potentially active in the NP Area. Invited to participate were:

- A P Chant: local business trading as CHG South West Ltd, 49 employees.
- Castle: local family business. **Declined to take part.**
- C.G.Fry: expanding and influential medium/large local builder and developer. **Declined to take part.**
- Hallam Land Management: National land developer, 30 employees / 7 offices, influential locally through having negotiated to develop the large Vearse Farm site.
- Mac Builders: Local builder employing probably around 20. **Declined to take part.**
- Persimmon Homes: national scale house builder.
- Taylor-Wimpey: national large scale house builder. **Declined to take part.** (No immediate plans to build locally).

In most cases it was not possible to get direct answers to the questions put which were on the topics of obtaining land, viability and profitability, climate change and technical specifications, “affordable housing” schemes, community involvement, housing associations and using local labour: nonetheless the responses were useful.

Refer to the survey document for the full questionnaire text.

1. A P Chant

(May 2016, interviewed by D.Knorpel)

Climate change: “we aim to make properties as sustainable as possible to minimise carbon footprint”.

Technical: “we need to be innovative but also need to have some caution as the technology employed needs to be viable and proven. We look to use examples & experience from other countries, but this has to be suited to our climate locally”.

Building low-cost housing: “as a business we need to employ young people who can afford a local home and start a family”.

Housing Association business: “40% of our business is in the social rented housing sector. Ashley Chant welcomes this business and recognises and values the importance of social rented housing for the local community and economy”.

Additional comments:

- a) “The housing market needs to be ‘affordable’ for local young people to have viable careers and long-term futures in the area”.
- b) “From a business point of view an ageing population means good business for our company. However, the area and community need a balanced population and accessible housing market in order to retain young people”.
- c) “A good local business needs to train and retain young recruits in order to sustain a strong business ethos. This is extremely difficult when young people are forced out of the area by the unaffordability of basic housing”

2. Hallam Land Management

(21 July 2016, Lawrence Dungworth, Development Surveyor, interviewed by Glenn Crawford)

Finding land: Areas of interest are driven by Local Plans which show where developments would be encouraged by Local Authorities. The bigger the house allocation, the more interesting. In case of Vearse Farm, the landowner appointed Savills as agent, who contacted Hallam.

Viability: hard to assess in advance, as their profit is a percentage of land sale. Most greenfield sites are viable, brownfield may not be. Govt loans often available to bridge gap between heavy infrastructure spending and subsequent income from land sale to builders. If infrastructure costs too high, affordable homes may be cut back, e.g. Ferndown where 50% requirement was reduced to 42% following higher than expected Green Space costs.

Types/sizes houses: comes from SHMA. Neighbourhood Plan would not be expected to alter that.

Climate Change and Technical Standards: Hallam are not the builders, they can do no more than work within nationally applied standards. They note that exceeding them, e.g. “Code 5” and “Code 6”, is expensive and at a time of high demand and low supply, of little interest to buyers.

Starter homes, Right to buy: have not yet had any impact.

Public consultations: Ideally facilitated by Local Authority planning dept, as in West Dorset.

Housing Association contracts, and local labour content: this is the builders’ area. Noted that most national builders have a policy of using 50% local labour.

3. Persimmon Homes

(18th May 2016, interviewed by R.Freer)

“How do you identify and obtain building land?”

There are many ways in which future development sites may be identified. In some cases land is offered to us either by the registered land owner or a land promoter; in other instances we complete settlement surveys which identify potential future areas of growth. Local Authorities can assist developers by maintaining an up to date SHLAA and development policies. Persimmon Homes also likes to be involved from an early stage, of any emerging Neighbourhood Plans or localised policy.

Viability: “What factors make a viable development (or what factors will put you off)?”

A number of basic constraints can often result in a site becoming unviable due to abnormal costs; this may include: no obvious points of access, required affordable housing percentage, the site having a challenging topography, the site having a history of contamination or the site being within a flood zone etc. A number of factors can account for a site becoming unviable which may be imposed by the Local Authority, however early and on-going discussions often lead to a scheme that is both viable and fulfils most of the requirements.

Profitability: “how do you decide what types/sizes of open market houses to offer?”

The amount of ‘affordable housing’ provided and the tenure split within a scheme is often dependant on local and national policy, and whether the proposed scheme is viable. Often, the Local Authority will have a preferred housing type/mix dependent on the settlement.

Climate Change considerations: “to what extent will you try and make houses low-carbon?”

At Persimmon we believe that homes should be sustainable by being inherently efficient in their design and construction. By reducing the manufacturing time and using sustainable manufacturing processes, Persimmon now generate over 60% less CO2 emissions than older existing homes. Persimmon new homes use considerably less water during construction than

conventional building methods, something as simple as this can result in a more environmentally friendly scheme.

Social: “What steps do you take to liaise with the community before building a new development?”

Early communication with the LA, ward members, the Town Council and local residents is very important, as it allows for a better understanding of the situation. Frequent meetings often results in a development that both the developing company and local residents can be proud of. Often several consultation events are organised at various stages of a planning application; the purpose of such an event is to openly communicate with local residents. The best way for a local community to get involved is by attending these consultations and giving feedback.