

Representations to the Regulation 19 Consultation of the
Bedford Local Plan 2040
On behalf of Taylor Wimpey UK Limited

APPENDIX A
VIABILITY & DELIVERABILITY REPORT
DRAFT ALLOCATION HOU19 : LITTLE BARFORD

24th July 2022

Our Ref: AAMJ/22-01113

Taylor
Wimpey

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This report has been prepared within the quality system operated at Rapleys LLP
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1 QUALIFICATIONS & EXPERIENCE

- 1.1 These Regulation 19 Reps have been prepared by ██████ who holds a Law Degree from Nottingham Trent University, a Post Graduate Diploma from South Bank University in Property Development & Planning and has been a Member of the Royal Institution of Chartered Surveyors (RICS) since 2007. ██████ has been an RICS Registered Valuer since 2010 when the registration scheme was first introduced.
- 1.2 Since 2015 he has been a Partner in the firm of Rapleys LLP, Chartered Surveyors and Planning Consultants, of 66 St James's Street, London SW1V, having other offices in Bristol, Birmingham, Manchester, Edinburgh and Huntingdon. He is an Equity Partner at the firm and am responsible for the Residential Development Consultancy Team, which includes the Affordable Housing & Viability Team.
- 1.3 Prior to his appointment at Rapleys he spent 10 years at Strettons Ltd, where for the last 4 years he was jointly responsible for the Affordable Housing & Viability Team.
- 1.4 Prior to Strettons he was a Project Manager for Bellhouse Joseph Ltd, a private sector Developer and also for the BBC in relation to their developments at White City and the Mailbox in Birmingham.
- 1.5 He has 18 years of experience on development matters, principally in residential and mixed-use schemes. His areas of expertise are principally valuation and agency advice in connection with residential development. In his current role he predominately provides development valuation advice to private developers and Registered Providers in connection with financial viability in planning. He also provides valuation advice to local authorities, banks, and charities on a range of residential development issues including strategic land assembly, development valuation, s.106 and affordable housing valuation and secured lending.
- 1.6 ██████ advises clients on the purchase and sale of residential-led development sites which includes providing advice on appropriate pricing strategies, negotiating offers on behalf of both landowners and acquiring bodies and advising on appropriate marketing and sales strategies.
- 1.7 He regularly prepares reports for referral to arbitration and independent experts and has acted as a single joint expert in proceedings dealing with both residential and commercial property. He has been instructed to prepare CPR-compliant expert witness reports for both claimants and defendants in respect of properties in London and Southeast England where professional negligence is alleged or where mortgage fraud is suspected. ██████ regularly prepares reports in connection with planning appeals and public inquires and has provided oral evidence to assist the Planning Inspectorate on numerous schemes across the country.
- 1.8 He most recently prepared reps and spoke at the Examination in Public of the draft York Local Plan and draft Strategic (Section 1) Plan drawn up by North Essex Garden Communities Ltd (NEGC Ltd), a joint venture of Essex County Council and the North Essex Authorities (NEAs) of Braintree, Colchester and Tendring.

2 EXECUTIVE SUMMARY

2.1 This report will demonstrate that:

- I. Even if EWR is in place by 2030, there is no prospect of delivering 3,800 units from 2030 to 2040. The Council's viability consultants do not support this and the promoter in the call for sites suggests a 15-year delivery programme. Therefore, the Council's assessment of Little Barford in the Stepped Trajectory Paper is not sound.
- II. The prospect of the EWR being operational with the new station in place by 2030 is very unlikely given all that needs to be done in the next 7.5 years. This is explored further in the Infrastructure Delivery Report (**Appendix 1**).
- III. Our sensitivity analysis on absorption rates demonstrates that if there is a delay in the delivery of EWR to 2033, 2034 or 2035, which is very likely, there would be a significant shortfall in the number of dwellings delivered during the plan period.
- IV. The submitted viability information has not been made publicly available (not even an Executive Summary) and therefore does not adhere with the process outlined by the National Planning Policy Framework (NPPF) or the Planning Policy Guidance (PPG).
- V. The available viability information, prepared by BNP Paribas for the Council in the Borough Wide Viability Study (April 2022), is based on questionable assumptions and sets out that the proposed new settlement is not deliverable on current day values and costs. It is only deliverable based on growth assumptions that are unrealistic and overly optimistic.
- VI. The available viability information does not account for the infrastructure that needs to be in place to enable the delivery of housing. There is no allowance for any of the multiple crossings over the ECML and proposed EWR. These are significant costs that need to be accounted for.
- VII. We do not believe there is a sufficient evidence base to demonstrate that the proposed quantum of housing can be delivered within the Plan period due to site constraints caused by existing and proposed infrastructure.

2.2 For these reasons we do not believe that the settlement will deliver anywhere near 3,800 units during the plan period to 2040 and as such we do not believe the allocation of the proposed new settlement at Little Barford is sound.

3 INTRODUCTION

- 3.1 This report has been produced on behalf of Taylor Wimpey UK Ltd who are promoting a new settlement at Denybrook Garden Community, Wyboston. The Local Plan 2040 has now reached Regulation 19 stage and includes a new settlement at Little Barford (draft Policy HOU19).
- 3.2 The proposed Little Barford settlement is a central component of the strategy of Bedford Borough Council (BBC) in their efforts to satisfy housing needs and requirements in a sustainable way. Due to the size of the proposed settlement at Little Barford it is integral in the delivery of the BBC housing strategy and therefore the assessment of its viability and deliverability is essential to test that the proposed allocation is sound.

4 BACKGROUND

- 4.1 To be deliverable, the new settlement at Little Barford has to demonstrate that it is viable, with the information being publicly available, as stated in the NPPF at Paragraph 58:

All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.

- 4.2 This is echoed in the PPG at paragraph 021:

Any viability assessment should be prepared on the basis that it will be made publicly available other than in exceptional circumstances. Even in those circumstances an executive summary should be made publicly available. Information used in viability assessment is not usually specific to that developer and thereby need not contain commercially sensitive data. In circumstances where it is deemed that specific details of an assessment are commercially sensitive, the information should be aggregated in published viability assessments and executive summaries, and included as part of total costs figures.

- 4.3 No information has been made publicly available for Little Barford. This undermines the credibility of the proposal, and the lack of publicly available information is in opposition with the requirements of the PPG.

- 4.4 Further, we do not believe that there is a sufficient evidence base to demonstrate that due consideration has been given to the practicalities and complexities of delivering the new settlement around the existing and proposed infrastructure that is necessary for the development to be sustainable. Our main concern is that the allocation of Little Barford is reliant on the delivery of a major infrastructure project that is still in the early stages of consultation. The East West Rail (EWR) route needs to be operational before development can take place. Draft Policy HOU19 (Little Barford) states:

The development is dependent on the delivery of transport improvements which will need to be secured before development can take place in accordance with an agreed Infrastructure Delivery Plan

- 4.5 The viability and deliverability of large housing sites is often determined by the costs and timing associated with delivering on-site and off-site infrastructure. We are not satisfied that either the promoter nor the Council have fully and accurately considered the cashflow and funding requirements for the necessary infrastructure to enable development within the plan period up to 2040. If the required infrastructure is not confirmed, then the viability and deliverability of the proposed settlements within the plan period is brought into question and there is a real and significant risk the Little Barford settlement will not be able to deliver the number of necessary residential units within the plan period. As such we believe that the allocation of this new settlement in the plan period to 2040 is not sound.

5 POLICY HOU19: LITTLE BARFORD NEW SETTLEMENT

- 5.1 The proposed new settlement at Little Barford will seek to deliver at least 4,000 new homes overall, of which an estimated 3,800 will be within the current plan period¹. This equates to nearly one third of the total housing supply for the local plan period.
- 5.2 In order for the Council to satisfy its development obligations and housing requirements, the NPPF outlines the parameters for new settlements to be supported subject to the necessary infrastructure being in place and proposed, satisfying deliverability and viability criteria and adhering to the policy outlined in the NPPF².
- 5.3 Draft Policy HOU19 fails to satisfy the above criteria on the following bases:
- I. Para 73(d) of the NPPF states that strategic policy-making authorities should make a realistic assessment of likely rates of delivery, given the lead-in times for large scale sites, and identify opportunities for supporting rapid implementation (such as through joint ventures or locally-led development corporations). Draft Policy HOU19 states *'The development is dependent on the delivery of transport improvements which will need to be secured before development can take place in accordance with an agreed Infrastructure Delivery Plan'*.
 - II. The current *earliest* estimate for the EWR to be operational from Bedford to Cambridge is 2030, but rarely, if ever, do National Infrastructure projects get delivered in accordance with the initial timetables and we have serious reservations that in 7.5 years from now all the necessary government funding, consultations, technical reports, securing the DCO, land assembly, construction of the new track and new stations will have been completed. If there are delays in the process, then delivery of the number of proposed units within the plan period up to 2040 will be seriously compromised. This is considered further in the Infrastructure Delivery Report (Appendix 1).
 - III. In July 2022, the Secretary of State for Transport, Grant Shapps expressed his opposition to the construction of stages 2 and 3 of the EWR³ which further adds to the uncertainty surrounding the project.
 - IV. There are currently two preferred options for the location of a new station on the EWR where it crosses the East Coast Main Line (ECML). Until the location of the proposed new station is confirmed, which is not expected for at least another year, it is not possible to confirm the number of units that the settlement can deliver. Further, if the station is located to the south of the new A428 dual carriageway extension, which is one of the two preferred options, then the sustainability credentials of the new settlement will be severely reduced.

¹ It should be noted that the allocation size is in excess of the quantum of development that was initially identified and assessed for the impacts of the site at Little Barford during the plan period for the Regulation 18 process, which only assessed the performance of 3,085 homes up to the end of the Local Plan period of 2040. A development scale of 3,955 dwellings was only analysed as part of a 2050 plan scenario.

² Para 73 NPPF

³ <https://cambridgeapproaches.org/secretary-of-state-for-transport-wants-to-cut-ewr-tranches-2-and-3/>

- V. New road bridges are needed over the existing ECML which require engagement and agreement from Network Rail. There is no information in the public domain that any costs have been allowed for this process, nor any evidence of any engagement to date with Network Rail to secure agreement for the new crossings (a minimum of two crossings are required in close proximity). The ECML is a very busy line, it is 4 tracks wide through the proposed settlement and any new crossings cannot be confirmed until the route of the new EWR line and station has been confirmed (as this will have an impact on where the new crossings are needed within the new settlement). There is no evidence that these considerations have been allowed for and it is important for the promoter to set out sensitivity analysis on the impact on timing for the delivery of units within the plan period of the various options for the railway lines. This is expanded upon in the Infrastructure Delivery Report.
- VI. If delivery of new dwellings at Little Barford cannot commence until 2030, at the earliest, the Council have not made a realistic assessment of likely rates of delivery, as it is simply not possible to deliver all of the necessary on-site infrastructure and build out 3,800 homes in a ten year period. We expand upon this further below.

6 DELIVERY AND SCHEME ABSORPTION RATE

6.1 National Policy requires that strategic policies in local plans should look ahead over a minimum of 15 years from adoption⁴.

6.2 The promoters for Little Barford set out their proposed delivery timetable in the call for sites submission form⁵. The table below summarises the delivery and anticipated absorption rates outlined by the promoter.

Time period (Years)	1-5	5-10	10-15	15+
Years	2024/25-2028/29	2029/30-2033/34	2034/35-2039/40	2040 onwards
No. of dwellings	885	1,000	1,200	870
Delivery per annum (dpa)	177	200	240	174

6.3 The call for sites submission assumes 177 units per year from the adoption of the new Local Plan (assumed to be 2023 by the Promoter). This is an unrealistic assumption as it appears to take no account of draft Policy HOU19 and the requirement for the delivery of the new railway line and station as part of the East West Rail (EWR) route which is not expected until 2030 at the earliest. It also takes no account of the time taken to achieve an implementable planning permission, including the requirement to both secure and deliver the required infrastructure or other matters that will influence housing delivery.

⁴ NPPF para 22

⁵ <https://bedford.oc2.uk/form/907>

6.4 It is also important to note that the promoter is looking at 15+ year delivery period for this many dwellings and the maximum Delivery per Annum (dpa) is 240.

6.5 The BNP Borough Wide Viability Study (April 2022)⁶ set outs differing assumptions regarding delivery and absorption rates across the plan period for Little Barford and the table below summarises the delivery and anticipated absorption rate assumed by BNP:

Time period (Years)	1-5 2025/26-2029/30	5-10 2030/31 - 2034/35	10-15 2035/36 - 2039/40
No. of dwellings	0	800	2,200
Delivery per annum (dpa)	0	160	440

6.6 This is a more realistic assumption for years 1-5 as it takes into account the time taken for the delivery of the new railway line and station as part of the East West Rail (EWR) route which is not expected until 2030 at the earliest.

6.7 However, again it takes no account of the time taken to achieve an implementable planning permission, including the requirement to both secure and deliver the required infrastructure or other matters that will influence housing delivery.

6.8 We also question whether the timescales of delivery (units per year) assumed within the BNP viability study are achievable, especially in years 10-15. A prudent maximum dpa is 250-300 from a large development of this nature.

6.9 The Council's stepped trajectory topic paper April 2022⁷ set out further differing assumptions regarding delivery and absorption rates across the plan period and the table below summarises the delivery and anticipated absorption rate assumed by the Council:

Period	30/ 31	31/ 32	32/ 33	33/ 34	34/ 35	35/ 36	36/ 37	37/ 38	38/ 39	39/ 40	Total
Delivery per annum (dpa)	100	200	200	300	300	400	500	600	600	600	3800

⁶ <https://edrms.bedford.gov.uk/OpenDocument.aspx?id=wH1w4tzO11LW2ibByFl1dg%3d%3d&name=Bedford%20BC%20Local%20Plan%202040%20Viability%20Study%20with%20Appendices%20Apr22.pdf>

⁷ <https://edrms.bedford.gov.uk/OpenDocument.aspx?id=n5ZbUWFzNN8hMg%2bGpp4nvw%3d%3d&name=Stepped%20trajectory%20paper.pdf>

- 6.10 The delivery rates outlined by the Council are entirely unrealistic, especially in years 2037-2040. There is simply no way that 3,800 dwellings can be delivered over a 10-year period. Detailed research was carried out by Lichfields⁸ in February 2020 considered the factors that affect build-out rates for large scale housing sites. This research paper was produced to help inform the production of realistic housing trajectories for plan making and decision taking. They assessed 180 sites, with combined yield of just over 213,000 dwellings; 97 of the sites had 500+ homes. For schemes of over 2,000 dwellings, the average time from validation of the first planning application to the first dwelling being completed was 8.4 years and the average annual build-out rate for a scheme of 2,000+ dwellings was 160 dpa.
- 6.11 The dpa rates adopted by the Council are also significantly above the maximum dpa assumptions tested by their own viability consultants, BNP Paribas, in the Local Plan 2040 Viability Study.
- 6.12 In the table below we show the dpa assumptions from the Council, BNP Paribas and the Promoter. For the promoter, we have adopted their dpa rates but pushed the start date to 2030, in line with the Council and BNP Paribas.

COUNCIL ASSUMPTIONS											
Period	2030/ 2031	2031/ 2032	2032/ 2033	2033/ 2034	2034/ 2035	2035/ 2036	2036/ 2037	2037/ 2038	2038/ 2039	2039/ 2040	Total
Delivery per annum (dpa)	100	200	200	300	300	400	500	600	600	600	3800

BNP PARIBAS ASSUMPTIONS											
Period	2030/ 2031	2031/ 2032	2032/ 2033	2033/ 2034	2034/ 2035	2035/ 2036	2036/ 2037	2037/ 2038	2038/ 2039	2039/ 2040	Total
Delivery per annum (dpa)	800					2200					3000

PROMOTER ASSUMPTIONS											
Period	2030/ 2031	2031/ 2032	2032/ 2033	2033/ 2034	2034/ 2035	2035/ 2036	2036/ 2037	2037/ 2038	2038/ 2039	2039/ 2040	Total
Delivery per annum (dpa)	885					1000					1885

⁸ Start to Finish: What factors affect the build out rates of large scale housing sites? February 2020 https://lichfields.uk/media/5779/start-to-finish_what-factors-affect-the-build-out-rates-of-large-scale-housing-sites.pdf

6.13 A summary of these tables and the shortfall in delivery of dwellings outline by BNP and the promoter is set out below.

	Period	No. Dwellings	dpa (average)	dpa (maximum)	Shortfall on Allocation to 2040
Council	2030-2040	3,800	380	600	-
BNP Paribas	2030-2040	3,000	300	440	800
Promoter	2030-2040	1,885	188	200	1,915

6.14 These tables illustrate that the Council's assumed delivery rates for the Little Barford allocation are entirely unrealistic and out of touch with the advice of their professional viability consultant and even further removed from the more realistic approach put forward by the promoter. We still believe that the BNP Paribas assumed dpa rate is too high and this is showing an 800 dwelling shortfall up to 2040. A more realistic shortfall is the 1,915 dwellings adopted by the promoter.

6.15 When these factors are considered, the dwelling yield required from the Development within the Plan period is simply not achievable.

SENSITIVITY ANALYSIS

6.16 It is important to note that the above analysis assumes that the EWR is operational from 2030 and therefore dwellings can be delivered from that time. As set out in the Infrastructure Delivery Report, we do not believe that there is a realistic prospect of the new EWR line and station being completed and operational 7.5 years from now. We have therefore carried out sensitivity analysis to consider the impact on delivery of dwellings if the EWR were delayed to 2033, 2034 or 2035, which, in our opinion, are much more sensible dates to assume the EWR would be operational.

6.17 Whilst we believe that the dpa rates adopted by the Council and BNP Paribas are not realistic, for the purpose of the sensitivity analysis we maintain their rates. We believe that the promoters adopted dpa rates are at the higher end of the adopted range for schemes of this size, as evidenced in the Lichfields' research paper.

EWR Delayed to 2033									
Period	33/34	34/35	35/36	36/37	37/38	38/39	39/40	Total	Shortfall
Council	100	200	200	300	300	400	500	2000	-1800
BNP	160	160	160	160	160	440	440	1680	-2120
Promoter	200	200	200	200	200	240	240	1480	-2320

EWR Delayed to 2034								
Period	20/35	35/36	36/37	37/38	38/39	39/40	Total	Shortfall
Council	100	200	200	300	300	400	1500	-2300
BNP	160	160	160	160	160	440	1240	-2560
Promoter	200	200	200	200	200	240	1240	-2560

EWR Delayed to 2035							
Period	35/36	36/37	37/38	38/39	39/40	Total	Shortfall
Council	100	200	200	300	300	1100	-2700
BNP	160	160	160	160	160	800	-3000
Promoter	200	200	200	200	200	1000	-2800

- 6.18 In all the above sensitivity analysis, it is very clear that any delay to the EWR would have a very significant impact on the ability of the Little Barford proposed allocation to deliver anywhere near the number of dwellings necessary to meet the identified need as set out in the draft Local Plan 2040.
- 6.19 Policy HOU19 makes it clear that the allocation at Little Barford is intrinsically linked to the delivery of the new EWR and new station at this location. Given the already unrealistic dpa rates adopted in the Council's evidence base, assuming dwellings are delivered from 2030, the risks associated with allocating a new settlement at Little Barford are very high given that there is simply no certainty of when the EWR will be delivered and operational.

7 LAND VALUE ANALYSIS

7.1 We have also considered the viability evidence base in the BNP Paribas Borough Wide Viability Study (April 2022). BNP Paribas report that Little Barford has challenging viability at current costs and values.

7.2 They state⁹:

The two largest strategic sites (Little Barford and Kempston Hardwick) are identified as having challenging viability at current costs and values. However, in our experience of assessing the viability of such large schemes this is not unusual, and developers frequently rely on value growth through regeneration premiums and maturity factors to deliver them, particularly given the significant upfront infrastructure costs associated with their delivery, which can impact on cashflows.

Given the long timescales over which the strategic sites will be developed, the NPPF identifies in the definition of “Developable” sites in the Glossary at Annex 2, that it is reasonable and acceptable to factor in growth into the assessment of their viability. Our appraisals factoring in appropriate growth in sales values and inflation in build costs over the identified development periods demonstrate that all of the identified strategic schemes tested in this study are viable and therefore developable delivering 30% affordable housing.

We therefore consider that the identified strategic sites are developable and able to support the emerging LP2040 policy requirements. Further, the Council’s policies build in an appropriate level of flexibility i.e. Policy DM1 (S) (Affordable Housing) is applied subject to viability and allowing for future reviews of viability as the development progresses. This will ensure that the strategic sites can come forward and will deliver the maximum reasonable quantum of affordable housing and infrastructure contributions.

7.3 A scheme is considered viable, in planning terms, if the value generated by the development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, planning obligations, land value, landowner premium, and developer return. In practical terms viability is assessed by undertaking the following process:

GROSS DEVELOPMENT VALUE
less
COSTS
less
PLANNING CONTRIBUTIONS
less
PROFIT
equals
RESIDUAL LAND VALUE
compared to
APPROPRIATE BENCHMARK VALUE

⁹ Bedford Local Plan 2040 - Borough-Wide Viability Study, BNP Paribas, April 2022, Page 5

7.4 The Benchmark Land Value (BLV) for greenfield land adopted by the BNP in the LPA Evidence Base is as follows:

- Greenfield (Higher): £371,000 per Hectare
- Greenfield (Lower): £247,000 per Hectare

7.5 On this basis, BNP calculates that the following range of benchmark land values is generated for the Little Barford Allocation:

- BLV (Higher): £115,010,000
- BLV (Lower): £ 76,570,000

7.6 In calculating the residual land values of the proposed scheme, BNP have assumed a range of viability assumptions. We have reviewed these, and on the whole we find them to be reasonable when carrying out area wide viability assessments.

7.7 However, we have noted that they adopt infrastructure costs of £23,000 per residential unit. Based on the total 4,000-unit allocation, this generates infrastructure costs in the region of £90,390,000.

7.8 They have also adopted S106/S278 costs of £40,000 per plot, which is high in our experience and generates total S106/S278 costs of £160,000,000.

7.9 Having adopted these infrastructure and S106/S278 costs within their development appraisal, BNP Paribas arrive at the following residual land values for the proposed allocation at Little Barford.

Scenario / affordable housing position	Residual land value
30% Affordable Housing at current costs and values	-£26,351,589
0% Affordable Housing at current costs and values	£40,462,840

7.10 This shows that the proposed allocation, based on policy compliant affordable housing, generates a negative land value of c.£26.3m. This then needs to be compared with the adopted Benchmark Land Values:

Scenario / affordable housing position	Residual land value	BLV Higher	BLV Lower
30% Affordable Housing at current costs and values	-£26,351,589	£115,010,000	£76,570,000
0% Affordable Housing at current costs and values	£40,462,840	£115,010,000	£76,570,000

-
- 7.11 This shows that if you adopt the higher BLV rate there is a viability deficit of c.£141m¹⁰ and at the lower BLV a viability deficit of c.£103m¹¹.
- 7.12 This demonstrates that the scheme at current values and costs is not viable when delivering 30% Affordable housing nor 100% private housing due to the residual land value falling below both the Higher and Lower BLV.
- 7.13 BNP's appraisals factor in growth assumptions with respect to sales values and inflation in build costs over the identified development periods. As such they can demonstrate that all of the identified strategic schemes tested in this study are viable and therefore developable delivering 30% affordable housing.
- 7.14 However, we question the assumed growth rates they have adopted. Their growth Assumptions are based on East of England price growth (% pa) average from Savills , JLL. CBRE and Hamptons Residential Forecasts and 3% pa thereafter. Regeneration uplift over standard growth of 1.5% pa and further uplift due to maturity factor from 2034 of 3.5% for 4 years¹².
- 7.15 In effect, from their assumed first delivery of dwellings in 2031 they have adopted a growth rate of 4.50% pa, this steps up to 6.50% from 2034-2037 and then drops back to 4.50% pa from 2038-2040. Over a ten-year period, this results in house price growth of over 60%. This is a very aggressive price inflation assumption, significantly above the trends forecast for East of England price growth and we have reservations that this level of growth can be achieved.
- 7.16 Whilst we accept that for large development schemes it is appropriate to consider sales and build cost forecasts, these need to be treated with caution and sensitivity analysis is needed to consider the impact of a falloff in price growth and additional increase in build costs. BNP Paribas state that they have tested downside scenarios ¹³ but there are no development appraisals before the Inspector that show the outcome of these downside scenarios. The only appraisals they test for Little Barford are current day values (viability deficit) and the significant growth models (viability surplus)¹⁴. It is important to note that the current viability position is generating deficits in excess of £100m. If the growth assumptions outlined by BNP Paribas do not materialise the delivery of the scheme would be in doubt.

¹⁰ Difference between RLV -£26,351,589 and BLV £115,010,000

¹¹ Difference between RLV -£26,351,589 and BLV £76,570,000

¹² Bedford Local Plan 2040 - Borough-Wide Viability Study, BNP Paribas, April 2022, Page 736

¹³ Bedford Local Plan 2040 - Borough-Wide Viability Study, BNP Paribas, April 2022, para 4.14, Page 33

¹⁴ Bedford Local Plan 2040 - Borough-Wide Viability Study, BNP Paribas, April 2022, Pages 689-697

8 CONCLUSION

8.1 In this report we have explore and demonstrated that:

- I. Even if EWR is in place by 2030, there is no prospect of delivering 3,800 units from 2030 to 2040. The Council's viability consultants do not support this and the promoter in the call for sites suggests a 15-year delivery programme. Therefore, the Council's assessment of Little Barford in the Stepped Trajectory Paper is not sound.
- II. The prospect of the EWR being operational with the new station in place by 2030 is very unlikely given all that needs to be done in the next 7.5 years. This is explored further in the Infrastructure Delivery Report (**Appendix 1**).
- III. Our sensitivity analysis on absorption rates demonstrates that if there is a delay in the delivery of EWR to 2033, 2034 or 2035, which is very likely, there would be a significant shortfall in the number of dwellings delivered during the plan period.
- IV. The submitted viability information has not been made publicly available (not even an Executive Summary) and therefore does not adhere with the process outlined by the National Planning Policy Framework (NPPF) or the Planning Policy Guidance (PPG).
- V. The available viability information, prepared by BNP Paribas for the Council in the Borough Wide Viability Study (April 2022), is based on questionable assumptions and sets out that the proposed new settlement is not deliverable on current day values and costs. It is only deliverable based on growth assumptions that are unrealistic and overly optimistic.
- VI. The available viability information does not account for the infrastructure that needs to be in place to enable the delivery of housing. There is no allowance for any of the multiple crossings over the ECML and proposed EWR. These are significant costs that need to be accounted for.
- VII. We do not believe there is a sufficient evidence base to demonstrate that the proposed quantum of housing can be delivered within the Plan period due to site constraints caused by existing and proposed infrastructure.

8.2 For these reasons we do not believe that the settlement will deliver anywhere near 3,800 units during the plan period to 2040 and as such we do not believe the allocation of the proposed new settlement at Little Barford is sound.