

Local Concentration and Land Banks Working Paper

Comments from the Highbury Group on Housing Delivery

Identifying local areas with high concentration (section 4)

Question 4.1

a) Do you have any comments or alternative suggestions for identifying local Housing Market Areas?

Question 4.2

a) Do you have any comments on Method 1?

b) Do you have any views as to how much weight we should put on Method 1?

Question 4.3

a) Do you have any comments on Method 2?

b) Do you have any views as to how much weight we should put on Method 2?

Question 4.4

- a) Do you have any other comments on our methodology for exploring land banks? What alternative or additional ways of analysing the data we have collected should we consider to shed further light on the issues?

Para 5.8 of the report says that a total of 26 areas were explored in detail (19 in England, 6 in Scotland and 1 in Wales). This is a very small sample of the 387 LPAs in England, Scotland and Wales. Analysis has focussed on areas where 1 housebuilder had received 50% or more of planning consents (Method 1) and areas where 3 or fewer housebuilders have substantial land banks with some comparison with areas of high housing need (Method 2). There is no provision for comparison with other types of area which do not meet either of these criteria. It will therefore be extremely difficult to tell whether findings reflect the nature of these particular land markets or are simply characteristic of the housebuilding market as a whole. It would appear that some places have quite a lot of land banking but by more than 3 housebuilders, while other places have very little land banking. The study should ask why this is. Does any of the other research cited provide a basis including other areas within regions or special inter –authority/agency development schemes? The paper acknowledges the two main public/private holders of land. Could the sample be enhanced by selecting a few areas that have more, fewer and same level of land holding between the two?

Only 2 of the selected local authorities (Oxford and Havant) are in the South East, but Figure 3.1 indicates that the South East has the largest number of plots in land banks of any region in the UK. It is unlikely to be possible to carry out robust analysis at regional or jurisdiction level from the small sample proposed for detailed study.

Both these observations lead to the conclusion that a larger sample should have been used. This would have permitted comparison between areas with a high concentration of housebuilder land banking and other types of areas and also opened up the potential for analysis at regional or possibly house price area level.

The paper also appears to have focussed on the role of housebuilder land banks without exploring the role of land promoters bringing forward large sites. This is particularly significant in large parts of the South East and Eastern regions in areas adjoining major urban areas. Large sites of this kind receive outline planning consent for large numbers of units which may take many years to be developed but will potentially distort local area data in the years when planning consent is granted. The methodology should clarify how this issue has been addressed.

Note: The Highbury Group on Housing Delivery comprises an independent group of specialists from the public, private and independent sectors with a membership drawn from housing, planning and related professions; it offers advice and makes representations to Government and other agencies on a variety of subjects, with the aim of maintaining and increasing the output of housing, including high quality affordable housing. The views and recommendations of the Highbury Group as set out in this and other papers are ones reached collectively through debate and reflect the balance of member views. They do not necessarily represent those of all individual members or of their employer organisations. The group's core membership and previous statements and research presentations are on the group's website:

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