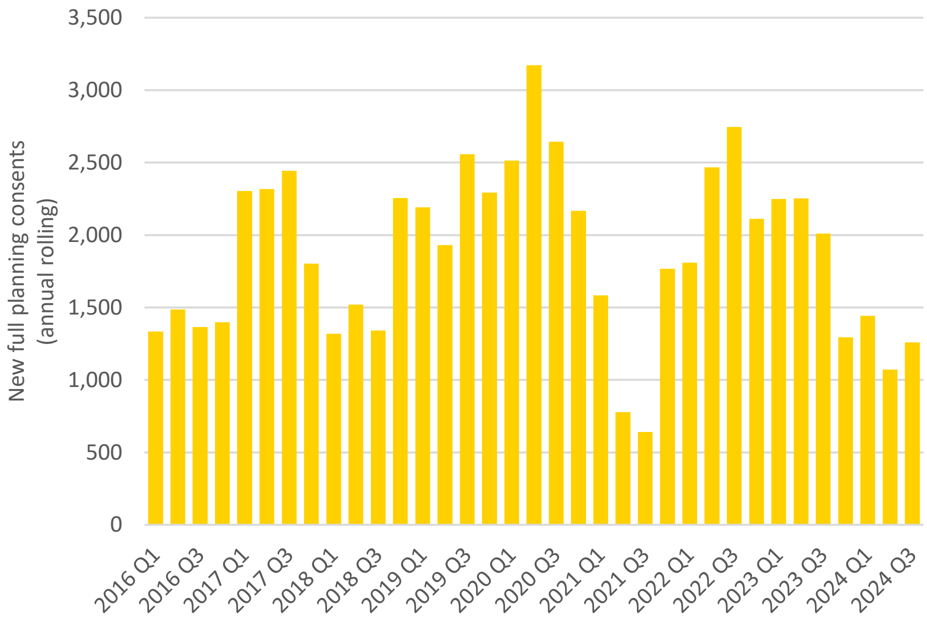
Planning Consents and Build Out Rates

- EPCs for new dwellings indicate that there were 1,688 completions of new homes in Greater Cambridge over the twelve months to September 2024, a 1.3% expansion of housing stock.
- This comes after a period of high delivery: the housing stock of Greater Cambridge grew by an average of 1.5% per annum over the 10 years between March 2014 and 2024, compared to 0.9% across England over the same period.
- The gap between consents and additional homes in Greater Cambridge has averaged just 6% over recent years, compared to a national figure of 21%, indicating that sites are built out much more quickly in Greater Cambridge.
- The flow of new planning consents in Greater Cambridge has fallen since its recent 2022 peak, to a level more than 40% below 2018/20 levels – a greater fall than seen nationally.

This report looks at recent housing delivery and planning data across the Greater Cambridge area (Cambridge and South Cambridgeshire).

Planning consent was granted for 385 homes in Greater Cambridge in Q3 2024. This included 124 houses and 76 flats at Netherhall Farm (a site previously identified in Cambridge's SHLAA) and 113 homes at Barratt Redrow's All Saints Gardens scheme at Barrington, South Cambridgeshire. There were 1,259 homes consented in the 12 months to Q3 2024. The largest schemes granted consent over that period include 291 flats at Darwin Green, 256 homes at Lower Cambourne, and the aforementioned Netherhall Farm scheme.

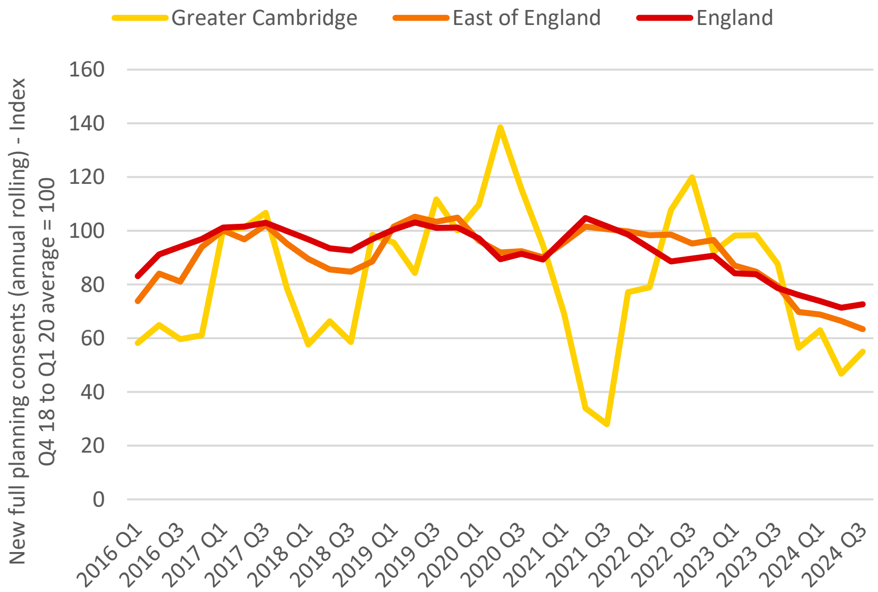
Figure 1 New full planning consents in Greater Cambridge



All of the trend series in Figure 2 are indexed to the average annual flow of consents during the Q4 2018 to Q1 2020 period, a period which saw a sustained peak in the number of homes gaining full planning consent nationally.

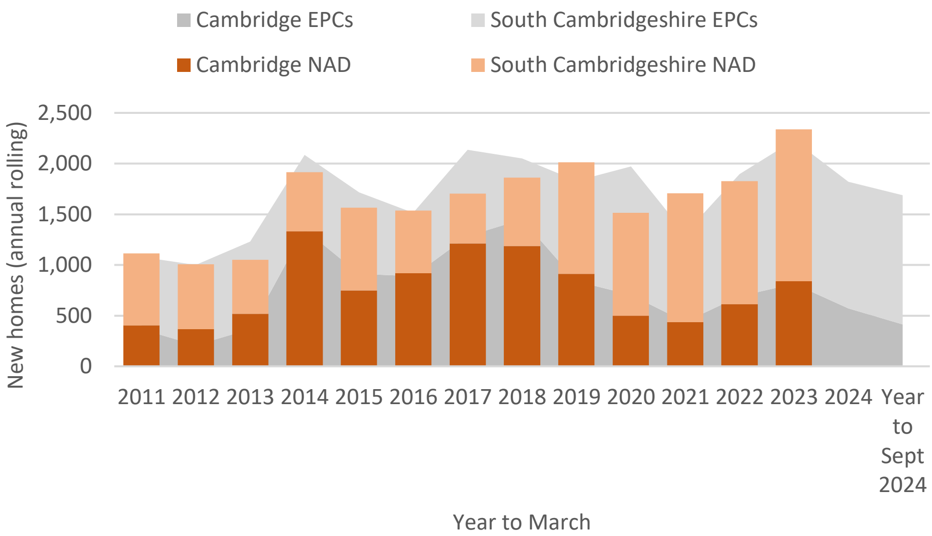
Since then, housing approvals have fallen. Greater Cambridge consents fell 24% below the national trend in the year to Q3 2024, and 13% below the East of England over the same period. This fall comes after a period of outperformance across much of 2022-23, where Greater Cambridge granted permission for more homes relative to national and regional trends.

Figure 2 New full planning consents in a national and regional context



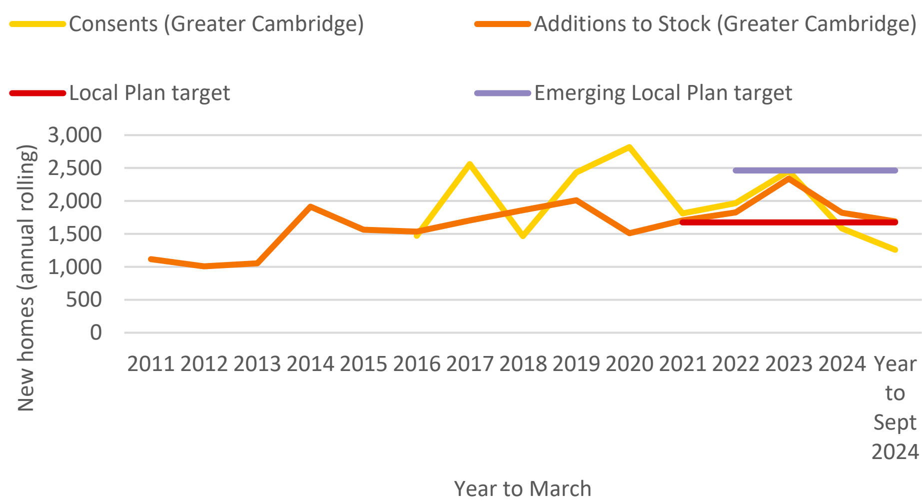
Net Additional Dwellings (NAD) and Energy Performance Certificates (EPCs) offer two ways of measuring new home completions.
The NAD figures show delivery of new homes peaked with 2,339 homes built across Greater Cambridge in the year to March 2023. Delivery was 28% higher than the previous year (38% higher within Cambridge), compared to just 1% across England.
More timely EPC figures show that delivery has since declined from this peak amid a more challenging development environment.
Annualised completions fell by around 24% between March 2023 and September 2024, due a large drop in completions in Cambridge. England-wide delivery fell by 11% over the same period.

Figure 3 Net additional dwellings and Energy Performance Certificates



1,259 new homes gained planning consent in the year to September 2024, below the 1,675 homes per annum targeted by the Local Plan. The fall comes after a long period of consents exceeding the target.
With 1,688 new homes built in the year to September 2024, completions remain above the Local Plan target. Growth in housing stock has slowed, from 1.8% in the year to March 2023 to 1.3% for the equivalent level in September 2024. Nevertheless, it remains firmly above the England-wide trend of 0.9%.
In order to meet the emerging Greater Cambridge Plan target, delivery would need to increase by a further 775 homes per annum from the present level. This level of delivery was almost achieved in 2023.

Figure 4 Consented and completed new homes in Greater Cambridge



Over the seven and half years to September 2024, there has been an average gap of 6% between the number of homes being given consent and additions to stock (calculated using net additional dwellings and the latest EPC based estimates).
This is a much smaller gap than that seen across the whole of England, where additions to stock have been 21% lower than new residential planning consents.
This indicates that, in a national context, sites are built out more quickly in Greater Cambridge.
(NB In all cases the gap is currently compressed due to the recent fall in the number of consents, which has yet to feed into lower delivery.)

Figure 5 Consents and Build Out Rates