

From: [REDACTED]
To: [Local Dev. Framework](#)
Subject: FW: Response to Draft Local Plan
Date: 12 February 2018 12:08:52
Attachments: [Suggested ammendments to the draft craven local plan Dec 2017.pdf](#)
[image001.jpg](#)

Dear Sirs,

Please find attached our response to the draft local plan.

Kind regards,

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SUGGESTED
AMENDMENTS
TO THE
PUBLICATION
DRAFT CRAVEN
LOCAL PLAN
DECEMBER 2017

09 February 2018



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1.0 Introduction

This document has been prepared as a response to the publication draft of the Craven Local Plan December 2017. The document assesses the affordable housing policy from the draft plan.

2.0 Affordable Housing

Having read the affordable housing policy we have found that it does not accord with government guidance on viability as it seeks to prevent applicants undertaking viability appraisals apart from in exceptional circumstances and seeks to restrict the way in which viability appraisals are undertaken by making it so developers are unable to take into account abnormal costs in a viability appraisal.

2.1 The Draft Policy/Supporting Text

The extracts of the policy and supporting text which are of interest are highlighted in bold below.

*“6.17 The Council’s Local Plan Viability Assessment Addendum (November 2017) has been used to inform the affordable housing targets and site thresholds. The assessment work indicates that, for all the different types and sizes of greenfield sites typically found and likely to come forward in the plan area, the vast majority of sites will be able to deliver 30% affordable housing. **It is expected therefore that, normally, it will be viable for housing sites in Craven to provide 30% affordable dwellings and meet other planning obligation requirements of the local plan. Abnormal costs associated with individual sites should be negotiated between the developer and the landowner.**”*

*“6.18 **Only in very exceptional circumstances will the local planning authority review individual sites in terms of scheme viability.** In these circumstances developers will be expected to conduct negotiations on a transparent and ‘open book’ basis.”*

“DRAFT POLICY H2: AFFORDABLE HOUSING

a) Local affordable homes that are needed in the plan area will be delivered by:

*l. the provision of a minimum of 30% of proposed new dwellings as affordable housing on greenfield sites of 11 dwellings or more, and on any site with a combined gross floor area of more than 1000 sqm. In designated rural areas, proposals on greenfield sites of 6 to 10 dwellings, will be required to make an equivalent financial contribution. **Development proposals that seek to provide a lower level of affordable housing contribution will not be acceptable unless it can be clearly demonstrated that exceptional circumstances exist which justify a reduced affordable housing contribution.**”*

2.2 Government Guidance on Viability - Viability and Decision Taking

2.2.1 How should viability be Assessed in Decision-Taking?

***“Decision-taking on individual applications does not normally require consideration of viability. However, where the deliverability of the development may be compromised by the scale of planning obligations and other costs, a viability assessment may be necessary. This should be informed by the particular circumstances of the site and proposed development in question. Assessing the viability of a particular site requires more detailed analysis than at plan level.*”**

A site is viable if the value generated by its development exceeds the costs of developing it and also provides sufficient incentive for the land to come forward and the development to be undertaken.

Paragraph: 016 Reference ID: 10-016-20140306

Revision date: 06 03 2014”

Why the proposed affordable housing policy does not comply with Paragraph 016 (above)

The guidance does not state that exceptional circumstances are necessary in order for a viability assessment to be acceptable, instead they are acceptable when the deliverability of the site is brought into question by the level of planning obligations required.

The guidance also makes the point that the site-specific viability is different to demonstrating the viability of a policy in a local plan. Therefore, the statement in paragraph 6.17 of the supporting text for the affordable housing policy suggesting that the viability assessment for the local plan provides enough evidence to mean specific sites will not require viability assessments in the future; is not in line with government guidance on viability.

2.2.2 Costs

“Assessment of costs should be based on robust evidence which is reflective of market conditions. All development costs should be taken into account including:

- *build costs based on appropriate data, for example that of the Building Cost Information Service;*
- ***abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or historic costs associated with brownfield, phased or complex sites;***
- *infrastructure costs, which might include roads, sustainable drainage systems, and other green infrastructure, connection to utilities and decentralised energy and provision of social and cultural infrastructure;*
- *cumulative policy costs and planning obligations. The full cost of planning standards, policies and obligations will need to be taken into account, including the cost of the Community Infrastructure Levy.*
- *finance costs including those incurred through loans;*
- *professional, project management and sales and legal costs.*

Paragraph: 022 Reference ID: 10-022-20140306

Revision date: 06 03 2014”

Why the proposed affordable housing policy does not comply with Paragraph 022 (above)

The draft supporting text for the affordable housing policy states that abnormal costs cannot be considered in viability assessments and should instead be negotiated between the developer and the landowner. However, paragraph 22 states that abnormal costs should be considered within the costs as part of any viability assessment. Therefore, the proposed policy does not accord with government guidance on viability.

It is also worth noting that items such as site clearance and demolition of buildings are considered abnormal costs. This means that this policy may prevent brownfield sites coming forward for development as key viability considerations, such as site clearance, could not be considered as part of a viability assessment.

It is noted that Vacant Building Credit will help with the delivery of brownfield sites, however in some instances the benefit of this policy will not cover the remediation costs of the site clearance/remediation and so the policy needs to be sufficiently flexible to allow viability negotiations to take place and include all development costs within these negotiations so that delivery of housing sites is not prevented.

2.3 Government Guidance on planning obligations

2.3.1 Are planning obligations negotiable?

“Obligations should only be sought where they are necessary to make the development acceptable in planning terms. Where they provide essential site specific items to mitigate the impact of the development, such as a necessary road improvement, there may only be limited opportunity to negotiate. Where local planning authorities are requiring affordable housing obligations or tariff style contributions to infrastructure, they should be flexible in their requirements. Their policy should be clear that such planning obligations will take into account specific site circumstances.

Paragraph: 006 Reference ID: 23b-006-20140306

Revision date: 06 03 2014”

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| <p>Why the proposed affordable housing policy does not comply with Paragraph 006 (above)</p> |
| <p>The draft policy on affordable housing states that viability assessments will only be acceptable in exceptional circumstances. This is not in line with Paragraph 006 which requires flexibility in policy in terms of site specific planning obligations. This will include site specific abnormal costs and so paragraph 6.17 is also not compliant with this paragraph.</p> <p>The new policy requires flexibility due to variations between sites. Over the plan period market conditions will change, which will affect build costs and house prices. Other factors used in the viability assessment for the local plan will also change, such as affordable housing transfer values and educational contributions. Therefore, flexibility in the policy is required to take account of changing circumstances over the plan period which would otherwise hinder housing delivery.</p> |

2.4 Level of Proposed Affordable Housing

Due to the challenging topography in many parts of Craven which significantly increase build costs on road layout, retaining walls, dead walling and split levels together with higher than normal planning requirements with regard to materials it is unlikely that many sites in Craven will be able to deliver 30% affordable homes together with the other contributions required by the Council. This is borne out in recent developments where the development has been required to provide less than 30% affordable units after going through the viability process before considering the proposed Education Contribution (e.g. Green Lane, Glusburn 10%, and Elsey Croft 20%). The current proposal is likely to mean that landowners will not bring sites forward for development.

3.0 Suggested alteration to affordable housing policy

The policy needs to be reworded to comply with government guidance and should seek to encourage viability assessments whilst being flexible in the approach taken in viability negotiations so that the policy doesn't stall residential development in the district.

The level of affordable housing policy should be reduced further to be in line with recent viability negotiations that have allowed development of sites to take place.