

BRECKLAND COUNCIL

PLANNING COMMITTEE – 22nd JUNE 2015

REPORT OF THE EXECUTIVE DIRECTOR OF PLACE (Author: Gary Hancox)

WATTON: PLASWOOD, GRISTON ROAD - ERECTION OF 31 RESIDENTIAL UNITS, COMPRISING 18 FLATS AND 13 HOUSES

REFERENCE: 3PL/2014/1314/O

DEFERRED ITEM REPORT

At the Planning Committee meeting held on 13th March 2015, Members resolved to defer this application to allow for an updated assessment by the District Valuer as to the viability of the proposed scheme.

At the meeting, Members were advised that this site already had planning permission for 31 dwellings. The main difference in the proposal to that already approved was an increase in floorspace to improve the viability of the site. The application did not provide any affordable housing or financial contributions. If Members were minded to approve the application then a legal agreement was suggested with a claw-back clause requiring contributions if profit exceeded 17.5%.

The District Valuer (DV) has now carried out an updated viability review to reflect the following:

- an increase in residential floor areas by 20%
- updated market values using house price indices; and
- updated BICS build costs.

The DV concludes that the developer would receive a profit of 8.61% on Gross Development Value (GDV). This is slightly higher than the 7.7% profit suggested by the applicants in their updated assessment. It is also significantly better than the 3.32% profit suggested in our previous all private scheme assessment.

Although a profit of 8.61% is better and could be sufficient for the scheme to be deliverable, placing further costs upon the development in the form of affordable housing or Section 106 contributions would cause the developers profit to fall to an unsatisfactory level. This could prevent the site coming forward for development. We therefore agree with the applicants' contention that the scheme cannot afford to provide the required affordable housing and Section 106 obligations.

In light of the above, the original recommendation as set out in the March 13th committee report, and reported below, remains.

The site is in a sustainable location, close to existing facilities and local employment. The requirements of the NPPF, the presumption in favour of sustainable development, and the identified benefits from the development outweigh identified harmful impacts and, in respect of the lack of obligations and affordable housing provision, the proposed development can be accepted as a departure from normal policy. The design and layout of the scheme is appropriate for its context and will not significantly harm the amenities of neighbouring properties. The development

accords with the relevant Core Strategy policies, in particular DC1, DC13 and DC16. The application is recommended for approval.

If Members are minded to accept this recommendation, then NPLaw will be instructed to draft a S106 legal agreement to include a claw back provision for affordable housing, contributions towards education and off-site open space provision, requiring the developer to re-appraise the scheme before completion, providing evidence of actual costs. Contributions to or provision of on-site affordable housing, contributions towards education and off-site open space provision will be required on any profit exceeding 17.5% (as indicated as an acceptable commercial profit in the DV report)

Delegated authority is requested for the application to be refused by the Council's Planning Manager if the legal formalities in respect of the Section 106 are not completed within three months of the date of this decision or that the Planning Manager has the authority to agree another more appropriate time scale for the completion of any such agreement.