

Judith Williams

From: Matthew Phillips
Sent: 13 January 2016 10:27
To: planning_admin
Subject: FW: P/2015/0890 - Brother site, Croesnewydd Road

Policy Officer response

From: Nicola Corbishley
Sent: 13 January 2016 09:57
To: Matthew Phillips
Cc: David Williams; Linda Sharp
Subject: P/2015/0890 - Brother site, Croesnewydd Road

Matthew,

Thank you for the opportunity to comment on this proposal for the development of 80 residential units on the site of the former brother industries at Croesnewydd Road.

This is a resubmission of a previously refused application for a similar development with a lesser number of residential units (77). The principle of development has previously been accepted on this site given the planning history and remains acceptable given the brownfield nature of the site and its location within the defined settlement limit of Wrexham Town. The application does not propose any affordable housing and includes a viability assessment undertaken by an independent assessor on behalf of the developer to justify this position.

My policy comments are provided below and relate to the following:

- UDP policy position;
- National policy position identified in PPW (ed 8, Jan 2016), TAN1 (Jan 2015) and TAN2 (2006);
- Their submitted viability study and deliverability;
- the recently completed LHMA which outlines the need for affordable housing in the County Borough over the next 5 years; and

UDP policy position

The site is a brownfield site within the defined settlement limit of Wrexham town where the principle of development is acceptable. Planning history also sets a precedent for the acceptability of development on this site. Although expired, the UDP remains the most up to date development plan for the area and can still be used as basis for making decisions on planning applications in conjunction with other more up to date national planning policy and other material considerations (i.e. LDP evidence base, see section 2.8, paragraph 3.1.2 and section 4.2 of PPW, edition 8, Jan 2016). Policies PS1, PS3, and PS4 are applicable, as are GDP1, GDP2 and H7 - Affordable Housing as are LPGN 10, 16, 21, 27 and 28.

In relation to policy H7 – the wording states that ‘where there is a proven lack of affordable housing to meet local needs that the council will negotiate with developers to provide an element of affordable housing in new proposals of 25 or more homes’. The starting point for negotiation is 25% affordable housing as detailed in the LPGN 28 which also recognises the impact that development viability can have on the delivery of affordable housing specifically and also on schemes in general.

National policy position identified in PPW (ed 8, Jan 2016), TAN1 (Jan 2015) and TAN2 (2006)

Chapter 4 of PPW, section 4.2 provides for a presumption in favour of sustainable development (para 4.2.2) with the aim of maximising the contribution development can make to the achievement of the Wellbeing goals set out in the Wellbeing of Future Generations (Wales) Act, 2015. In principle the location of the site and its proximity to facilities and services including public transport, along with it being brownfield site means that on the

TAN1 (January 2015), paragraph 8.2 states that LPA's without an up to date development plan cannot produce a JHLAS until the LDP is adopted and are deemed to not have a 5 year supply of housing. The same para continues to state that housing supply should continue to be monitored for the purposes of LDP preparation on an annual basis (para 3.3).

The housing position for the County Borough as of the April 2015 monitoring statement (http://www.wrexham.gov.uk/assets/pdfs/planning/jhlas/jhlas_2015.pdf) identifies a supply of 899 dwellings contributing to the 5 year supply, with an additional 710 units beyond the 5 year period. (the 2014 JHLAS identifies a land supply of 3.1 years). This site is included in the 2015 monitoring statement but does not make a contribution to the 5 year supply due to financial reasons, similarly this is also the case for the 2014 formal JHLAS.

For land to be genuinely available or become available to provide a 5 year land supply, 'it must be free or readily freed, from planning, physical and ownership constraints, and economically feasible for development, so as to create and support sustainable communities where people want to live' (para 9.2.3 – PPW, ED 8). This site is not included in the 5 year supply as it has financial reasons why the site cannot come forward (included in category 4 of the 2015 monitoring statement).

Viability and deliverability

There is a viability study which accompanies the application, this sets out the applicants case in relation to not providing the required level of affordable housing as identified in policy H7 and LPGN 28 (25% on sites of 25 units or more). The policy position is clear that this is negotiable where there are genuine viability concerns associated with a site. There is an expectation that in order to offset the impact of the development, planning gain in relation to a contribution towards highway and education provision is required should we be minded to approve the application in accordance with the calculations identified in LPGN 27 and based on the Highway Authority's requirements. On site open space is also required which is a standard cost associated with the development of such a site and given the site location there may also be the need for some noise attenuation measures on some of the plots.

The assessment identifies a number of abnormal costs, many of which are questionable. They also include a figure to cover the cost of sprinklers as required in all new residential properties as a result of recent changes to the building regulations. I understand that the site is already registered with building control and, that, subject to planning permission, the site will be exempt from including sprinklers in the development as a result of the timing of their building regulations application. Including the cost of sprinklers in the viability appraisal is therefore unnecessary given the circumstances and it would appear that this is an attempt to over inflate the actual costs of the development proposal. It would also appear that even if no standard s106 costs were deducted from the viability calculation that the site still returns a negative residual value which raises the question of whether the site will ever be built even if permission is granted. The need to ensure a 5 year deliverable supply of housing land on adoption of the LDP is a material consideration and although the current permission is included in the 2015 housing monitoring statement, it does not contribute to the 5 year supply given the associated site development costs including standard S106 requirements. Recent appeal decisions in the county support this stance.

LHMA – Affordable housing need

The LHMA was completed in March 2015 and indicates a shortfall of 157 affordable homes per annum in the County up to 2020 based on 5 housing market sub areas. The site lies in the Wrexham housing market sub area where the evidence demonstrates that there is a negative shortfall of (-26) affordable homes. The LHMA has been presented to members and endorsed as an evidence base for the production of the LDP (2013 – 2028).

Conclusion

The principle of development is acceptable given the brownfield nature of the site and the planning history. The viability assessment is however questionable and I would advise that an independent assessment of the applicants appraisal is undertaken to help assist in understanding the true site costs associated with this development in order to better understand if the site is actually deliverable and able to contribute to the 5 year land supply. Affordable housing aside, the current assessment indicates that even if no standard S106 costs were deducted that the site gives a negative residual value and I am not convinced that any developer would be willing to bring the site forward in this circumstance. Recent evidence (LHMA) suggests that there does not appear to be shortfall of affordable housing in this LHM sub area and with specific reference to the policy wording of H7, affordable housing should only be sought where there is an identified need. Accepting the findings of the LHMA, it would appear that the site is still unable to provide a positive residual value and a reasonable return to the land owner and as such is unlikely to be delivered or contribute to the 5 year housing land supply. On this basis I would be recommending refusal of the application, however there are outstanding questions in relation to the viability assessment which the applicant may wish to address and which could alter the sites residual value making it more deliverable.

I hope this helps, please let me know if you wish to discuss anything further.

Nic

Nicola Corbishley (BSc MSc MRTPI)
Planning Policy Manager / Rheolwr Polisi Cynllunio



01978 298751



Wrexham County Borough Council, 16 Lord Street, Wrexham, LL11 1LG



Cyngor Bwrdeistref Sirol Wrecsam, 16 Stryt yr Arglwydd, Wrecsam LL11 1LG



wrexham.gov.uk | wrecsam.gov.uk



twitter.com/wrexhamcbc | twitter.com/cbswrecsam



facebook.com/wrexhamcouncil | facebook.com/cyngorwrecsam



Ysgrifennwch ataf yn Gymraeg neu Saesneg
Please write to me in Welsh or English