

APPEAL STATEMENT

Henblas Square, Wrexham



ELG

April 19

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REVISION RECORD					
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1. INTRODUCTION

1.1 This Appeal Statement has been prepared on behalf of The Mandale Group (the appellant) to accompany a S.78 Planning Appeal against the decision of Wrexham County Borough Council to refuse full planning permission for the conversion of existing 1st floor and construction of mezzanine floors to create to 53no. residential apartments (51no. one bedroom and 2no. two bedroom), associated works and external alterations at Henblas Square, Wrexham.

1.2 The planning application - formally validated on 14th August 2018 - was refused by Committee against Officer recommendation to approve, with the Decision Notice issued on 1st April 2019 (Appendix 1). The single reason for refusal cited (in the Notice) was as follows:

'1. The development does not make an adequate contribution to the provision of affordable housing and is therefore contrary to Local Planning Guidance Note 28 and to Unitary Development Plan policy H7.'

1.3 This document sets out the appellant's grounds for appeal and detailed statement of case in support of the proposed development, having regard to the adopted development plan in force for the area, Planning Policy Wales (PPW), and any other material considerations.

2. PLANNING CONTEXT

Site Context

- 2.1 The application property, Henblas Square, is a two-storey building located in Wrexham town centre, which is bound by Lambpit Street to the north, Chester Street to the east, Henblas Street to the south and Queen Street to the west (see Figure 2.1, right). The red line for the site wraps directly around the building footprint, measuring approximately 0.77 hectares (ha) in area.

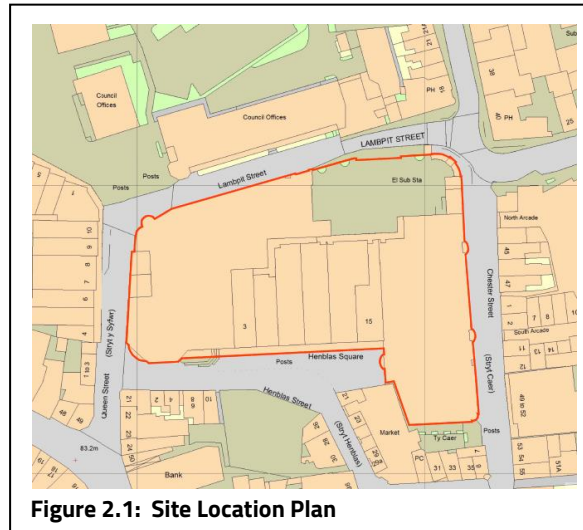


Figure 2.1: Site Location Plan

- 2.2 The building currently comprises of 10no. ground floor retail units at ground floor level, two of which are substantial in size (TJ Hughes and BHS). Of these, eight front onto Henblas Street to the south and two onto Queen Street to the west. At first floor level, offices feature above BHS, with storage space associated with the smaller retail units located above the units, whilst the retail floorspace of TJ Hughes extends across two levels. All except one of the retail units are now vacant. A service yard is located at the north east corner of the site, which is the only part of the site that is not occupied by the building. To confirm, the property is unlisted, but lies adjacent to Wrexham Conservation Area.
- 2.3 In terms of the surrounding land uses, these are predominantly retail, commercial and leisure uses, commensurate with the location of the site within Wrexham town centre.

Planning History

2.4 The site has been subject to the following approvals over recent years:

- **P/2010/0766** - 1 No. fascia and projection sign.
- **P/2009/0502** - Display of signs.

3. APPEAL PROPOSAL

- 3.1 This appeal seeks full planning consent for the conversion of existing 1st floor and construction of mezzanine floors to create to 53no. residential apartments (51no. one bedroom and 2no. two bedroom), associated works and external alterations at Henblas Square, Wrexham.
- 3.2 The external alterations on this occasion include the incorporation of a number of new windows - together with the removal of some existing - as part of a reconfigured window arrangement, as shown by the submitted elevations (see Figure 3.1 for one such example of new windows). Other alterations are limited, but include the removal of existing stairwells that are no longer needed, with all retail units to be confined to the ground floor only. The existing and proposed layout of the first floor are provided at Figure 3.2 for context.



Existing first floor plan



Proposed first floor plan



Figure 3.2: Existing and Proposed First Floor Plans

4. PLANNING POLICY CONTEXT

The Development Plan and Planning Policy Wales

4.1 For the site in question, the development plan in force for the area comprises of:

- The Wrexham Unitary Development Plan (UDP) 1996-2011 (Adopted 2005).

4.2 In the Council's view, the proposals conflict with the following policies of the UDP:

- Policy H7 (Affordable Housing).

4.3 Further to the development plan policy above, it is the Council's opinion that the development is not compliant with Local Planning Guidance Note 28: Affordable Housing.

4.4 It must be assumed that the Council consider the appeal proposals to accord with all other aspects of the Development Plan. To confirm, no conflicts with PPW have been identified.

5. STATEMENT OF CASE

- 5.1 As set out at paragraph 1.2, the application was refused against Officer recommendation for a single reason; namely the Committee's belief that the proposals do not make an adequate contribution to the provision of affordable housing.
- 5.2 In the first instance, it is imperative to note that the proposals were granted approval by the Council at the Committee meeting on 5th November 2018, subject to a Section 106 (S.106) Agreement to secure either the provision of on-site affordable housing at a rate of 25% (13 units) or an equivalent financial contribution. The significant benefits of the development in terms of helping to regenerate Wrexham town centre were accepted by Members of the Committee.
- 5.3 At the time the application went to Committee, the appellant had already informed Officers that they were actively looking into the viability of the scheme (Appendix 2) and intending to submit a viability assessment, but Officers were happy to allow the application to proceed and be heard at Committee, given the recommendations provided a suitable mechanism for negotiating and approving the S.106 thereafter. It should be noted that the formula for calculating the (off-site) affordable housing requirement was only provided to the appellant on 26th October 2018 (Appendix 3), by which point the Committee Report had already been finalised. The Viability Appraisal was duly submitted to the Council on 12th November 2018, which projected a 16% profit with no affordable housing contribution and proposed to pay the Council the additional profit above the standard reasonable developer profit of 15% (£28,816) back as an off-site contribution (Appendix 4). The appellant received notification on 20th December 2018 that the findings of the Viability Appraisal had been accepted following review by the Council's Development Surveyor, and the application returned to Committee accordingly on 1st February 2019.
- 5.4 At the 1st February 2019 Committee, the application was deferred on the basis the Council expressed concerns over some of the figures contained within the Viability Appraisal. At this point development

had commenced on site and the Council felt there were actual figures available to use within the Viability Appraisal instead of projected ones. Their concerns chiefly related to the gross development value (GDV), existing use value (EUV) and build costs. Following the meeting and in response to the concerns raised, a revised Viability Appraisal was submitted on 4th March 2019 (Appendix 5), which confirmed the following:

- The GDV had been amended to reflect the contracted sale price (£3.3m), which had been evidenced (Appendix 6);
- Ground rent of £212,000 (53 x £200 over a 20-year period = £212,000) had been factored in;
- The EUV had been evidenced by the responses of 3 separate agents (Appendix 7) and the Appraisal was now based on a PRS Model;
- The build cost of £850 per sq.m is low for a conversion/refurb scheme based on BCIS/RICS evidence (Appendix 8);
- The landscaping costs had reduced by £15,000 to reflect the loss of two rooftop courtyard areas;
- With build costs now reflective of as-built, the previous contingency figure of £120,000 approx. had been removed completely; and
- With the scheme based on a PRS Model, the sales, marketing and legal costs were reduced by nearly £70,000 to £31,800 (which equates to £600 per unit).

5.5 Once all the above was taken into account, the projected profit for the scheme was reduced to just over 8% (£254,294). Whilst this is still well below what many developers would normally accept, by using a PRS Model on this occasion the appellant's risk is reduced and they have accepted that the scheme will generate a lower profit. Once again, the findings of the Viability Assessment were fully accepted by Officers, with the following conclusion made in the Committee Report for 1st April 2019 (Appendix 9):

'The financial viability of a development proposal remains a material planning consideration and must be taken into account when determining planning applications. I am satisfied that the revised appraisal shows an accurate assessment of the costs incurred to develop the site, which will result in a financial return well below what is considered to be a reasonable profit. The Council is required to give significant weight to this financial constraint and factor this against the other benefits of the proposed development.'

'As mentioned in my previous report, the proposal would result in the redevelopment of this prominent building which is important to the successful delivery of the Town Centre Masterplan. This would accord with Council and Welsh Government planning policy relating to the site selection of new residential development. There is clearly little financial incentive based on the current viability assessment to convert the building for residential use or any other purpose.'

'For the benefit of Members, my previous reports follow along with my recommendation that planning permission should be granted subject to a S106 agreement securing the payment of a contribution to off-site affordable housing in the amount of £28,816.'

- 5.6 In resolving to refuse the application for the stated reason, the Council have not only gone against the recommendation of their Officers, they have done so without any reasoned justification. At the Committee meeting on 1st February, certain figures within the Viability Appraisal were questioned by Members, and in response the appellant clarified and updated the Viability Appraisal accordingly, providing the necessary evidence where appropriate (see paragraph 5.4). Despite this, the Council seemingly chose not to accept the evidence provided, even though they had no evidence of their own to dispute this. This lack of Council evidence (to dispute the evidence provided by the appellant) was something that was specifically highlighted by the Lead Planner during the meeting, and again, the Council simply chose to ignore their Officers. It should also be noted that during the 1st April Committee meeting the appellant offered to have the Viability Appraisal assessed independently at their expense, proposing that the application be deferred while this was carried out. The Council,

despite the aforementioned lack of evidence, declined the appellant's offer and refused the application.

5.7 In refusing the application, the Council have not only made their decision based on no evidence, they have failed to apply their own development plan policies and guidance appropriately. Policy H7 of the UDP, which is specifically cited in the reason for refusal, refers to negotiating with developers to provide an element of affordable housing in new proposals of 25 or more homes. Local Planning Guidance Note 28, which is also cited in the reason for refusal, amplifies the above policy and forms a material consideration in the determination of relevant planning applications. This Guidance Note enables developers to provide the Council with a full viability assessment when they are proposing to provide affordable housing at a rate less than 25%, in cases where the viability of the development is genuinely threatened.

5.8 On this occasion - with a projected profit of just 8% (£254,294) - it is clear that the appellant was fully entitled to submit a Viability Appraisal (as was also the case when the original Viability Appraisal was submitted, as this still only projected a 16% profit even when there was no affordable housing contribution - see paragraph 5.3). This is reinforced by the fact that if a policy compliant level of affordable housing was provided (see calculation below), this would result in the development making a loss.

GDV: £3,512,351/total number of units: 53 = average unit price: £66,271

Average unit price: £66,271 x 25% of 53 units (i.e. the affordable requirement): 13.25 = total value of affordable units: £878,091

Total value of affordable units: £878,091 x affordable housing contribution: 30% = £263,427.

5.9 For the reasons set out in paragraphs 5.2 - 5.8, we consider that:

- The Council's decision to refuse the application on the basis the development does not make an adequate contribution to the provision of affordable housing, was unjustified and

not based on any evidence whatsoever;

- The proposals are not contrary to either UDP Policy H7 or Local Planning Guidance Note 28, bearing in mind the findings of the Viability Appraisal, which were accepted by Officers including the Council's own Development Surveyor;
- In view of the above, the proposals are considered entirely compliant with all relevant UDP policies. Indeed, 11 relevant policies are listed on the first page of the Decision Notice and this excludes the aforementioned Policy H7; and
- The proposals would result in major benefits for the regeneration of Wrexham town centre in line with the adopted masterplan, which will make a contribution towards the delivery of affordable housing elsewhere in the borough. To confirm for the avoidance of any doubt, the appellant remains willing to provide the aforementioned £28,816 towards affordable housing off-site (which can be secured via a Unilateral Undertaking), if the Inspector is minded to allow the appeal subject to securing such.

6. CONCLUSIONS

6.1 This Appeal Statement has been prepared on behalf of The Mandale Group (the appellant) to accompany a S.78 Planning Appeal against the decision of Wrexham County Borough Council to refuse full planning permission for the conversion of existing 1st floor and construction of mezzanine floors to create to 53no. residential apartments (51no. one bedroom and 2no. two bedroom), associated works and external alterations at Henblas Square, Wrexham.

6.2 The planning application - formally validated on 14th August 2018 - was refused by Committee against Officer recommendation to approve, with the Decision Notice issued on 1st April 2019. The single reason for refusal cited (in the Notice) was as follows:

'1. The development does not make an adequate contribution to the provision of affordable housing and is therefore contrary to Local Planning Guidance Note 28 and to Unitary Development Plan policy H7.'

6.3 In response, we strongly contest that the appeal proposals are an appropriate form of development on this occasion. This is because:

- They would result in major benefits for the regeneration of Wrexham town centre in line with the adopted masterplan;
- They would make an appropriate contribution towards the delivery of off-site affordable housing in line with UDP Policy H7 and Local Planning Guidance Note 28, bearing in mind the findings of the submitted Viability Appraisal, which were accepted by Officers; and
- The proposals are considered entirely compliant with all relevant UDP policies.

6.4 For the reasons summarised above and set out in detail at section five, this statement demonstrates that **the Council's decision to refuse the application against the recommendation of Officers was**

entirely unfounded and, crucially, not based on any evidence. It is therefore requested that the appointed Inspector resolves to allow this appeal, subject to any conditions deemed necessary.



Appendix 1

Decision Notice (1st April 2019)

In pursuance of its powers under the Acts an Orders referred to below, the County Borough Council as Local Planning Authority, hereby determines your application in accordance with the particulars and plans comprising the application

Applicant	THE MANDALE GROUP	Code No	WRR P/2018/0684
Agent	ELG PLANNING MR DAVID MARJORAM GATEWAY HOUSE 55 CONISCLIFFE ROAD DARLINGTON DL3 7EH	Date Received	14/08/2018
		Decision Date	01/04/2019

Town and Country Planning Act, 1990

Location of application

HENBLAS SQUARE, HENBLAS STREET, WREXHAM, LL13 8AE

Description of application

CONVERSION OF EXISTING FIRST FLOOR AND CONSTRUCTION OF MEZZANINE FLOORS TO CREATE 53 NO. APARTMENTS (51 NO. ONE BEDROOM AND 2 NO. TWO BEDROOM), ASSOCIATED WORKS AND EXTERNAL ALTERATIONS

In reaching this decision the Council has had regard to the relevant policies in the Wrexham Unitary Development Plan which are as follows:-

EC6	Biodiversity Conservation
EC7	Conservation Areas
GDP1	Development objectives
GDP2	Capacity of infrastructure and community facilities
H2	Residential development within settlements
PS1	Settlement limits
PS2	Development and the environment
PS3	Brownfield Land
PS4	Settlement Pattern
T8	Parking
T9	Walking, cycling and horse riding routes

Particulars of decision that permission be REFUSED

Reason(s)

1. The development does not make an adequate contribution to the provision of affordable housing and is therefore contrary to Local Planning Guidance Note 28 and to Unitary Development Plan policy H7.

A handwritten signature in black ink, appearing to read 'L. M. G.', is positioned above the official title.

**Officer Appointed for this purpose
Chief Officer Planning & Regulatory**

Refer to Statement of Applicant's Rights and General Information on our planning web site at:-

http://www.wrexham.gov.uk/english/planning_portal/publications/info_sheets.htm



Appendix 2

E-mail to Council re. Viability

David Marjoram

From: David Marjoram
Sent: 18 September 2018 17:00
To: Sharon Holman
Subject: RE: P/2018/0684 55 APARTMENTS AT HENBLAS SQUARE, WREXHAM

Hi Sharon

I will consider the comments and come back to you ASAP, been snowed under today!!! Feel free to give me another nudge later in the week if required!

In terms of the affordable, our client is currently pulling together a viability appraisal which I hope to have with you shortly. Can you please confirm your procedures and timescales in this respect.

Leaving to one side the above, is the application currently viewed favourably? I assume we would be looking at a delegated decision as things stand?

Many thanks.

Kind Regards

David Marjoram, MRTPI
Senior Planner



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From: Sharon Holman <Sharon.Holman@wrexham.gov.uk>
Sent: 18 September 2018 12:41
To: David Marjoram <DavidM@elgplanning.co.uk>
Subject: P/2018/0684 55 APARTMENTS AT HENBLAS SQUARE, WREXHAM

Good afternoon David,

Please provide some additional information:

Retail units are to be retained at ground floor and currently these are served by storage areas at first floor level. To ensure that these units will not be blighted by the flats, please provide some assurances that sufficient storage space can be accommodated within the modified ground floor layout once access to the first floor is removed.

Bin storage is a particular issue within the town centre and as such proposals must demonstrate that adequate provision will be made within a discreet location on the site. Please submit a detailed proposed block plan which demonstrate refuse storage for both the retail and residential uses.

Many thanks

Sharon

Sharon Holman

Development Control Planning Officer/ Swyddog Cynllunio Rheoli Datblygu



- 01978 298779
- Wrexham County Borough Council, 16 Lord Street, Wrexham, LL11 1LG
- Cyngor Bwrdeistref Sirol Wreccsam, 16 Stryt yr Arglwydd, Wreccsam, LL11 1LG
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Rydym yn croesawu gohebiaeth yn Gymraeg. Byddwn yn ymateb i unrhyw ohebiaeth yn Gymraeg ac ni fydd hyn yn arwain at unrhyw oedi.

Ewch i weld - mi fedrwch chi dalu, rhoi gwybod, gwneud cais, dweud eich dweud, a dod o hyd i wybodaeth ar-lein yn www.wreccsam.gov.uk. Arbedwch bapur - meddyliwch cyn argraffu!

Mae'r neges e-bost hon ac unrhyw atodiadau wedi eu bwriadu ar gyfer yr unigolyn neu'r sefydliad y'i cyfeirir atynt yn unig. Am yr amodau llawn ynglŷn ? chynnwys a defnyddio'r neges e-bost hon, ac unrhyw atodiadau, cyfeiriwch at www.wreccsam.gov.uk/top_navigation/disclaimersw.htm

We welcome correspondence in Welsh. We will respond to any correspondence in Welsh and this will not lead to any delay.

Take a look - you can pay, report, request, have your say and find information online at www.wrexham.gov.uk. Save paper - think before you print!

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David Marjoram

From: David Marjoram
Sent: 30 October 2018 10:15
To: Sharon Holman
Subject: RE: Planning Committee - 5th November 2018

Hi Sharon

Presumably if a Viability Assessment is submitted that shows the affordable would render the scheme unviable and the findings of this are accepted by the Council, there is scope for this to be addressed in due course. What would be the procedure?

I've spoken with Andrew and the viability of the scheme even without any contributions is marginal.

Kind Regards

David Marjoram, MRTPI

Senior Planner



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From: Sharon Holman <Sharon.Holman@wrexham.gov.uk>
Sent: 30 October 2018 08:40
To: David Marjoram <DavidM@elgplanning.co.uk>
Subject: RE: Planning Committee - 5th November 2018

Hi David,

That's just the way it works at Wrexham. The recommendation allows for us to negotiate and seal the S106, and grant permission. However if we fail to reach agreement on the S106 within 6 months, permission is refused.

If you could let me have your clients solicitor's details and proof of Title, this information will be sent to the council's legal team along with my instructions next week (all going well at committee).

Kind regards
Sharon

From: David Marjoram [<mailto:DavidM@elgplanning.co.uk>]
Sent: 29 October 2018 17:06
To: Sharon Holman
Subject: RE: Planning Committee - 5th November 2018

Thanks Sharon

Can you clarify your recommendation as I can see three, or is that the way it works in Wrexham?!

Could you also please provide the details of the Council Solicitor.

Many thanks.

Kind Regards

David Marjoram, MRTPI

Senior Planner



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From: Sharon Holman <Sharon.Holman@wrexham.gov.uk>

Sent: 29 October 2018 08:43

To: David Marjoram <DavidM@elgplanning.co.uk>

Subject: FW: Planning Committee - 5th November 2018

Good morning David,

The Agenda for the meeting of the Planning Committee to be held on MONDAY, 5 NOVEMBER 2018 has just been published. You may view the public document pack via the Council's website at the following link –

<http://moderngov.wrexham.gov.uk/ieListDocuments.aspx?CId=137&Mid=4249&Ver=4>

If you are wishing to speak, please contact Ms Ann Jones on 01978 298740, by midday on Friday 2 November, to arrange this.

Kind regards

Sharon

Sharon Holman

Development Control Planning Officer/ Swyddog Cynllunio Rheoli Datblygu



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Appendix 3

E-mail from Council re. off-site calculation formula

David Marjoram

From: Andrew Harradine <Andrew.Harradine@wrexham.gov.uk>
Sent: 26 October 2018 17:01
To: David Marjoram
Cc: Sharon Holman
Subject: RE: P/2018/0684 55 APARTMENTS AT HENBLAS SQUARE, WREXHAM

Hi David

I am unable to go further in terms of stating a specific figure as we are currently blind to any valuation of the proposed properties. Normally with the AH s106, we would be seeking onsite provision, which would be defined as a number of units of a particular size and tenure; the commuted sum would only be calculated after completion and required marketing to eligible parties had been undertaken and value of properties is known. As this is offsite provision, we would follow the same policy principles but the timing relative to development makes quoting a figure more challenging.

I understand that the proposed mix of properties has been adjusted now (fewer 2 beds) and this has meant a reduction in the s106 education ask, which poses the question as to whether a contribution to onsite AH is now more likely?

Any final decision on this would be taken in conjunction with the viability assessment, referenced in previous emails but if the off site approach is supported by the evidence then:-

£ Off site contribution for Ty Henblas = 13.75 (which is the 25% of 55 units) x 30% £OMV per unit.

As no viability assessment has been submitted, your client may know better than us at this stage what target OMV would look like but a statement that covers the above in lieu of an agreed valuation of the units could be included at this stage in order to progress matters.

Thanks

From: David Marjoram [mailto:DavidM@elgplanning.co.uk]
Sent: 25 October 2018 11:42
To: Andrew Harradine
Subject: FW: P/2018/0684 55 APARTMENTS AT HENBLAS SQUARE, WREXHAM
Importance: High

Hi Andrew

Sorry to chase again, but do you have a figure for the off-site contribution? I need to undertake a V.A. with the client on this.

Many thanks.

Kind Regards

David Marjoram, MRTPI
Senior Planner



Appendix 4

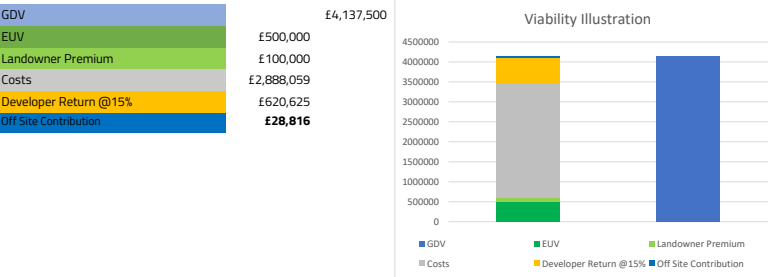
Viability Appraisal submitted 12th November 2018

Financial Viability Appraisal

Existing Use Value (EVU) & Existing Use Value Plus (EVU+)			
Existing Use Value (EVU)			£500,000
Landowner Premium		20% uplift	£100,000
EVU+			£600,000

Calculating Gross Development Value (GDV)						
	No. Units		Floor Space sq metre	Value per sq m	Cost per Unit	Income
Residential Sales Value						
Flat 1 (1 Bed Duplex)	1		40	£1,500	£60,000	£60,000
Flat 2 (1 Bed Duplex)	1		36	£1,500	£54,000	£54,000
Flat 3 (1 Bed Duplex)	1		39	£1,500	£58,500	£58,500
Flat 4 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 5 (1 Bed Duplex)	1		46	£1,500	£69,000	£69,000
Flat 6 (1 Bed)	1		52	£1,400	£72,800	£72,800
Flat 7 (1 Bed Duplex)	1		50	£1,500	£75,000	£75,000
Flat 8 (1 Bed Duplex)	1		48	£1,500	£72,000	£72,000
Flat 9 (1 Bed Duplex)	1		67	£1,500	£100,200	£100,200
Flat 10 (1 Bed Duplex)	1		72	£1,500	£108,000	£108,000
Flat 11 (1 Bed Duplex)	1		62	£1,500	£93,000	£93,000
Flat 12 (1 Bed Duplex)	1		54	£1,500	£81,000	£81,000
Flat 13 (2 Bed Duplex)	1		52	£1,500	£78,000	£78,000
Flat 14 (1 Bed Duplex)	1		56	£1,500	£84,000	£84,000
Flat 15 (1 Bed Duplex)	1		51	£1,500	£76,500	£76,500
Flat 16 (1 Bed Duplex)	1		50	£1,500	£75,000	£75,000
Flat 17 (1 Bed Duplex)	1		51	£1,500	£76,500	£76,500
Flat 18 (1 Bed Duplex)	1		51	£1,500	£76,500	£76,500
Flat 19 (1 Bed Duplex)	1		62	£1,500	£93,000	£93,000
Flat 20 (1 Bed Duplex)	1		62	£1,500	£93,000	£93,000
Flat 21 (1 Bed Duplex)	1		62	£1,500	£93,000	£93,000
Flat 22 (1 Bed Duplex)	1		61	£1,500	£91,500	£91,500
Flat 23 (1 Bed Duplex)	1		62	£1,500	£93,000	£93,000
Flat 24 (1 Bed Duplex)	1		62	£1,500	£93,000	£93,000
Flat 25 (1 Bed Duplex)	1		62	£1,500	£93,000	£93,000
Flat 26 (1 Bed Duplex)	1		62	£1,500	£93,000	£93,000
Flat 27 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 28 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 29 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 30 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 31 (1 Bed Duplex)	1		38	£1,500	£57,000	£57,000
Flat 32 (1 Bed Duplex)	1		47	£1,500	£70,500	£70,500
Flat 33 (1 Bed Duplex)	1		48	£1,500	£72,000	£72,000
Flat 34 (1 Bed Duplex)	1		67	£1,500	£100,500	£100,500
Flat 35 (1 Bed Duplex)	1		53	£1,500	£79,500	£79,500
Flat 36 (1 Bed Duplex)	1		52	£1,500	£78,000	£78,000
Flat 37 (1 Bed Duplex)	1		56	£1,500	£84,000	£84,000
Flat 38 (1 Bed Duplex)	1		56	£1,500	£84,000	£84,000
Flat 39 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 40 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 41 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 42 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 43 (1 Bed Duplex)	1		63	£1,500	£94,500	£94,500
Flat 44 (1 Bed Duplex)	1		60	£1,500	£90,000	£90,000
Flat 45 (1 Bed Duplex)	1		56	£1,500	£84,000	£84,000
Flat 46 (1 Bed Duplex)	1		52	£1,500	£78,000	£78,000
Flat 47 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 48 (2 Bed)	1		54	£1,500	£81,000	£81,000
Flat 49 (1 Bed Duplex)	1		58	£1,500	£87,000	£87,000
Flat 50 (1 Bed Duplex)	1		63	£1,500	£94,500	£94,500
Flat 51 (1 Bed Duplex)	1		37	£1,500	£55,500	£55,500
Flat 52 (1 Bed Duplex)	1		39	£1,500	£58,500	£58,500
Flat 53 (1 Bed Duplex)	1		51	£1,500	£76,500	£76,500
GDV	53		2,762			£4,137,500

Developers Return						
Lower Level @ 15% of GDV						£620,625
Upper Level @ 20% of GDV						£827,500
Actual Profit						£649,441



Sales values benchmarked against St Giles Court sales values which is circa £1700 p sq m but is a new build, with parking and better amenity space

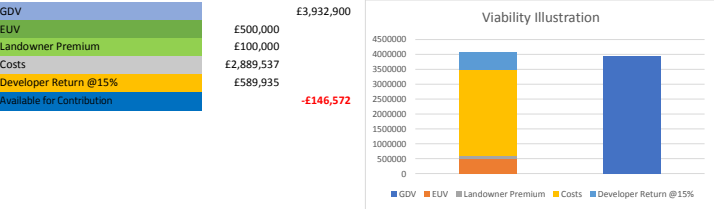
Calculating Development Costs						
Build/Conversion Costs	No. Units	Floor Space sq ft	Floor Space sq metre	Value per sq m	Cost per Unit	Expenditure
Flat 1 (1 Bed Duplex)	1		40	£850	£34,000	£34,000
Flat 2 (1 Bed Duplex)	1		36	£850	£30,600	£30,600
Flat 3 (1 Bed Duplex)	1		39	£850	£33,150	£33,150
Flat 4 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 5 (1 Bed Duplex)	1		46	£850	£39,100	£39,100
Flat 6 (1 Bed)	1		52	£850	£44,200	£44,200
Flat 7 (1 Bed Duplex)	1		50	£850	£42,500	£42,500
Flat 8 (1 Bed Duplex)	1		48	£850	£40,800	£40,800
Flat 9 (1 Bed Duplex)	1		67	£850	£56,780	£56,780
Flat 10 (1 Bed Duplex)	1		72	£850	£61,200	£61,200
Flat 11 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 12 (1 Bed Duplex)	1		54	£850	£45,900	£45,900
Flat 13 (2 Bed Duplex)	1		52	£850	£44,200	£44,200
Flat 14 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 15 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 16 (1 Bed Duplex)	1		50	£850	£42,500	£42,500
Flat 17 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 18 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 19 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 20 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 21 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 22 (1 Bed Duplex)	1		61	£850	£51,850	£51,850
Flat 23 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 24 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 25 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 26 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 27 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 28 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 29 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 30 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 31 (1 Bed Duplex)	1		38	£850	£32,300	£32,300
Flat 32 (1 Bed Duplex)	1		47	£850	£39,950	£39,950
Flat 33 (1 Bed Duplex)	1		48	£850	£40,800	£40,800
Flat 34 (1 Bed Duplex)	1		67	£850	£56,950	£56,950
Flat 35 (1 Bed Duplex)	1		53	£850	£45,050	£45,050
Flat 36 (1 Bed Duplex)	1		52	£850	£44,200	£44,200
Flat 37 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 38 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 39 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 40 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 41 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 42 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 43 (1 Bed Duplex)	1		63	£850	£53,550	£53,550
Flat 44 (1 Bed Duplex)	1		60	£850	£51,000	£51,000
Flat 45 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 46 (1 Bed Duplex)	1		52	£850	£44,200	£44,200
Flat 47 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 48 (2 Bed)	1		54	£850	£45,900	£45,900
Flat 49 (1 Bed Duplex)	1		58	£850	£49,300	£49,300
Flat 50 (1 Bed Duplex)	1		63	£850	£53,550	£53,550
Flat 51 (1 Bed Duplex)	1		37	£850	£31,450	£31,450
Flat 52 (1 Bed Duplex)	1		39	£850	£33,150	£33,150
Flat 53 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Sub-Total Construction	53	0	2,762		£2,347,530	£2,347,530
Known Abnormals						
Demolition/Strip						£50,000
Landscaping						£35,000
Sub-Total External Works						£85,000
Construction Costs						£2,432,530
Contingency						
Contingency @ 5% of construction costs						£121,627
Professional Fees						
Professional Fees 7% of total						£170,277
Administrative Fees						
Planning Fees						£19,500
Building Regs						£20,000
Community Infrastructure Levy						
	New Build	Charge				
CIL						
Sec 106						
Education Contribution						
Highways						
Affordable Housing						£0
Total Sec 106 Costs						£0
Marketing, Sales & Legal						
Estimated to be 3% of revenue (due to reduced marketing costs)						£124,125
Finance Costs						
Interest Charges & Finance Costs (1 year build)				6.0%		
Total Development Costs						£2,888,059

Financial Viability Appraisal

Existing Use Value (EUV) & Existing Use Value Plus (EUV+)		
Existing Use Value (EUV)		£500,000
Landowner Premium	20% uplift	£100,000
EUV+		£600,000

Calculating Gross Development Value (GDV)						
	No. Units	Floor Space sq ft	Floor Space sq metre	Value per sq m	Cost per Unit	Income
Residential Sales Value						
Flat 1 (1 Bed Duplex)	1		40	£1,500	£60,000	£60,000
Flat 2 (1 Bed Duplex)	1		36	£1,500	£54,000	£54,000
Flat 3 (1 Bed Duplex)	1		39	£1,500	£58,500	£58,500
Flat 4 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 5 (1 Bed Duplex)	1		46	£1,500	£69,000	£69,000
Flat 6 (1 Bed)	1		52	£1,400	£72,800	£72,800
Flat 7 (1 Bed Duplex)	1		50	£1,500	£75,000	£75,000
Flat 8 (1 Bed Duplex)	1		48	£1,500	£72,000	£72,000
Flat 9 (1 Bed Duplex)	1		67	£1,500	£100,200	£100,200
Flat 10 (1 Bed Duplex)	1		72	£1,500	£108,000	£108,000
Flat 11 (1 Bed Duplex)	1		62	£1,500	£93,000	£93,000
Flat 12 (1 Bed Duplex)	1		54	£1,500	£81,000	£81,000
Flat 13 (2 Bed Duplex)	1		52	£1,500	£78,000	£78,000
Flat 14 (1 Bed Duplex)	1		56	£1,500	£84,000	£84,000
Flat 15 (1 Bed Duplex)	1		51	£1,500	£76,500	£76,500
Flat 17 (1 Bed Duplex)	1		51	£1,500	£76,500	£76,500
Flat 18 (1 Bed Duplex)	1		51	£1,200	£61,200	£61,200
Flat 19 (1 Bed Duplex)	1		62	£1,200	£74,400	£74,400
Flat 20 (1 Bed Duplex)	1		62	£1,200	£74,400	£74,400
Flat 21 (1 Bed Duplex)	1		62	£1,200	£74,400	£74,400
Flat 22 (1 Bed Duplex)	1		61	£1,200	£73,200	£73,200
Flat 23 (1 Bed Duplex)	1		62	£1,200	£74,400	£74,400
Flat 24 (1 Bed Duplex)	1		62	£1,200	£74,400	£74,400
Flat 25 (1 Bed Duplex)	1		62	£1,200	£74,400	£74,400
Flat 26 (1 Bed Duplex)	1		62	£1,200	£74,400	£74,400
Flat 27 (1 Bed Duplex)	1		44	£1,200	£52,800	£52,800
Flat 28 (1 Bed Duplex)	1		44	£1,200	£52,800	£52,800
Flat 29 (1 Bed Duplex)	1		44	£1,200	£52,800	£52,800
Flat 30 (1 Bed Duplex)	1		44	£1,200	£52,800	£52,800
Flat 31 (1 Bed Duplex)	1		38	£1,500	£57,000	£57,000
Flat 32 (1 Bed Duplex)	1		47	£1,500	£70,500	£70,500
Flat 33 (1 Bed Duplex)	1		48	£1,500	£72,000	£72,000
Flat 34 (1 Bed Duplex)	1		79	£1,500	£118,500	£118,500
Flat 35 (1 Bed Duplex)	1		72	£1,500	£108,000	£108,000
Flat 36 (1 Bed Duplex)	1		52	£1,500	£78,000	£78,000
Flat 37 (1 Bed Duplex)	1		56	£1,500	£84,000	£84,000
Flat 38 (1 Bed Duplex)	1		56	£1,500	£84,000	£84,000
Flat 39 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 40 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 41 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 42 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 43 (1 Bed Duplex)	1		63	£1,500	£94,500	£94,500
Flat 44 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 45 (1 Bed Duplex)	1		56	£1,500	£84,000	£84,000
Flat 46 (1 Bed Duplex)	1		52	£1,500	£78,000	£78,000
Flat 47 (1 Bed Duplex)	1		44	£1,500	£66,000	£66,000
Flat 48 (2 Bed)	1		54	£1,500	£81,000	£81,000
Flat 49 (1 Bed Duplex)	1		63	£1,500	£94,500	£94,500
Flat 50 (1 Bed Duplex)	1		37	£1,500	£55,500	£55,500
Flat 51 (1 Bed Duplex)	1		39	£1,500	£58,500	£58,500
Flat 52 (1 Bed Duplex)	1		51	£1,500	£76,500	£76,500
Flat 53 (1 Bed Duplex)	1		51	£1,500	£76,500	£76,500
GDV	53	0	2,770			£3,932,900

Developers Return					
Lower Level @ 15% of GDV/					£589,935
Upper Level @ 20% of GDV					£786,580
Actual Profit					£1443,363



Calculating Development Costs						
Build/Conversion Costs	No. Units	Floor Space sq ft	Floor Space sq metre	Value per sq m	Cost per Unit	Expenditure
Flat 1 (1 Bed Duplex)	1		40	£850	£34,000	£34,000
Flat 2 (1 Bed Duplex)	1		36	£850	£30,600	£30,600
Flat 3 (1 Bed Duplex)	1		39	£850	£33,150	£33,150
Flat 4 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 5 (1 Bed Duplex)	1		46	£850	£39,100	£39,100
Flat 6 (1 Bed)	1		52	£850	£44,200	£44,200
Flat 7 (1 Bed Duplex)	1		50	£850	£42,500	£42,500
Flat 8 (1 Bed Duplex)	1		48	£850	£40,800	£40,800
Flat 9 (1 Bed Duplex)	1		67	£850	£56,780	£56,780
Flat 10 (1 Bed Duplex)	1		72	£850	£61,200	£61,200
Flat 11 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 12 (1 Bed Duplex)	1		54	£850	£45,900	£45,900
Flat 13 (2 Bed Duplex)	1		52	£850	£44,200	£44,200
Flat 14 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 15 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 17 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 18 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 19 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 20 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 21 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 22 (1 Bed Duplex)	1		61	£850	£51,850	£51,850
Flat 23 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 24 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 25 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 26 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 27 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 28 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 29 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 30 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 31 (1 Bed Duplex)	1		38	£850	£32,300	£32,300
Flat 32 (1 Bed Duplex)	1		47	£850	£39,950	£39,950
Flat 33 (1 Bed Duplex)	1		48	£850	£40,800	£40,800
Flat 34 (1 Bed Duplex)	1		79	£850	£67,150	£67,150
Flat 35 (1 Bed Duplex)	1		72	£850	£61,200	£61,200
Flat 36 (1 Bed Duplex)	1		52	£850	£44,200	£44,200
Flat 37 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 38 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 39 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 40 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 41 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 42 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 43 (1 Bed Duplex)	1		63	£850	£53,550	£53,550
Flat 44 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 45 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 46 (1 Bed Duplex)	1		52	£850	£44,200	£44,200
Flat 47 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 48 (2 Bed)	1		54	£850	£45,900	£45,900
Flat 49 (1 Bed Duplex)	1		63	£850	£53,550	£53,550
Flat 50 (1 Bed Duplex)	1		37	£850	£31,450	£31,450
Flat 51 (1 Bed Duplex)	1		39	£850	£33,150	£33,150
Flat 52 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 53 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Sub-Total Construction	53	0	2,770		£2,354,330	£2,354,330
Known Abnormals						
Demolition/strip						£50,000
Landscaping						£35,000
Sub-Total External Works						£85,000
Construction Costs						£2,439,330
Contingency						
Contingency @ 5% of construction costs						£121,967
Professional Fees						
Professional Fees 7% of total						£170,753
Administrative Fees						
Planning Fees						£19,500
Building Regs						£20,000
Community Infrastructure Levy						
CLL	New Build	Charge				
Sec 106						
Education Contribution						
Highways						
Total Sec 106 Costs						£0
Marketing, Sales & Legal						
Estimated to be 3% of revenue (due to reduced marketing costs)						£117,987
Finance Costs						
Interest Charges & Finance Costs (1 year build)				6.0%		
Total Development						£2,889,537



Appendix 5

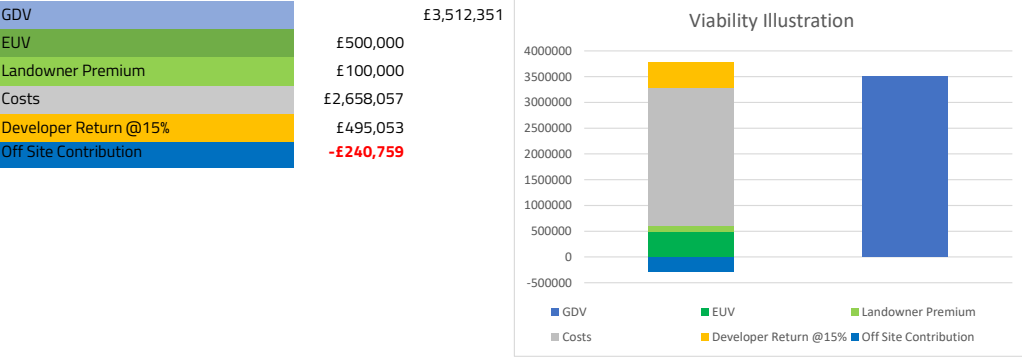
Revised Viability Appraisal submitted 4th March 2019

Financial Viability Appraisal

Existing Use Value (EUV) & Existing Use Value Plus (EUV+)		
Existing Use Value (EUV)		£500,000
Landowner Premium	20% uplift	£100,000
EUV+		£600,000

Calculating Gross Development Value (GDV)						
	No. Units		Floor Space sq metre	Value per sq m	Cost per Unit	Income
Residential Sales Value						
Flat 1 (1 Bed Duplex)	1		40	£1,195.00	£47,800	£47,800
Flat 2 (1 Bed Duplex)	1		36	£1,195.00	£43,020	£43,020
Flat 3 (1 Bed Duplex)	1		39	£1,195.00	£46,605	£46,605
Flat 4 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 5 (1 Bed Duplex)	1		46	£1,195.00	£54,970	£54,970
Flat 6 (1 Bed)	1		52	£1,195.00	£62,140	£62,140
Flat 7 (1 Bed Duplex)	1		50	£1,195.00	£59,750	£59,750
Flat 8 (1 Bed Duplex)	1		48	£1,195.00	£57,360	£57,360
Flat 9 (1 Bed Duplex)	1		67	£1,195.00	£79,826	£79,826
Flat 10 (1 Bed Duplex)	1		72	£1,195.00	£86,040	£86,040
Flat 11 (1 Bed Duplex)	1		62	£1,195.00	£74,090	£74,090
Flat 12 (1 Bed Duplex)	1		54	£1,195.00	£64,530	£64,530
Flat 13 (2 Bed Duplex)	1		52	£1,195.00	£62,140	£62,140
Flat 14 (1 Bed Duplex)	1		56	£1,195.00	£66,920	£66,920
Flat 15 (1 Bed Duplex)	1		51	£1,195.00	£60,945	£60,945
Flat 16 (1 Bed Duplex)	1		50	£1,195.00	£59,750	£59,750
Flat 17 (1 Bed Duplex)	1		51	£1,195.00	£60,945	£60,945
Flat 18 (1 Bed Duplex)	1		51	£1,195.00	£60,945	£60,945
Flat 19 (1 Bed Duplex)	1		62	£1,195.00	£74,090	£74,090
Flat 20 (1 Bed Duplex)	1		62	£1,195.00	£74,090	£74,090
Flat 21 (1 Bed Duplex)	1		62	£1,195.00	£74,090	£74,090
Flat 22 (1 Bed Duplex)	1		61	£1,195.00	£72,895	£72,895
Flat 23 (1 Bed Duplex)	1		62	£1,195.00	£74,090	£74,090
Flat 24 (1 Bed Duplex)	1		62	£1,195.00	£74,090	£74,090
Flat 25 (1 Bed Duplex)	1		62	£1,195.00	£74,090	£74,090
Flat 26 (1 Bed Duplex)	1		62	£1,195.00	£74,090	£74,090
Flat 27 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 28 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 29 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 30 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 31 (1 Bed Duplex)	1		38	£1,195.00	£45,410	£45,410
Flat 32 (1 Bed Duplex)	1		47	£1,195.00	£56,165	£56,165
Flat 33 (1 Bed Duplex)	1		48	£1,195.00	£57,360	£57,360
Flat 34 (1 Bed Duplex)	1		67	£1,195.00	£80,065	£80,065
Flat 35 (1 Bed Duplex)	1		53	£1,195.00	£63,335	£63,335
Flat 36 (1 Bed Duplex)	1		52	£1,195.00	£62,140	£62,140
Flat 37 (1 Bed Duplex)	1		56	£1,195.00	£66,920	£66,920
Flat 38 (1 Bed Duplex)	1		56	£1,195.00	£66,920	£66,920
Flat 39 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 40 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 41 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 42 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 43 (1 Bed Duplex)	1		63	£1,195.00	£75,285	£75,285
Flat 44 (1 Bed Duplex)	1		60	£1,195.00	£71,700	£71,700
Flat 45 (1 Bed Duplex)	1		56	£1,195.00	£66,920	£66,920
Flat 46 (1 Bed Duplex)	1		52	£1,195.00	£62,140	£62,140
Flat 47 (1 Bed Duplex)	1		44	£1,195.00	£52,580	£52,580
Flat 48 (2 Bed)	1		54	£1,195.00	£64,530	£64,530
Flat 49 (1 Bed Duplex)	1		58	£1,195.00	£69,310	£69,310
Flat 50 (1 Bed Duplex)	1		63	£1,195.00	£75,285	£75,285
Flat 51 (1 Bed Duplex)	1		37	£1,195.00	£44,215	£44,215
Flat 52 (1 Bed Duplex)	1		39	£1,195.00	£46,605	£46,605
Flat 53 (1 Bed Duplex)	1		51	£1,195.00	£60,945	£60,945
GDV (before Ground Rent)	53		2,762			£3,300,351
Ground Rent						£212,000
GDV + Ground Rent						£3,512,351

Developers Return						
Lower Level @ 15% of GDV						£495,053
Upper Level @ 20% of GDV						£660,070
Actual Profit						£254,294



Calculating Development Costs						
Build/Conversion Costs	No. Units	Floor Space sq ft	Floor Space sq metre	Value per sq m	Cost per Unit	Expenditure
Flat 1 (1 Bed Duplex)	1		40	£850	£34,000	£34,000
Flat 2 (1 Bed Duplex)	1		36	£850	£30,600	£30,600
Flat 3 (1 Bed Duplex)	1		39	£850	£33,150	£33,150
Flat 4 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 5 (1 Bed Duplex)	1		46	£850	£39,100	£39,100
Flat 6 (1 Bed)	1		52	£850	£44,200	£44,200
Flat 7 (1 Bed Duplex)	1		50	£850	£42,500	£42,500
Flat 8 (1 Bed Duplex)	1		48	£850	£40,800	£40,800
Flat 9 (1 Bed Duplex)	1		67	£850	£56,780	£56,780
Flat 10 (1 Bed Duplex)	1		72	£850	£61,200	£61,200
Flat 11 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 12 (1 Bed Duplex)	1		54	£850	£45,900	£45,900
Flat 13 (2 Bed Duplex)	1		52	£850	£44,200	£44,200
Flat 14 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 15 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 16 (1 Bed Duplex)	1		50	£850	£42,500	£42,500
Flat 17 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 18 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Flat 19 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 20 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 21 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 22 (1 Bed Duplex)	1		61	£850	£51,850	£51,850
Flat 23 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 24 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 25 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 26 (1 Bed Duplex)	1		62	£850	£52,700	£52,700
Flat 27 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 28 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 29 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 30 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 31 (1 Bed Duplex)	1		38	£850	£32,300	£32,300
Flat 32 (1 Bed Duplex)	1		47	£850	£39,950	£39,950
Flat 33 (1 Bed Duplex)	1		48	£850	£40,800	£40,800
Flat 34 (1 Bed Duplex)	1		67	£850	£56,950	£56,950
Flat 35 (1 Bed Duplex)	1		53	£850	£45,050	£45,050
Flat 36 (1 Bed Duplex)	1		52	£850	£44,200	£44,200
Flat 37 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 38 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 39 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 40 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 41 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 42 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 43 (1 Bed Duplex)	1		63	£850	£53,550	£53,550
Flat 44 (1 Bed Duplex)	1		60	£850	£51,000	£51,000
Flat 45 (1 Bed Duplex)	1		56	£850	£47,600	£47,600
Flat 46 (1 Bed Duplex)	1		52	£850	£44,200	£44,200
Flat 47 (1 Bed Duplex)	1		44	£850	£37,400	£37,400
Flat 48 (2 Bed)	1		54	£850	£45,900	£45,900
Flat 49 (1 Bed Duplex)	1		58	£850	£49,300	£49,300
Flat 50 (1 Bed Duplex)	1		63	£850	£53,550	£53,550
Flat 51 (1 Bed Duplex)	1		37	£850	£31,450	£31,450
Flat 52 (1 Bed Duplex)	1		39	£850	£33,150	£33,150
Flat 53 (1 Bed Duplex)	1		51	£850	£43,350	£43,350
Sub-Total Construction	53	0	2,762		£2,347,530	£2,347,530
Known Abnormals						
Demolition/Strip						£50,000
Landscaping						£20,000
Sub-Total External Works						£70,000
Construction Costs						£2,417,530
Contingency						
Contingency @ 3% of construction costs						
Professional Fees						
Professional Fees 7% of total construction costs						£169,227
Administrative Fees						
Planning Fees						£19,500
Building Regs						£20,000
Community Infrastructure Levy						
	New Build	Charge				
CIL						
Sec 106						
Education Contribution						
Highways						
Affordable Housing						
Total Sec 106 Costs						£0
Marketing, Sales & Legal						
Estimated to be 3% of revenue (due to reduced marketing costs)						£31,800
Finance Costs						
Interest Charges & Finance Costs (1 year build)				6.0%		
Total Development Costs						£2,658,057



Appendix 6

Evidence of sale price

	build home buyer warranties as the Landlord shall (acting reasonably) stipulate from time to time;
Part 1 Conditions	part 1 of the Standard Commercial Property Conditions (Second Edition);
Part 2 Conditions	part 2 of the Standard Commercial Property Conditions (Second Edition);
Planning Long Stop Date	subject to extension in accordance with the provisions set out in Schedule 1, the date which is 12 months after the date of this Agreement;
Property	the freehold property at Henblas Square Wrexham being part of the land and buildings registered at HM Land Registry under title number WA954339 and being shown edged yellow on the HM Land Registry title plan attached to this Agreement;
Purchase Price	the aggregate of the sums set out in the Accommodation Schedule which is attached to this Agreement, being three million three hundred thousand pounds (£3,300,000);
Rectification Period	the period during which the Developer is responsible for any defects under the terms of the relevant New Build Warranty Scheme;
Rent	the initial rent of £200.00 per annum (subject to review) exclusive of VAT, being the initial annual rent payable under each of the Leases;
Rent Commencement Date	the Completion Date;
Requisite Consents	the Satisfactory Planning Permission, building regulation approvals, and any other consents, licences and authorisations required from any competent authority, statutory undertaker or person for the carrying out of the



Appendix 7

Evidence of EUV

David Marjoram

From: Richard Harriman <richard.harriman@mandale.com>
Sent: 10 February 2019 13:28
To: David Marjoram
Subject: FW: Hanblas Square, Wrexham

David,

See below FYI

Thanks

Richard

From: Joe Darragh <joe.darragh@mandale.com>
Date: Sunday, 10 February 2019 at 11:06
To: Richard Harriman <richard.harriman@mandale.com>
Subject: Fwd: Hanblas Square, Wrexham

FYI

Kind Regards
Joe Darragh
The Mandale Group
07973908599
www.Mandale.com
01642605514

Begin forwarded message:

From: Andrew Wilkinson <andrew@cpne.co.uk>
Date: 10 February 2019 at 10:49:30 GMT
To: "Joe.Darragh@mandale.com" <Joe.Darragh@mandale.com>
Subject: Hanblas Square, Wrexham

Dear Joe,

Further to our conversation regarding the above, I've now had chance to consider the limited information that has been provided to me.

I understand you have a first floor former office suite comprising 27,500 ft.² with ground floor lobby access. This space is positioned above ground floor retail and in principle, could be suitable for a variety of uses.

My view is that offices are an unlikely re-use of the space due to size and the economic viability of refurbishment and reletting costs.

The space might be suitable for leisure, gym or other large open space studio type D class use, but again the costs of conversion and relatively weak covenant market for operators that might consider space above shops is unlikely to be viable.

Remote storage for the retail is possible but most national regional retailers will not see great value on this.

Taken as is as remote retail storage I think it will reflect between £ 1.50 and £ 2.50 per square foot. If you would take the mid range of this rental spectrum it would indicate a capital value of somewhere in the order £ 575,000- £ 600,000 applying an appropriate yield.

I hope this will assist you for your present purposes.

Kind regards

Andrew Wilkinson BSc (Hons) MRICS
Director
Connect Property North East Ltd

01642 704932
07904 622277
andrew@cpne.co.uk

First Floor
4 Halegrove Court
Cygnets Drive
Stockton on Tees
TS18 3DB
Main Office 01642 602001
info@cpne.co.uk
www.cpne.co.uk

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David Marjoram

From: Richard Harriman <richard.harriman@mandale.com>
Sent: 09 November 2018 09:01
To: Jeremy Good; David Marjoram
Subject: FW: Wrexham first floors .

J, David,

Is this ok?

Thanks

Rich

From: Joe Darragh <joe.darragh@mandale.com>
Date: Friday, 9 November 2018 08:48
To: Richard Harriman <Richard.Harriman@mandale.com>
Subject: Fwd: Wrexham first floors .

Rich

Is this enough

Kind Regards
Joe Darragh
The Mandale Group
07973908599
www.Mandale.com
01642605514

Begin forwarded message:

From: Grant Owens <grant@barkerproudlove.co.uk>
Date: 9 November 2018 at 08:40:26 GMT
To: Joe Darragh <joe.darragh@mandale.com>
Cc: Jeremy Good <jeremy@elgplanning.co.uk>
Subject: RE: Wrexham first floors .

Hi Joe

I believe the space is worth between £2 - £2.5 psf in its current form as retail storage.

This throws up an income in the region of £61,875 in terms of potential rental. In reality, very few retailers would be there to pay this for FF retail stores. A Gym perhaps with a GF lobby. This is best case but with VP and no existing demand I would place at £600,000 max. Clearly the Resi-angle adds the value here.

Hope this helps, but happy to discuss further.

Thanks

Grant Owens

T: +44 (0)161 631 2853
M: +44 (0)7808646576

E: grant@barkerproudlove.co.uk

Centurion House, 129 Deansgate, Manchester M3 3WR



Nothing written, referred to or repeated here is or may be taken for an offer or commitment.

From: Joe Darragh <joe.darragh@mandale.com>
Sent: 09 November 2018 06:34
To: Grant Owens <grant@barkerproudlove.co.uk>
Cc: Jeremy Good <jeremy@elgplanning.co.uk>
Subject: Fwd: Wrexham first floors .

Morning Grant ,

Can you please help on this . We spoke about it the other day . Our planning guys need a guide for the value of the upper space in its current state . It's for there sequential approach . The size is 27,500.00 sqft .

We value it at around £600,000.00 but need an independent to confirm .

What would your thoughts be . If it's more that would be great .

Kind Regards
Joe Darragh
The Mandale Group
07973908599
www.Mandale.com
01642605514

Begin forwarded message:

From: Chris Brown <chris@wardmanbrown.com>
Date: 8 November 2018 at 10:54:59 GMT
To: Joe Darragh <joe.darragh@mandale.com>
Subject: Wrexham

Hi Joe

Please find attached a first floor extract - the blue hatch indicates the GIA of the residential area.

The grey areas show space at first floor level associated with the commercial units.

The unhatched area's are external area's which are associated with the resi however I've not included these within the calculation.

Best Regards

Chris Brown BSc (Hons)

David Marjoram

From: Richard Harriman <richard.harriman@mandale.com>
Sent: 08 February 2019 12:59
To: David Marjoram
Subject: FW: Henblas Square, Wrexham

David,

Please see below

Thanks

Rich

From: Symonds Luke <LSymonds@lsh.co.uk>
Date: 8 February 2019 at 12:51:19 GMT
To: Joe Darragh <joe.darragh@mandale.com>
Subject: Henblas Square, Wrexham

Hi Joe,

I've taken a look at the property in Wrexham and the upper floors in your letting brochure – I assume they are in a shell condition.

At £600,000 that equates to £21.18 per sq ft (over 27,500 sq ft).

Storage rate per sq ft for the retail users will be minimum £2 per sq ft, so in broad terms you are looking at 8.84% NIY for this element of the property, which for a new retail development is reasonable (depending on occupier covenant etc – i.e. if you got a Tesco express would be a higher value).

On that basis I am happy at £600,000 for the 1st floor based on the information provided.

Kind regards,

Luke

LUKE SYMONDS
Director - Capital Markets
Lambert Smith Hampton

9 Bond Court , Leeds LS1 2JZ
Direct - 0113 887 6705 Office - 0113 245 9393 Mobile - 07526 177016

Keep up-to-date with **LSH**news and updates on **LinkedIn & Twitter**

Lambert Smith Hampton will be at MIPIM 2019 in Cannes, will you? **Get in touch to arrange a meeting.**



Appendix 8

Evidence of standard build costs (BCIS/RICS)

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.
Last updated: 18-Mar-2017 12:20

> Rebased to Peterborough (99; sample 52)

Maximum age of results: 5 years

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
345. Shops							
Generally (5)	2,194	1,268	1,704	1,931	2,487	3,581	5
1-2 storey (5)	2,194	1,268	1,704	1,931	2,487	3,581	5
810. Housing, mixed developments (5)	1,120	676	985	1,095	1,232	2,492	491
810.1 Estate housing							
Generally (5)	1,102	697	944	1,066	1,202	3,499	739
Single storey (5)	1,275	811	1,095	1,271	1,398	1,878	108
2-storey (5)	1,065	697	931	1,044	1,155	2,101	586
3-storey (5)	1,112	750	979	1,098	1,255	1,572	44
4-storey or above (5)	3,499	-	-	-	-	-	1
810.11 Estate housing detached (5)	1,294	826	1,106	1,272	1,440	1,828	5
810.12 Estate housing semi detached							
Generally (5)	1,109	697	949	1,083	1,208	1,870	193
Single storey (5)	1,290	811	1,120	1,275	1,394	1,797	34
2-storey (5)	1,069	697	939	1,048	1,168	1,870	151
3-storey (5)	1,103	828	950	1,079	1,173	1,572	8
810.13 Estate housing terraced							
Generally (5)	1,119	749	946	1,066	1,222	3,499	144
Single storey (5)	1,329	868	1,115	1,383	1,513	1,789	10
2-storey (5)	1,084	749	935	1,048	1,157	2,101	115
3-storey (5)	1,101	750	1,001	1,098	1,223	1,550	18
4-storey or above (5)	3,499	-	-	-	-	-	1
816. Flats (apartments)							
Generally (5)	1,337	761	1,115	1,259	1,507	4,391	294
1-2 storey (5)	1,281	784	1,143	1,219	1,402	2,023	66
3-5 storey (5)	1,303	761	1,099	1,245	1,483	2,387	200
6+ storey (5)	1,714	1,003	1,400	1,624	1,717	4,391	28



Appendix 9

Committee Report – 1st April 2019

REPORT TO:	Planning Committee
REPORT NO.	COPR/02/19
DATE:	1 st APRIL 2019
REPORTING OFFICER:	Chief Officer Planning and Regulatory
CONTACT OFFICER:	David Williams (Ext 8775)
SUBJECT:	Development Control Applications
WARD:	N/A

PURPOSE OF THE REPORT

To determine the listed planning applications.

INFORMATION

Detailed reports on each application together with the recommendations are attached.

RECOMMENDATION

See attached reports.

BACKGROUND PAPERS

None.

REPORT OF THE CHIEF OFFICER PLANNING AND REGULATORY
Dated - 1st APRIL 2019

Community	Code No	Applicant	Recommendation	Pages
WRR	P/2018 /0684	THE MANDALE GROUP	GRANT	14 - 26
WRC	P/2018 /0864	STACEY ROWLANDS	GRANT	27 - 30
GWE	P/2018 /0997	WALES AND WEST HOUSING ASSOCIATION	REFUSE	31- 47
WRA	P/2018 /1014	MR J DAVEY	GRANT	48 - 56
ISY	P/2018 /1050	STRUCTURE AND DESIGN SERVICE LTD MR TIM PLUVES	GRANT	57 - 60
ESC	P/2018 /1070	MS KAREN CZORA	GRANT	61 - 67
HOL	P/2018 /1081	EG GROUP	GRANT	68 -74
CHI	P/2019 /0006	MR KEVIN LAWRENCE	GRANT	75 - 79
MAE	P/2019 /0023	MR J L WESTERMAN	GRANT	80 - 83
GRE	P/2019 /0059	MR PAUL ASHFIELD	GRANT	84 - 87
GRE	P/2019 /0097	MR ADAM COOPER	GRANT	88 - 93

Total Number of Applications Included in Report – 11

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REPORT OF THE CHIEF OFFICER PLANNING AND REGULATORY

Dated - 1st APRIL 2019

APPLICATION NO: P/2018 /0684	LOCATION: HENBLAS SQUARE HENBLAS STREET WREXHAM LL13 8AE	DATE RECEIVED: 14/08/2018
COMMUNITY: Rhosddu	DESCRIPTION: CONVERSION OF EXISTING FIRST FLOOR AND CONSTRUCTION OF MEZZANINE FLOORS TO CREATE 53 NO. APARTMENTS (51 NO. ONE BEDROOM AND 2 NO. TWO BEDROOM), ASSOCIATED WORKS AND EXTERNAL ALTERATIONS	CASE OFFICER: SEH
WARD: Grosvenor		AGENT NAME: ELG PLANNING MR DAVID MARJORAM
	APPLICANT(S) NAME: THE MANDALE GROUP	

Background: Members will recall that this application was reported back to the February 2019 Planning Committee meeting, following approval in November 2019. This was because the applicant had approached the Council concerned that the requirement for a contribution that equates to 25% affordable housing provision would render the scheme financially unviable.

A financial viability assessment was provided which demonstrated that the projected profit with no affordable housing provision would be just 16% (at the lower end of a reasonable profit 15 - 20%). The applicant proposed to pay a reduced figure of £28,616 taking the projected profit down to 15%. This figure equates to 2% affordable housing provision which is significantly below the 25% required by Local Planning Guidance Note No. 28 (Affordable Housing).

At the meeting, members expressed concerns that the figures provided were projected and not actual figures. Members believed there to be actual figures available for the developers to use, and the application was therefore deferred, requesting that a further viability assessment be carried using actual figures.

The developer has carried out and submitted a revised viability assessment, and the actual figures are provided as set out below:

- The gross development value (GDV) has been amended to reflect the contracted sale price (which is £3.3m);
- Ground rent of £212,000 (53 x £200 over a 20 year period £212,000) has now been factored in. The ground rent will only subject to review in 21 years and will not increase year-on-year in the intervening years;
- The build cost of £850 per square metre has also now been included;

REPORT OF THE CHIEF OFFICER PLANNING AND REGULATORY

Dated - 1st APRIL 2019

- With the build costs now reflective of as-built, the previous contingency figure of £120,000 has been removed;
- With the scheme based on a Private Rented Sector (PRS) Model, the sales, marketing and legal costs have reduced by nearly £70,000 to £31,800 (which equates to £600 per unit).

Summary

GDV **£3,512,351**

Build Costs **£2,417,530**

Professional Fees (7.0%) (architect, engineer, planning) **£208,727**

Sales and Marketing Costs (3 %) **£31,800**

EUV **£500,000**

Landowners Premium **£100,000**

Total Cost: **£3,258,057**

Actual Profit (before taxation) **£254,294**

Affordable Housing Off Site Contribution **£28,816**

Profit Margin before Off Site Contribution 8%

Agent Statement / Submission: The revised viability appraisal has shown a revised profit of just over £250k. This is approximately half that shown on the previous appraisal and represents a reduced profit margin of 8%. This profit is well below that which many developers would normally accept. However, Mandale are not a typical developer, and by using a PRS Model on this occasion their risk is reduced and they have accepted the scheme will generate a lower profit. Mandale's business model for such projects relies on a quick turnaround from purchasing a site/building, through planning and construction, to sale. The above notwithstanding, and despite a projected profit of just 8% now, Mandale do not seek to remove the previous £28,816 contribution offered as they feel to do so would be churlish.

Conclusion

The financial viability of a development proposal remains a material planning consideration and must be taken into account when determining planning applications. I am satisfied that the revised appraisal shows an accurate assessment of the costs incurred to develop the site, which will result in a financial return well below what is considered to be a reasonable profit. The Council is required to give significant weight to this financial constraint and factor this against the other benefits of the proposed development.

REPORT OF THE CHIEF OFFICER PLANNING AND REGULATORY
Dated - 1st APRIL 2019

As mentioned in my previous report, the proposal would result in the redevelopment of this prominent building which is important to the successful delivery of the Town Centre Masterplan. This would accord with Council and Welsh Government planning policy relating to the site selection of new residential development. There is clearly little financial incentive based on the current viability assessment to convert the building for residential use or any other purpose.

For the benefit of Members, my previous reports follow along with my recommendation that planning permission should be granted subject to a S106 agreement securing the payment of a contribution to off-site affordable housing in the amount of £28,816.

Previous Report

Background: Members will recall that this application was presented to the November 2018 Planning Committee meeting. A resolution to grant planning permission was passed subject to the preparation and signing of a planning obligation under Section 106 of the Town and Country Planning Act 1990. The obligation was required to secure either the provision of on-site affordable housing at a rate of 25% (13 units), or an equivalent financial contribution towards off-site provision of affordable housing. The Head of Environment and Planning was given delegated authority to secure the final form and content of that agreement. It was subsequently agreed with the applicant that a financial contribution would be made towards off-site provision of affordable housing.

In the intervening period the applicant has approached the Council concerned that the requirement for such a contribution that equates to 25% provision will render the scheme financially unviable. A financial viability assessment has been provided which has demonstrated that the profit with no affordable housing provision is 16%, which is towards the lower end of a reasonable profit (15 - 20%). Setting the profit for this scheme at the bottom of this range (15%), the applicant proposes to pay the projected additional profit (£28,816) as the sum for off-site contribution. This sum equates to 2 % affordable housing provision which is significantly below the 25% required by Local Planning Guidance Note No. 28 (Affordable Housing). The contents of the viability assessment are discussed below.

Viability: The applicant has identified specific costs associated with the proposal. These are all the normal development costs such as labour and materials, professional and financing costs and contingency. The applicant has adopted a build cost figure per square metre based on the Royal Institute of Chartered Surveyors Build Cost Information Service data. These anticipated costs have been compared against the Gross Development Value (GDV) of the proposed scheme. GDV is the assessment of the potential value generated by development in the area. On housing schemes, this may be

REPORT OF THE CHIEF OFFICER PLANNING AND REGULATORY
Dated - 1st APRIL 2019

total sales and/or capitalised rental income from developments. The applicant has established the anticipated yield of the development based on the scale of each individual unit, and this figure is gleaned based upon the market value of other similar developments in the locality. The viability appraisal has been considered by the Council's own development surveyor and there are no concerns with the figures used. A summary of the build costs, GDV and anticipated return (profit) is shown below and in figure 1. Members should note that a developer would normally expect a 20% return. This has been supported in RICS guidance and appeal decisions.

REPORT OF THE CHIEF OFFICER PLANNING AND REGULATORY
Dated - 1st APRIL 2019

Description	
GDV	£4,137,500
Build Costs	£2,432,530
Contingency (5%)	£121,627
Professional Fees (7.0%) (architect, engineer, planning)	£209,777
Sales and Marketing Costs (3 %)	£124,125
EUV	£500,000
Landowners Premium	£100,000
Total Cost:	<u>£3,488,059</u>
Profit (before taxation)	£620,625
Affordable Housing Off Site Contribution	£28,816.00

Profit Margin (%)	15%
-------------------	------------

Developers Return						
Lower Level @ 15% of GDV						£620,625
Upper Level @ 20% of GDV						£827,500
Actual Profit						£649,441

GDV	£4,137,500
EUV	£500,000
Landowner Premium	£100,000
Costs	£2,888,059
Developer Return @15%	£620,625
Off Site Contribution	£28,816

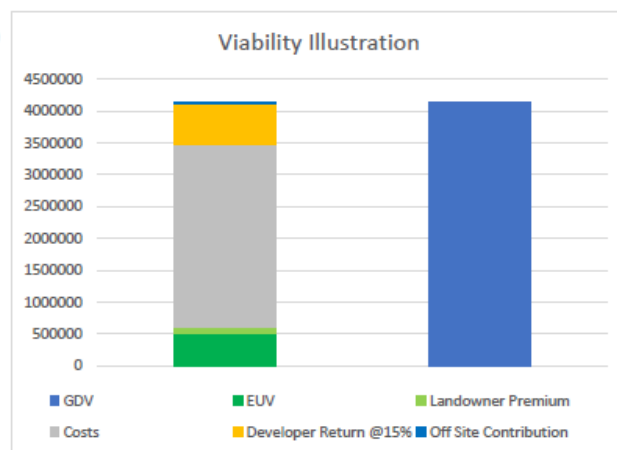


Figure 1 – Viability Assessment Summary

The viability assessment has been carried out to a satisfactory standard and has employed sound data in relation development costs and potential value generated by the sale/rental of the development.

Agent's Statement / Submission: 'Our client is committed to delivering the proposed development, which we consider will have a strong positive impact in terms of contributing towards the regeneration of, and getting more people living in, Wrexham town centre. The Committee recognised this when approving the application subject to S.106 last November.

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However, it is clear from the viability appraisal undertaken that the provision of 25% affordable housing would render the scheme financially unviable. This (viability appraisal), which benchmarked sales values against the nearby St Giles Court development, projected a profit of around 16% with no affordable, which is towards the lower end of a reasonable profit (15 - 20%) for the developer, but our client has set their desired profit for this scheme at the bottom of this range (15%) and proposes to pay the projected additional profit (£28,816) back to the Council as an off-site contribution. The findings of the viability appraisal have been accepted by the planning and housing officers and we encourage the Committee to endorse the Officers' recommendation by continuing to support the application subject to S106.'

Conclusion

The financial viability of a development proposal is accepted as a material planning consideration and must be taken into account when determining planning applications. The assessment of viability is especially important where the planning system is used to secure contributions to offset the harmful impact of development as in the case of this proposal. A proper assessment can establish the correct level of contribution based on development costs to ensure that a scheme is deliverable taking into account accepted levels of return for a developer.

I am satisfied that the appraisal represents a fair assessment of the likely costs that will be incurred to develop the site, as well as the sales values of the dwellings. I am also satisfied that the applicant has established that current market trends and the nature of the proposed scheme would result in a financial return well below what is considered to be a reasonable profit. The Council is required to give significant weight to this financial constraint and factor this against the other benefits of the proposed development.

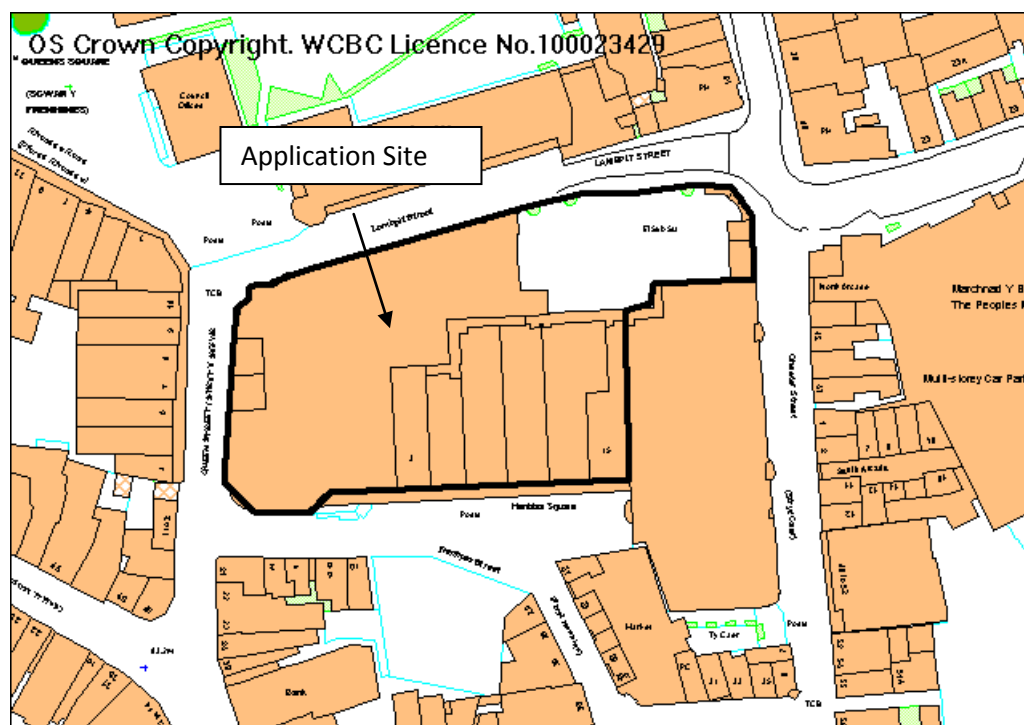
If the scheme were to be implemented, it would provide 53 units of residential accommodation in a sustainable location within the town centre. The proposal would also constitute the redevelopment of this prominent building which is important to the successful delivery of the Town Centre Masterplan. This would accord with Council and Welsh Government planning policy relating to the site selection of new residential development. Finally, were the development to stall, given the length of time the building has lain vacant, there is a distinct possibility that the site will remain in its current condition. There is clearly little financial incentive based on the current viability assessment to convert the building for residential use or any other purpose.

For the benefit of Members, my original report follows along with an amended recommendation that planning permission should be granted subject to a S106 agreement securing the payment of a contribution to off-site affordable housing in the amount of £28,816.

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Original report

THE SITE



PROPOSAL

As above

REVELANT HISTORY

None Relevant

DEVELOPMENT PLAN

Within town centre. UDP Policies PS1, PS2, PS3, PS4, GDP1, GDP2, H2, H7, S1, CLF5 and T8 apply. Local Planning Guidance Notes Nos. 16 – 'Parking Standards' and 21 'Space around Dwellings' are also relevant.

CONSULTATIONS

Community Council:

Although the Council welcomed the proposal to provide additional housing in the Town Centre, there are concerns at the lack of onsite parking. The adjacent multi storey car park at 'Tŷ Pawb' (the former Peoples market) is closed at night, unless the developers can come to an arrangement with the Wrexham Council. Planning permission should not be granted until the parking issue is resolved.

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Local Member:	Consulted	20/08/2018
Highways:	No objections (see Special Considerations/Issues below).	
PP:	No objection subject to recommended conditions relating to hours of works during conversion works etc.	
Housing:	The proposal is consistent with the Town Centre Masterplan and our emerging Local Housing Strategy 2018-23 in terms of promotion and supply of town centre living, and has the potential to contribute to the economy of the town centre complementing the TBC retail opportunities below.	
WW:	No objections subject to drainage conditions.	
NRW:	No comments.	
Site Notice:	Expired	14/09/2018
Press Notice:	Expired	15/09/2018
Neighbours:	Notified	21/08/2018

SPECIAL CONSIDERATIONS/ISSUES

Background: The property lies to the north of the Wrexham Town Centre Conservation Area and occupies a substantial plot of land within the town centre. The property contains a number of vacant units, including all of the upper floors and so proposals to bring much of this floor space back into positive use are welcomed in accordance with the aspirations of the adopted Wrexham Town Centre Masterplan. The ground floor of the building is to be retained for A1 retail use. Proposed is the conversion of the first floor to residential and creation of an additional mezzanine level in part. The main issues to consider relate to the impact upon highway safety, upon the vitality of the town centre, and the amenity afforded to the future occupiers of the development.

Design: There are no external changes proposed for the building with the exception of some minor alterations to the windows and roof. There are no objections to the modifications, and the fenestration which should reflect the existing in colour, finish and materials. A condition is required to secure the submission of all new windows and glazing for further approval.

Residential Amenity: The internal layout proposed is considered acceptable to meet modern standards of living. Adequate daylight is available to all habitable spaces from either an opening in the external elevation or from the roof top courtyards which provide the communal recreation spaces. These courtyards are in accordance with LPGN 21 and provide plenty of open air recreational space for the occupiers.

In most cases the separation between habitable room windows (to secure privacy) accords with the Council's guidance, except for a couple of internal bedrooms where separation is reduced. Given the nature of the scheme though, I do not consider residential amenity to be substandard to an

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unacceptable level in these few cases. Views between these rooms can be screened using a combination of landscaping and smoked / frosted glass panelling and this will be secured planning conditions for further approval.

Bin / refuse storage is a particular issue within the town centre and as such the proposals demonstrate that adequate provision will be made within a discreet location on the site. Final details should be provided for further approval.

Highways: The proposed development site is bounded by Lambpit Street to the north, Queen Street to the west, Henblas Street to the south and Chester Street to the east. The area forms part of the pedestrianised zone with access to the site restricted to delivery/service and mobility vehicles only. Although there would be no parking provision for the proposed development, the development is in a highly sustainable location within the Wrexham Town Centre with easy access to public transport modes. There are also a number of car parks nearby (Market Street, Chester Street, Llwyn Isaf etc.) all with free evening parking. Subject to the submission of a Construction Traffic Management Plan to ensure that the works can be carried out without negatively impacting upon highway safety, the highway authority has not expressed any objections to the proposed development.

CONCLUSION

The proposal is consistent with the Town Centre Masterplan and the emerging Local Housing Strategy 2018-23 in terms of promotion and supply of town centre living, and has the potential to contribute to the economy of the town centre complementing the retail opportunities below. There are no objections to the modifications to fenestration which should reflect the existing in colour, finish and materials. The internal layout proposed is considered acceptable to meet modern standards of living and the development of the site without the provision of on-site parking promotes the use of alternative modes of transport than the car.

***(Original)* RECOMMENDATION A**

That the Council enters into an obligation under Section 106 of the Town and Country Planning Act 1990 requiring:-

- The provision of affordable housing in accordance with Local Planning Guidance Note No. 28 at a rate of 25% of the dwellings or financial contribution to off-site provision of affordable housing, as deemed appropriate in consultation with the affordable housing officer.

The final form and amount shall be determined by the Head of Environment and Planning.

***(Amended)* RECOMMENDATION A**

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That the Council enters into an obligation under Section 106 of the Town and Country Planning Act 1990 requiring:-

- Payment of a financial contribution to off-site provision of affordable housing in the amount of £28.816.

The final form and amount shall be determined by the Head of Environment and Planning.

RECOMMENDATION B

That if the Obligation pursuant to Section 106 of the Town and Country Planning Act 1990, as detailed above, is not completed within six months of the date of the Committee resolution, the Head of Environment and Planning is given delegated authority to **REFUSE** planning permission for the following reason:-

- Lack of adequate affordable housing provision.

That the Head of Environment and Planning is given delegated authority to determine the final form and content of reasons for refusal.

RECOMMENDATION C

Subject to the completion of the S106 obligation, that planning permission be GRANTED subject to the following conditions:-

CONDITION(S)

1. The development hereby permitted shall be commenced before the expiry of five years from the date of this permission.
2. The development shall only be carried out in strict accordance with the details shown on the approved drawings numbered L018022-006 Rev C, L018022-007 Rev H, L018022-008 Rev E, L018022-009, L018022-11, L018022-12 Rev A, L018022-014 Rev A and as contained within the application documentation.
3. No facing or roofing materials shall be used other than those detailed on the application form and within the approved application documentation.
4. All works in relation to the implementation of this permission, including deliveries to and / or leaving the site, shall be undertaken only between the hours of 7.30 and 18.00 Monday to Friday, and 08.00 to 14.00 on a Saturday, and at no time on a Sunday or a Bank Holiday unless the prior written approval of the Local Planning Authority has been obtained.
5. The scheme of bin / refuse storage as shown on approved plan ref: L018022-006 Rev C shall be fully implemented prior to first use of the

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development, and bins / refuse / recycling shall not otherwise be stored on any other part of the site.

6. The rating level of any noise generated by the cumulative air handling plant associated with the commercial development shall not exceed the pre-existing background level (determined to be 45dB LAeq,1hr during the daytime, and 31dB LAeq,15mins during the night time) by more than 5dB(A) at any time. The noise levels shall be determined at nearby noise sensitive premises, and measurements and assessment shall be made in accordance with BS4142:2014 Methods for rating and assessing industrial and commercial sound.

7. The dust mitigation measures, as contained within the Dust Management Scheme Ref: 2018/001 submitted and approved as part of this application, shall be fully implemented for the entire duration of the construction phase.

8. The Construction Traffic Management Plan (CMTP) Ref: 2018/002 submitted and approved as part of this application, shall be fully implemented for the entire duration of the construction phase.

9. Prior to first use of the development hereby approved, all new and replacement windows shall be installed in strict accordance with plan refs: L018022-007(A) Rev G and L018022-144 Rev B. The tinted glazing shall thereafter be permanently retained as approved.

10. The landscaping scheme approved as part of this application shall be fully implemented in strict accordance with approved drawing no. L018022-015 within three months of the first use of the development.

11. The landscaping scheme as carried out in connection with condition no. 10 shall be permanently retained and maintained in accordance with the Landscape Management Specification prepared by Rosetta Landscape Design, dated 16 November 2018, approved as part of this application. Any planting becoming severely damaged or seriously diseased, or is in poor physiological condition and/or are removed without the written permission of the Local Planning Authority shall be replaced with trees or shrubs of similar size and species to those originally required to be planted and within a timescale all to be submitted to and approved in writing by the Local Planning Authority.

REASON(S)

1. To comply with Section 91(3) of the Town and Country Planning Act, 1990.
2. To define the scope of the planning permission
3. To ensure a satisfactory standard of appearance of the development in the interests of the visual amenities of the area.
4. To protect the amenities of the occupiers of nearby properties.
5. To protect the amenities of the occupiers of nearby properties and to ensure a satisfactory standard of appearance of the development in the interests of the visual amenities of the area.
6. To protect the amenities of the occupiers of nearby properties.
7. To protect the amenities of the occupiers of nearby properties.
8. In the interests of highway safety.

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9. To ensure a satisfactory standard of appearance of the development in the interests of the visual amenities of the area, and to protect the amenities of the future occupiers of the development.
10. To ensure that a satisfactory unit of residential accommodation is retained within the premises.
11. To ensure a satisfactory standard of appearance of the development in the interests of the visual amenities of the area.

NOTE(S) TO APPLICANT

The applicant is advised that compliance with condition no. 4 does not provide an exemption from the statutory noise nuisance provisions of the Environmental Protection Act 1990. Any complaints received relating to noise from the development during the permitted hours may still be investigated using the Council's Standardised Procedure for Dealing with Noise Nuisance Complaints and legal action may be taken where appropriate.

Applicants are advised that compliance with condition no. 7 does not provide an exemption from the statutory nuisance provisions of the Environmental Protection Act 1990. Under the Act dust from any type of activity can be judged to be causing a statutory nuisance to neighbouring properties. A legal notice can be served requiring that the dust nuisance is abated and failure to comply with the requirements of the notice can result in prosecution. The applicant should contact the Council's Housing and Public Protection Department on 01978 315300 for further advice and information.

You must comply with your duties in section 71ZB (notification of initiation of development and display of notice: Wales) of the Town and Country Planning Act 1990. The duties in that section include the following:

*** Notice of initiation of development**

Before beginning any development to which this planning permission relates, notice must be given to the Local Planning Authority in the form set out in Schedule 5A to the Town and Country Planning (Development Management Procedure) (Wales) Order 2012 or in a form substantially to the like effect. The forms set out the details that must be given to the Local Planning Authority to comply with this duty.

*** Display of notice**

The person carrying out development to which this planning permission relates must display at or near the place where the development is being carried out, at all times when it is being carried out, a notice of this planning permission in the form set out in Schedule 5B of the Town and Country Planning (Development Management Procedure) (Wales) Order 2012 or in a form substantially to the like effect. The form sets out the details that the person carrying out development must display to comply with this duty.

The person carrying out development must ensure that the notice is:

- a) Firmly affixed and displayed in a prominent place at or near the place

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where the development is being carried out;

b) Legible and easily visible to the public without having to enter the site;
and

c) Printed on durable material. The person carrying out development should take reasonable steps to protect the notice (against it being removed, obscured or defaced) and, if need be, replace it.

You are advised that this grant of planning permission was made following the completion of an Agreement under Section 106 of the Town and Country Planning Act. Before undertaking any work under this permission you are advised to obtain full details of the Agreement and ensure that you are able to comply with its terms.

The applicant is advised that the Council has the option to control construction noise by serving a Control of Pollution Act 1974, Section 60, Notice where deemed necessary, and failure to comply with such a Notice can result in prosecution. For further information and advice regarding construction noise please contact the Council's Housing and Public Protection Department on 01978 315300.

Burning of waste generated from construction activities is not considered to be an appropriate method of disposal and action may be taken as follows:

- Under the Environmental Protection Act 1990 anyone found disposing of construction site waste by burning is likely to be in breach of their duty of care with regard to waste disposal;
- Under the same Act an abatement notice may be served where smoke is judged to be causing a nuisance to neighbouring properties. Failure to comply with the requirements of the notice can result in prosecution;
- Under the Clean Air Act 1993 it is an offence for a commercial activity to burn anything that gives rise to dark smoke.

To prevent offences under the above named Acts there should be no bonfires on the site, to include the prohibition of the burning of cleared vegetation. The applicant should contact the Council's Environment and Planning Department on 01978 315300 for further advice and information.
