

**REPRESENTATIONS ON
BEHALF OF
SKIPTON PROPERTIES LIMITED**

**MATTER STATEMENT
CRAVEN LOCAL PLAN
EXAMINATION**

MATTER 3

SEPTEMBER 2018

Skipton Properties Limited

Examination of the Craven Local Plan

Matters Statement

Matter 3 – Affordable Housing Need (Policy H2)

Issue 1 – Definition of Affordable Housing

1. Question 1 – Does the Plan include a definition of affordable housing? If not, in order to be effective should one be included?

- 1.1 This is a matter for the Council to explain in their matter statement upon which we may wish to comment.

Issue 2 – Affordable Housing Need

The SHMA states that there is an annual imbalance of 126 affordable dwellings per year. This is expressed as the overall need from the housing register compared with the current supply of affordable housing. In response, Policy H2 requires as minimum of 30% of dwellings on qualifying sites to be affordable.

2. Question 1 – What is the difference between the affordable housing need identified in Policy H2, and the uplift applied to the demographic starting point to reflect affordability issues in Policy SP1?

- 2.1 This is a matter for the Council to explain in their matter statement upon which we may wish to comment.

3. Question 2 – What is the justification for requiring 30% affordable housing on qualifying sites? What is this based on, how was it calculated and what alternatives were considered?

- 3.1 This is a matter for the Council to explain in their matter statement upon which we may wish to comment.

4. Question 3 – Based on the requirements for qualifying developments to provide 30% affordable housing, how many affordable homes is the Local Plan expected to deliver?

- 4.1 This is a matter for the Council to explain in their matter statement upon which we may wish to comment.

5. Question 4 - How does this compare to the identified need?

- 5.1 This is a matter for the Council to explain in their matter statement upon which we may wish to comment.

Question 5 – How does this compare to previous performance? How many affordable homes have been provided as a percentage of total output over the past 5 – 10 years?

- 6.1 This is a matter for the Council to explain in their matter statement upon which we may wish to comment.

Question 6 – The PPG states that an increase to the total housing figures should be considered where it would help deliver the required number of affordable homes. Has an uplift to the housing requirement for this reason been considered? If so, where is this set out?

- 7.1 This is a matter for the Council to explain in their matter statement upon which we may wish to comment.

Question 7 – What is the justification for requiring proposals of 6 – 10 dwellings on greenfield sites in designated rural areas to make an equivalent financial contribution?

- 8.1 We rely on our original representations in response to this questions and we may wish to comment upon matter statements submitted by other parties on this point.

Issue 3 – Viability

Question 1 – How have the residential typology assumptions been defined in the Local Plan Viability Assessment and Local Plan Viability Assessment Addendum Report? (document EC005) Do the scenarios for Skipton (up to 290 units) and the rest of the District (up to 150 units) reflect the allocations in the Plan?

- 9.1 This is a matter for the Council to explain in their matter statement upon which we may wish to comment.

Question 2 – How have existing use values been determined? Are they based on appropriate available evidence?

- 10.1 The Aspinall Verdi report refers to existing use values for the purpose of their study being greenfield, agricultural sites. Aspinall Verdi note that they have 27 data points for EUVs, which suggest average values of £10,000 per acre in Skipton and £8,500 per acre in the Rest of the District (ROD). In our opinion, the agricultural land values assumed appear to be appropriate based on our market knowledge of agricultural values.
- 10.2 However, the analysis of existing use values (EUVs) appears to neglect brownfield sites, which typically command a higher use value than agricultural. For instance, Kings Mill, Settle is a brownfield site, being industrial as existing use. Local agent Hayfield Robinson Property Consultants have provided a list of comparable data for industrial sites in the local area, which demonstrate existing use value as industrial in Settle of £300,000 to £400,000 per acre.

- 10.3 In summary, the method in which existing use values have been determined in Aspinall Verdi's report neglects brownfield values. Whilst an overall benchmark value per acre for industrial land should not be set as each site has different characteristics, the Local Plan should take these industrial existing use into account (or at least refer to these when discussing EUVs).

Question 3 - How have infrastructure costs and other contributions been taken into account in the calculation of scheme viability?

- 11.1 The Aspinall Verdi report does not refer to infrastructure costs specifically, but rather 'abnormal costs'. The report states that where sites have obvious abnormal costs these costs should be deducted from the land. The report does not go into any further detail on abnormal costs including infrastructure costs. We are of the opinion that infrastructure costs and other contributions should be taken into account when calculating scheme viability.

Question 4 – Is the 30% affordable housing requirement viable for all types of housing, supported by viability evidence?

- 12.1 A policy that specifies a minimum level of affordable housing, particularly at a high level such as 30%, is not practical as it does not provide certainty to developers. Less development will take place as a result of a minimum level of affordable housing being enforced on all sites as this will affect the financial viability on schemes.
- 12.2 Every development site differs based on a number of factors, including but not limited to: Gross Development Value (GDV, also known as sales revenue) based on housing mix, number of units, floor areas and sales rates per micromarket and development costs (such as build costs and abnormal costs). As the variables on each site is different, applying a 'minimum' across the board could jeopardise the entire viability of a site.
- 12.3 In addition, we would note that this 'minimum' policy does not conform to affordable housing policies from other local authorities across the country. As is the case with other local authorities, the affordable provision should therefore be a target provision and not a minimum