

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Planning Committee

3 August 2016

AUTHOR/S: Head of Development Management

Application Number: S/0851/16/FL

Parish(es): Bar Hill

Proposal: Full planning permission for the development of 40 residential dwellings across two sites comprising: 6 x 2 storey houses and 27 apartments in 3 and 4 storey blocks, 47 car parking spaces and associated landscaping (including the retention of part of the bund), provision of a play area on part of the hotel car park and other surplus space (Site 1) and 7x 2 storey houses served by 14 car parking spaces and associated landscaping on part of hotel staff car park and underutilised part of golf course (Site 2). Permission also sought for new pedestrian access off Crafts Way and a children's play area along with associated landscaping on land between Sites 1 and 2

Site address: Land associated with Hallmark Hotel, Bar Hill

Applicant(s): Hallmark Hotels (Bar Hill) Limited

Recommendation: Delegated Approval (to complete Section 106)

Key material considerations: Five year supply of housing land
Principle of development
Sustainability of the location
Density of development and housing mix
Affordable housing/viability
Character of the village edge and surrounding landscape
Impact on protected trees and ecology
Highway safety
Residential amenity
Surface water and foul water drainage
Provision of formal and informal open space
Section 106 Contributions

Committee Site Visit: 02 August 2016

Departure Application: Yes

Presenting Officer: David Thompson, Principal Planning Officer

Application brought to Committee because: Although Bar Hill Parish Council has not objected to the application, they have raised a number of concerns about a scheme that would represent a departure from the

Development Plan. The scheme is considered to be of wider than local interest due to the location of the site outside of the village framework of Bar Hill and the scale of the proposal.

Date by which decision due: 04 August 2016 (extension of time agreed)

Update to Report

Consultations

1. Paragraph 20 of the committee report summarises the contributions to be sought in the Section 106 Agreement. At the time of writing the report, Bar Hill Parish Council had not responded regarding projects within the village to which contributions from the development could be sought in terms of off site open space and indoor facilities provision.
2. In relation to the provision of off-site sports facilities, the Parish Council have responded with a number of projects that they believe are required to provide additional facilities within the village to offset the impact of the increase in the population of the village that would result if the development is built out. The projects cited are: a new skate park, improved changing facilities at the village green and adult fitness equipment.
3. The upgrading of the changing facilities as part of the redevelopment of the community centre was identified as a required improvement in the 2013 Open Space and Recreation study commissioned by the Council. A shortage in junior football pitch provision is also identified and the report concludes that there is a significant shortfall of sports facilities within the village.
4. The 2013 study also identifies a significant shortfall in children's play facilities in the village. The Parish Council have identified the need for additional play equipment on the village green and an outdoor table tennis table to address the existing shortfall and meet the needs of the anticipated population of the development.
5. Given that the deficits in sports and play provision would increase due to the population growth of the village arising from this development, it is considered that a contribution to each of the above projects identified above would comply with the requirements of policies SF/10 and SF/11 and the Open Space SPD of the LDF. These contributions would also meet the CIL test in terms of being reasonably necessary to make the overall scheme acceptable in planning terms. No pooled contributions have previously been secured towards funding of these projects and so the calculation based on the anticipated population of the scheme is an acceptable method of calculation. The total figure to be sought to cover these projects is £38,332.56 for the offsite sport provision and £50,894.57 for offsite children's play space.
6. In 2009, the Community Facilities Audit undertaken by the Council identified a 130 square metre deficit in the provision of indoor community facilities within Bar Hill in relation to the population size of the village. The Parish Council consider that a new village hall will be required to facilitate meetings of Guides, Scouts and other community groups, given the existing shortfall in provision and the need to accommodate the additional population of the proposed scheme. A pooled contribution of £17,403.08 would comply with the above LDF policies and CIL regulations, as no other contributions have been sought to fund this particular project.

7. There are a number of other contributions, in addition to the County Council requirements, including waste receptacles and a monitoring fee. The total sum for these contributions is approximately £185,008 – with confirmation on the cost of bins required from Environmental Health to finalise this figure.
8. All of these contributions and details behind the justification for the pooled sums are listed in the matrix which is attached as appendix 1 to this update report. These figures address the content of paragraphs 105 and 106 of the committee report.

Representations:

9. Paragraph 30 of the committee report refers to ‘a petition of 60 names and 1 additional representation’ in support of the application. This should in fact have been broken down as follows:
 - 53 letters in support of the application co-ordinated by Bellenden
 - A Petition in support with 9 signatures
 - A letter from the golf club in support of the application

The above results in a total of 63 representations of support, for the reasons summarised in paragraph 30 of the report.

Planning Assessment

Affordable Housing

10. Paragraphs 72-80 of the committee report address the issue of affordable housing and the reasoning behind officers’ conclusion that 15% on site provision is the most that could be sought to allow the scheme to remain financially viable.
11. The viability appraisal set out by Carter Jonas and agreed by both parties included provision for £400,000 as a total sum for Section 106 contributions, in addition to the provision of 6 units of on site affordable housing, occupied on a shared ownership basis. As detailed above, £185,008 (approximately) is the sum required to meet the County Council requirements as Education Authority and South Cambridgeshire District Council in terms of off-site play provision, open space and community facilities. This leaves a sum of £215,000 (approximately) which the applicant has agreed can be put to a commuted sum for the provision of affordable housing off site.
12. The existing LDF and emerging Local Plan policies in relation to affordable housing require provision to be made on site unless a case is accepted that the requirement for 40% on site provision would render a scheme financially unviable. As is stated in the committee report, Carter Jonas have independently assessed the viability appraisal submitted by the applicant and have confirmed that, in their professional view, the scheme yields a return of 14% for the developer with the requirement to provide 15% (6 units) as affordable accommodation on site, on a shared ownership basis.
13. On that basis, Officers are content that revisiting the possibility of further on site units would not be reasonable, as the scheme would become less viable and the delivery of the benefits of the scheme in terms of reducing the housing land supply deficit in a sustainable location may not be recognised.
14. The Head of Housing Strategy has confirmed that, based on the build costs for the proposed development, the residual amount from the Section 106 negotiations would result in sufficient funds for a commuted sum which could cover the cost of 2 additional

2 bed shared ownership affordable units offsite (the cost being approximately £102,000 per 2 bedroom flat). This would lift the overall percentage of affordable housing being delivered by the scheme by a further 5%, to 20% overall.

15. Given the costs associated with the high quality of the materials and finishes of the scheme (which is considered important given the prominent location of the development from public views) and the substantial costs of surface water attenuation to cover the existing hotel site as well as the location of the proposal, it is considered that the provision of just 2 of the 8 affordable units through a commuted sum is justified on viability grounds.
16. It is therefore considered that the level of affordable housing proposed is the maximum level that can be secured and allow the developer to achieve a reasonable return (but below the guideline of 20% profit margin.) Officers have assessed the risk associated with refusing the application for the reason that the scheme does not provide 40% affordable housing and that only 15% of the units on site would not be open market dwellings. Having considered this and sought advice from Carter Jonas, Officers are of the view that the benchmark value given to the site (£1.1 million) is potentially very low for a site where 40 dwellings could be built and that at appeal there is a precedent for 20% developer profit being set as the reasonable return, below which no affordable housing may be secured. These factors ensure that there is a risk of a lower level of affordable housing being secured at appeal.
17. Given these risks, based on the appraisal undertaken by Carter Jonas and the overall planning benefits of the scheme, as identified in detail in the committee report, it is considered that the scheme provides the highest level of affordable housing possible to maintain viability and therefore achieves the definition of sustainable development.

Recommendation

18. No change to recommendation subject to the draft headings of conditions listed in paragraph 121 of the committee report. The Section 106 Agreement would include the £215,000 (approximately) commuted sum for offsite provision of 2 shared ownership units, in addition to all of the other requirements listed in the main committee report.

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