

PLANNING COMMITTEE

THURSDAY, 25TH JUNE 2020, 6.30 PM

THE LANCASTRIAN, TOWN HALL, CHORLEY

I am now able to enclose, for consideration at the above meeting of the Planning Committee, the following report that provides an update of events that have taken place since the agenda was printed.

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5	ADDENDUM
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GARY HALL
CHIEF EXECUTIVE

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C O M M I T T E E R E P O R T		
REPORT OF	MEETING	DATE
Director (Customer and Digital)	Planning Committee	Date 25 June 2020

ADDENDUM

ITEM 3b – 20/00277/FUL – Land Adjacent To 26/28 Spring Crescent, Whittle-Le-Woods

The recommendation remains as per the original report

2no. further letters of objection have been received setting out the following issues:

- Impact on highway safety
- The land as been left in poor condition
- A fence will not support any levelling up of land / material
- Impact of development and fence supports on gas pipeline
- Trees and shrubs removed prior to determination of the application

The following conditions is recommended to be included:

Prior to the erection of the superstructure of any dwelling hereby permitted, full details of the alignment, height and appearance of all fences and walls and gates to be erected (notwithstanding any such detail shown on previously submitted plan(s)) shall have been submitted to and approved in writing by the Local Planning Authority. No dwelling shall be occupied until all fences and walls shown in the approved details to bound its plot have been erected in conformity with the approved details. Other fences and walls shown in the approved details shall have been erected in conformity with the approved details prior to substantial completion of the development.

Reason: To ensure a visually satisfactory form of development and to provide reasonable standards of privacy to residents.

ITEM 3C- 16/00804/FULMAJ – Eaves Green, Lower Burgh Way

The recommendation remains as per the original report and is not considered that any changes are required to the report as a result of the contents of this letter.

A letter has been received from the applicant's agent, which has been reproduced in full below.

'We write on behalf of the applicant, Taylor Wimpey UK Ltd, in relation to the Report to Committee concerning application ref. 16/00804/FULMAJ.

As you are aware, discussions on the Section 106 Agreement to be signed pursuant to the above planning application have been on-going since May 2017. After failing to reach agreement with the Council on the terms of the overage provision, Taylor Wimpey instructed Cushman & Wakefield to prepare an updated

viability assessment which was submitted to the Council in September 2019. The updated viability assessment has been prepared in accordance with Planning Practice Guidance [PPG] and is informed by up to date information on build costs and site-specific abnormal costs reflected in the benchmark land values.

Over the past 10 months, Taylor Wimpey has made every effort to engage with the Council and has been open and transparent regarding the challenges of delivering a viable scheme on this site. However, the Council has consistently failed to provide a substantive response to the updated viability assessment and is unwilling to accept Taylor Wimpey's position that the Section 106 Agreement as drafted in March 2018 would render the development unviable.

Having reviewed the Report to Committee, it is considered that there are a number of inaccuracies and misrepresentations. Cushman & Wakefield, who prepared the updated viability assessment and are appropriately qualified MRICS surveyors with extensive knowledge of the North West residential market have provided the following detailed response:

Paragraph 12 Build Costs

"It is difficult to identify any cost price indices that supports an increase of the magnitude suggested by the applicant (23.84%). The BCIS General Building Cost Index identifies an increase of just 6.3% over the period Sept 17 to Sept 19. BICS is the Building Cost Information Service of the Royal Institution of Chartered Surveyors (RICS). The BCIS 'All In Tender Price Index' shows an increase of 8.2% over the same period."

Response

The inflation benchmarking over 2 years stated in the Report to Committee is incorrect. The original viability assessment was prepared in September 2016 and the updated viability assessment was submitted in September 2019. Therefore it is a 3-year period.

- The sales revenues adopted in the viability assessment were increased in February 2020 to reflect the most up to date evidence, yet the assumed build costs were not increased. Nevertheless, given that values are likely to have stayed flat or potentially decreased since February due to COVID-19, the inflation benchmarking should be taken from September 2016 to today's date, therefore just under 5 years.
- Above all, however, the most important question is whether the standard build cost adopted in the appraisal is robust. The methodology Cushman & Wakefield have utilised, based on the benchmarking to the BCIS, is standard industry practice, has been accepted in numerous appeal decisions as referred to in the submitted report, and is a methodology which is widely adopted by qualified surveyors for assessing build costs in viability assessments. Based on Cushman & Wakefield's extensive market experience, it is considered that the standard build cost allowance in the appraisal represents a very robust, market-facing assessment as at today's date

Paragraph 13 Sales value and overage

"The sales values that are being suggested by the applicant to justify the lower overage threshold for market houses are based on the achieved prices from the

Taylor Wimpey scheme on the adjoining site. These are indisputable as they are reported land registry prices.

The challenge arises when incentives to achieve a sale are then deducted from the achieved sale price, as Taylor Wimpey are suggesting. The average incentive package reflects 5% of the purchase price. The result being that gross achieved sales prices of £218 per square foot become net prices of £208 per square foot. Recent appeal decisions have been clear that the impact of incentives is a matter for the house builder and should be reflected in their profit assumptions. The Council should not be expected to 'foot the bill' for these incentives."

Response

- The Council's consultant argues that sales values should be based on Land Registry achieved prices and that "Recent appeal decisions have been clear that incentives should be reflected in the housebuilder's profit". No appeal decisions have been provided to substantiate this comment.
- Incentives and profit assumptions are two entirely different unrelated items and Cushman & Wakefield have never seen any qualified viability surveyor argue that incentives should be reflected in the developer's profit in the way suggested by the Council.
- Cushman & Wakefield have provided the reservation forms for plots sold on Taylor Wimpey's adjacent site which provide clear evidence of the actual net achieved sales price received after all incentives.
- It is these net sales prices which must be used to determine the base value above which overage becomes payable, as it is the actual net revenues after all incentives which the developer receives and reports to HMRC, not the Land Registry values.

Benchmark land value

"The current suggested benchmark land value (BLV) utilised by the applicant is £150,000 per acre. This, as confirmed by the applicant, is not a figure that has been agreed with the landowner (the land has been secured under option with price to be paid determined post the granting of a planning consent). Included within the land value is an allocated cost for releasing a ransom position held by Homes England. It can be argued that the impact of Homes England seeking a ransom payment is that there is less money available in the appraisal for affordable housing.

From the outset of the viability discussions concerning Eaves Green (2016), the Council has been clear that the abnormal/site specific infrastructure costs (currently £5.2m) demonstrate that the site is complicated and difficult to bring forward and this should be reflected in the BLV. The position was further clarified in the Framework and NPPG of 2018, which made it clear that BLVs should reflect policy compliance, abnormal costs and site-specific infrastructure. The applicant's position, therefore, does not follow national policy and guidance."

Response

- The Council's consultant claims that the applicant's position on BLV does not follow national policy and guidance which states that the land value should reflect policy compliance and abnormal costs. However, the Council's consultant has fundamentally misinterpreted the guidance.

- In determining the BLV, Cushman & Wakefield had regard to the site abnormals and reflected the implications of these costs as required by the PPG.
- PPG is also clear that the BLV should provide a **reasonable incentive** for a landowner to sell. For all sites, there is a minimum value below which a landowner will not be incentivised to release their site. If deducting the full abnormals tips the land value past the point of providing a reasonable incentive and leads to low land values which mean landowners will not sell, then this conflicts with the PPG.
- The updated viability assessment demonstrates that, with the current drafting of the Section 106 Agreement, the residual land value would be negative by £190,000. Clearly, a negative land value would not incentivise any landowner to sell. It is therefore the Council's position which does not follow national guidance.
- In fact, the BLV of £150,000 per net acre which Cushman & Wakefield adopts is consistent with the land value accepted in a recent appeal relating to a 102-unit scheme at Holts Lane, Poulton (ref: APP/U2370/W/19/3241233) in April 2020 and that site actually had higher abnormal costs than the subject site.

In addition to the above, Taylor Wimpey also wishes to highlight that any ransom payment made to Homes England will come out of the residual land value that the landowner receives. This has always been the case and the committee report misrepresents this.

Taylor Wimpey is committed to the delivery of this site and the provision of new aspirational family homes in Chorley. The Report to Committee outlines the substantial benefits of the planning application and it is clear that the application complies with the Development Plan as a whole. Whilst Central Lancashire Core Strategy [CLCS] Policy 7 sets a requirement for 30% affordable housing on market schemes, it is clear that this is "*subject to such site and development considerations as **financial viability** and contributions to community services.*" (Lichfields emphasis).

It is therefore disappointing that the Council is unwilling to properly consider the updated viability assessment, which has been carried out in accordance with PPG. This position is obstructive and fails to meet with the requirements of the Framework [§38], which states that local authorities should work proactively with applicants to secure developments that will improve the economic, social and environmental conditions of the area.

Taylor Wimpey has made a fair and robust offer with respect to the terms of an overage that would provide a financial uplift to the Council should revenues improve from their current position. It is Taylor Wimpey's strong opinion that the Council's position is misguided, as demonstrated by the factual inaccuracies contained in the Report to Committee that have been highlighted in this letter.'

ITEM 3d - 19/00819/FUL - Jack Green Farm, Oram Road, Brindle

The recommendation remains as per the original report.

The following conditions are recommended:

1. The proposed development must be begun not later than three years from the date of this permission.

Reason: Required to be imposed by Section 51 of the Planning and Compulsory Purchase Act 2004.

2. The development hereby permitted shall be carried out in accordance with the approved plans below:

Title	Plan Ref	Received On
Proposed Plans and Elevations	DS/877/8 B	19 May 2020
Proposed Site Plan A	DS/877/6 C	19 May 2020

Reason: For the avoidance of doubt and in the interests of proper planning.

3. All external facing materials of the development hereby permitted shall match in colour, form and texture to those on the existing building and no others substituted unless alternatives are first submitted to and agreed in writing by the Local Planning Authority, when the development shall then be carried out in accordance with the alternatives approved.

Reason: In the interests of the visual amenity of the area in general and the existing building in particular.

4. The parking provision, manoeuvring areas and access arrangements as shown on approved drawing DS/877/6 C shall be provided prior to occupation of any dwellinghouse hereby permitted and shall be made available for use and permanently retained thereafter.

Reason: To allow for the effective use of the parking and turning areas and to ensure a safe access in the interests of highways safety.

5. No dwellinghouse hereby permitted shall be occupied until that part of the each access extending from the highway boundary for a minimum distance of 5 metres into the site is appropriately paved in tarmacadam, concrete, block pavements, or other alternative materials which shall have first been submitted to and approved in writing by the Local Planning Authority.

Reasons: In the interests of highways safety to prevent loose surface material from being carried on to the public highway thus causing a potential source of danger to other road users. safety.

6. Prior to the commencement of the development hereby approved, excluding demolition and/or site works, a scheme for the landscaping of the development and its surroundings shall be submitted to and approved in writing by the Local Planning Authority. This shall include the following:

- the types and numbers of trees, hedges and shrubs to be planted, their distribution on site and those areas to be seeded
- details of paving and hard landscaped areas, to include materials and colour

The approved scheme shall be carried out in accordance with the approved details within the first planting and seeding seasons following the occupation of any buildings or the completion of the development, whichever is the sooner.

Any trees or plants which within a period of 5 years from the completion of the development die, are removed or become seriously damaged or diseased shall be replaced in the next planting season with others of similar size and species.

Reason: In the interests of the appearance of the development in the locality and to provide biodiversity enhancement through landscaping of the site.

7. Prior to their erection, and notwithstanding any details shown on the approved drawings, full details of boundary treatments for each plot and the site shall be submitted to an approved

in writing by the Local Planning Authority. Boundary treatments shall be erected in accordance with the approved details prior to final occupation of the development.

Reason: These details have not been provided as part of the application and are necessary in the interests of the appearance of the development in the locality and the amenities of future occupiers.

8. Notwithstanding the provisions of the Classes A, B, C and D, of Part 1, Schedule 2 of the Town and Country Planning (General Permitted Development) Order 2015 (as amended) or any subsequent re-enactment thereof, there shall be no alterations or extensions, or additions or other alterations to the roof of the dwellinghouse(s) hereby permitted, other than those expressly approved by this permission,

Reason: In the interests of the character and appearance of the building which is being converted.

ITEM 3e - 20/00031/FUL – 109 Market Street, Chorley

The recommendation remains as per the original report.

The following conditions recommended:

1. The proposed development must be begun not later than three years from the date of this permission.

Reason: Required to be imposed by Section 51 of the Planning and Compulsory Purchase Act 2004.

2. The development hereby permitted shall be carried out in accordance with the approved plans below:

Title	Plan Ref	Received On
Proposed Plans	06 A	16 January 2020
Location Plan	09	16 January 2020
Proposed Plans	05 B	16 January 2020
Proposed Sections A and B	12	16 January 2020
Elevation C Existing and Proposed	13	16 January 2020
Proposed Elevations	08	16 January 2020

Reason: For the avoidance of doubt and in the interests of proper planning.

3. The external facing materials, detailed in the application, shall be used and no others substituted unless alternatives are first submitted to and agreed in writing by the Local Planning Authority, when the development shall then be carried out in accordance with the alternatives approved.

Reason: To ensure that the materials used are visually appropriate to the locality and the existing building.

4. The development shall be carried out in accordance with the recommendations and mitigation as set out in the Residential Noise Assessment carried out by Nova Acoustics and dated 23/03/2020.

Reason: To ensure satisfactory living conditions of future occupants due to neighbouring noise sources.
