

Kings Lynn & West Norfolk Local Plan Review Examination

Hearing statement relating to Matter 6: Issue 6 LP28 and Viability, Self-Build and Custom Housing, LP31

Date of Hearing: 25th January 2022

Submitted by J R Maxey, Maxey Grounds & Co

LP28 and Viability Questions 335, 336, 341, 343

We have submitted representations regarding the Viability of development under both Policy LP05 and Policy LP28 and given the Inspectors' specific questions it is appropriate to summary our representation in addressing these. Our representations highlight our concerns regarding the Viability Assessment process the Council have adopted. Having engaged outside consultants they have undertaken one initial meeting in relation to the Pre-consultation draft, which received significant response and challenge from many including ourselves. Subsequent versions of the Viability Assessment have not sought further specific consultation responses, and the report now presented as Core Document D1 is considered to have many flaws and false assumptions leading to inappropriate conclusions. These include as examples but not a comprehensive list of considered defects):

- The models used by the Consultant in typographies do not include the provision of or costing for any garages. The majority of developments would provide at the very least a single garage for each detached dwelling
- The models adopt a percentage of Basic build cost at far too low a level to reflect the cost of infrastructure provision.
- The April 2021 document, presented as a justifying report not a document for consultation in its own right, is now very out of date in terms of the values and costs it utilizes after a known 18 month period of very significant building cost inflation (BCIS General Build Cost Index has risen by around 20% in that period, and whilst house prices have also risen these are now adversely affected by the economic conditions and are likely to plateau or fall whilst costs continue to rise. This perfect storm has the ability to skew significantly viability of most development
- The conclusions of the report propose a single level of affordable housing provision across the district, notwithstanding that values between the lowest and highest priced areas of the district are very significantly different (some areas approaching double other)
- The same Consultant has advised Fenland District Council on viability in their District that the challenge to viability in the Northern part of Fenland, which has not implemented CIL, and which abuts the South Western Part of the West Norfolk area is such that Policy should be set at a lower level. It is clearly unsound to claim that a 20% proportion plus CIL can be viable on one side of an invisible political boundary but only 10% First Homes with No CIL on the adjoining street.

We would consider that the Plan is unsound because whole aspect of Viability has not been addressed openly or objectively by the Council, has not been the subject of full and proper consultation and has resulted in policies that do not appropriately reflect in the ability of development to make provision for affordable housing and other infrastructure.

The same Consultant is advising Fenland DC on viability matters and the Inspector is aware of the East Wisbech situation – effectively a joint allocation. It is an untenable position for the Council to adopt that their Consultant is correct in advising for example on the Norfolk part of East Wisbech that 20% affordable housing is viable when the Fenland position is that the same Consultant (following our challenges to the Fenland report where there was consultation) accepted that in viability terms the Wisbech area could not support affordable housing and thus the policy should seek only the NPPF 10% affordable ownership requirement. Fenlands current draft Viability Assessment document being used for Development Control accepts this.

BCKLWN in their existing CIL charging schedule accept that viability varies through the district. That is why there are effectively three charging levels for CIL – Higher for the northern part, lower for the south and nil bands for certain areas including Wisbech Fringe. It is untenable to maintain that varying rates of CIL are appropriate and then suggest one rate of affordable housing provision is appropriate for both north and south of the district given the wide fluctuation between these in values.

The current report (D1) takes no account of the significant cost inflation since its preparation in April 2021, and whilst it is acknowledged that there has also been price inflation since then, recent market projections indicate a significant risk of market reversal. The point I would make is that the current assessment is not sufficiently up to date or robustly prepared to form a basis for Policy in a plan likely to be adopted towards the end 2024.

Our view would be that the Policy to be sound needs to be: -

- based upon an up to date, objective and fully consulted Viability report,
- to contain a mechanism for regular periodic review (the Current Local Plan Policy stated there would be review but this has never occurred), and
- is likely to make provisions for different affordable housing levels between the higher and lower value areas of the district, in a similar way to differing CIL rates. The levels should be evidence-based ranging from the existing 20% in the Northern Coastal area of the district to 10% First Homes only in the more challenging areas e.g., the areas in the south West of the District such as Wisbech Fringe.

Self-Build and Custom Build Housing Question 344

We would suggest that the plan is not sound without a Policy relating to SBCH. In reality the demand for self and custom build plots is significantly in excess of the 30-35 the HNA identifies mainly because most SBCH buyers don't register as such with the Council because the registration in itself does not assist in finding such plots. It is a very important part locally of the windfall development supply

The Plan seeks to give additional weight to SBCH in relation to Policy LP31, which together with Windfall Development is likely to provide a significant proportion of such plots, but definition is needed of what form that weight will take and how it will be assessed. Such a policy could contain that provision

We have been instrumental in helping deliver two allocations within the district as self-build sites. A significant obstacle to such delivery has been the need to deliver affordable housing on a site when there is no main contractor and often numbers of dwellings are modest. Many smaller contractors will not take on projects for Housing association end users because of the bureaucracy such organizations create. If there is genuinely a wish to facilitate and encourage SBCH, then the policy

could deal with provision to deliver any affordable housing in a different and creative way – provision of serviced sites to Housing Associations rather than finished units, provision of affordable plots and a nominal sum, for affordable self-builders or self-help groups of self-builders who can't complete in the market for plots, to construct dwellings subject to a market discount provision thereafter in perpetuity, or contributions used to help fund exception sites. The Council in discussions express a willingness to be flexible to help such situations but have no policy provision to permit it.

Thirdly such a policy could enable a provision of such plots by requiring larger sites to make available a small proportion (say 5% of sites over 40 units) available as self-build serviced plots.

Lastly the removal of the application of policy LP31 to any settlement with a Neighbourhood Plan would be significantly detrimental to the availability and supply of SBCH plots in such settlements and generally. There are no grounds for suggesting that the adoption of a Neighbourhood Plan should over-ride the principle of sustainable development on the periphery of a settlement being acceptable when it would be if no such plan were made.

LP31 Questions 354 – 359

Whilst supporting the intentions of LP 31, much as with LP41, the lack of precision in the policy criteria give cause for concern in relation to soundness.

Small scale is defined as 1-5 and exceptionally 9. What circumstances enable the exceptionally provisions. Given some KRSC have no allocation is the intention to permit 9 outside but adjoining an SVH, and how would that meet with the Strategic focus of housing. Perhaps up to 9 adjoining KRSC and 1-5 adjoining RV and SVH would be appropriate

What is meant by reasonably related – the phrase adjoining the development boundary would give greater certainty

What is a small gap or area for rounding off in this context – given the policy says 1-5 and exceptionally 9 if of particular high quality that could be up to 0.5 ha.

A policy that encourages consultation but does not require it is not sound. There is no formal mechanism for such consultation unless the policy sets it out. Holding a consultation event within the settlement and including with the application a report on the response and how the points raised had been addressed would be a more precise form of wording

What and how will additional weight be given to SBCH. Greater weight than if high quality development. How do you control proposals which have sought to use such weight to be delivered as SBCH, and not just sold as a whole to a developer for market housing.

Criteria 5 should alternatively be worded that any proposal in the vicinity of an AONB will have to demonstrate it is compatible with and causes no material harm to that designated area. It is unsound to prohibit all development close to such areas when some villages will have allocations on the edge of the settlement considered acceptable.

Criteria 6 also is unsound. The adoption of a Neighbourhood Plan should not make unacceptable development that without that Neighbourhood Plan be considered entirely acceptable sustainable development

JRM 15/12/2022