

FIRST SUPPLEMENTARY REPORT
TO THE PLANNING COMMITTEE
8th November 2016

Agenda item 7

Application ref. 16/00609/FUL

Land adjacent Sheet Anchor, Baldwins Gate

Since the main agenda report as draft viability assessment has been received from the **District Valuer (DV)**.

The advice of the DV relates to:

- the level of commuted sum required for two affordable housing social rented units, as required by policy, off-site of broadly equivalent value to the provision of such houses on-site, and
- an assessment of the viability of the development taking into account off-site affordable housing and public open space contributions.

The commuted sum figure is calculated as the difference between:

1. the residual land value of the proposed scheme with no on-site affordable housing taking into account any financial contributions as required by policy (which in this case is a public open space contribution of £20,601), and which the DV has assessed to be £376,446; and
2. the residual land value of the development which includes the policy requirement of 2 social rented affordable housing units on site again taking into consideration financial contributions required by policy, and which the DV has assessed to be £156,651;

This equates to a financial contribution of **£219,795** to provide affordable houses off-site.

The DV has gone on to advise, having taken into account the public open space contribution (£20,601) and affordable housing requirement, that the residual land value of the scheme is significantly lower than the site value (£450,000). The conclusion is therefore that the proposed scheme is unviable.

Notwithstanding the conclusion of the DV that the scheme is not viable, the assessment recommends that the £40,000 payment offered by the application should be accepted.

Your Officer's comments

The draft report from the DV has very recently been received and consideration is still being given to the site value and special assumptions that are included by the DV to establish whether any further questions need to be put to the DV or amendments sought to the assessment undertaken. If that proves necessary the conclusions of the DV may change. In addition, assuming the conclusion remains that the proposed scheme is unviable, further consideration is required as to whether the £40,000 contribution offered by the developer should be accepted and what that money should be spent on.

As such a further supplementary report will therefore be necessary to report any additional advice that may be received from the District Valuer and, dependent upon that advice, reach a recommendation as to whether the application should be permitted without part or all of the policy compliant contributions.