

Agenda Item 115.

Application Number	Expiry Date	Parish	Ward
192852	15 May 2020	Wokingham	Evendons
Applicant	Mr P Smith		
Site Address	Sorbus House, Mulberry Business Park, Fishponds Road, Wokingham RG41 2GY		
Proposal	Outline application with for the proposed erection of 38 dwellings to include one and two bedroom dwellings, landscaping, bike store and bin store (access to be considered)		
Type	Outline		
Officer	Simon Taylor		
Reason for determination by committee	Major application (>10 dwellings)		
FOR CONSIDERATION BY	Planning Committee on Thursday 21 May 2020		
REPORT PREPARED BY	Assistant Director – Place		

SUMMARY
The proposal involves the construction of a four storey flat building comprising 38 units (six x 1-bed and 32 x 2-bed) on a building footprint of 1005m ² , with 59 car spaces, vehicular access, cycle storage, bin storage and landscaping around the perimeter of the site. The application is outline only, with consideration of the principle of development and access only and all other matters forming part of a future reserved matters application.
The application was originally considered at the Planning Committee on 8 January 2020 with a recommendation for approval, subject to 15 conditions and the completion of a satisfactory legal agreement to secure an affordable housing contribution (in the form of a commuted sum totalling £714,701.34) and preparation of an Employment Skills Plan. At the Planning Committee, there was some discussion surrounding on-site provision of some or all of the 11.4 affordable units in lieu of some or all of the commuted sum.
Whilst some discussions took place, no formalised position about on-site provision was established at the point which the applicant instead submitted a viability assessment, questioning the provision of affordable housing.
This supplementary report provides a summary of the submitted viability report, its assessment by the Council's external consultant and follow up considerations. The viability assessment submitted by the applicant suggests that the scheme is unviable when subject to any form of affordable housing. The review by the Council's external consultant concluded that the scheme would not be viable with 11.4 units of affordable housing as per Committee's resolution but would be viable with the provision of nine affordable housing units and a commuted sum of £15,976. This was later reviewed following further consideration and revised to nine affordable housing units. The applicant has accepted this figure.
The application is tabled back to the Planning Committee for consideration because there is a reduction in the amount of affordable housing provision compared to Committee's original resolution.

The original officer report and plans are attached at Appendix 1 and 2 respectively. The officer recommendation remains unchanged with the exception of minor changes to Condition 9 to reflect changes in the members update for the January meeting of the Planning Committee.

RECOMMENDATION

That the committee authorise the GRANT OF PLANNING PERMISSION subject to the following:

- A) A legal agreement to secure the provision of nine on site affordable housing units (in shared ownership with two x 1-bed units and seven x 2-bed units) and an Employment Skills Plan**
- B) Conditions and informatives:**

Conditions

1) Outline approval

No development shall commence until all remaining details aside from access, including but not limited to appearance, scale, landscaping, internal and external layout, unit numbers and mix and affordable housing (hereinafter called 'the reserved matters') have been submitted to and approved in writing by the local planning authority and the development shall be carried out as approved.

An application for approval of the reserved matters shall be made to the local planning authority not later than three years from the date of this permission. The development hereby permitted shall begin not later than two years from the date of approval of the last of the reserved matters to be approved.

Reason: In pursuance of s.92 of the Town and Country Planning Act 1990 (as amended by s.51 of the Planning and Compulsory Purchase Act 2004).

2) Approved details

This permission is in respect of plans numbered 076 OP 001 Rev D, 076 OP 003 Rev D, 076 OP 011 Rev D, 076 OP 012 Rev D, 076 OP 013 Rev D, 076 OP 014 Rev D, 076 OP 015 Rev D and 076 OP 016 Rev D, all received by the local planning authority on 28 October 2019 and plans numbered 076 OP 005 Rev E, 076 OP 010 Rev E, received 23 December 2019. The development shall be carried out in accordance with the approved details unless other minor variations are agreed in writing after the date of this permission and before implementation with the Local Planning Authority.

Reason: For the avoidance of doubt and to ensure that the development is carried out in accordance with the application form and associated details hereby approved.

3) Contamination details

No development shall take place until a scheme to deal with contamination of the site has been submitted to and approved in writing by the local planning authority. The scheme shall include an investigation and assessment to identify the extent of

contamination and the measures to be taken to avoid risk when the site is developed. Development shall not commence until the measures approved in the scheme have been implemented.

Reason: To ensure that any contamination of the site is identified at the outset to allow remediation to protect construction workers and proposed occupants of property on the site.

Relevant policy: NPPF Section 15 and Core Strategy policies CP1 and CP3.

4) Construction method statement

No development shall take place until a Construction Method Statement has been submitted to, and approved in writing by, the local planning authority. The approved Statement shall be adhered to throughout the construction period. The Statement shall provide for:

- a) The parking of vehicles of site operatives and visitors
- b) Loading and unloading of plant and materials
- c) Storage of plant and materials
- d) The erection and maintenance of security hoarding including decorative displays and facilities for public viewing, where appropriate
- e) Programme of works, including measures for traffic management and operating hours
- f) Details of measures to prevent mud from vehicles leaving the site during construction (eg wheel washing facilities)
- g) Measures to control the emission of dust and dirt during construction
- h) A scheme for recycling/disposing of waste resulting from demolition and construction works
- i) Provision of boundary hoarding
- j) Details of any site construction office, compound and ancillary facility buildings
- k) Lighting on site during construction
- l) Monitoring and review mechanisms

Reason: In the interests of highway safety and convenience and neighbour amenities.

Relevant policy: Core Strategy policies CP3 and CP6.

5) Sustainable drainage details

No development shall take place until full details of the drainage system for the site have been submitted to and approved in writing by the LPA. The details shall include:

- a) Calculations indicating the existing/greenfield runoff rate from the site
- b) BRE 365 test results demonstrating whether infiltration is achievable or not
- c) Use of SuDS following the SuDS hierarchy, preferably infiltration
- d) Full calculations demonstrating the performance of soakaways or capacity of attenuation features to cater for 1 in 100 year flood event with a 40% allowance for climate change and runoff controlled at Greenfield rates, or preferably better
- e) If connecting to an existing surface water sewer is proposed, we need

- to understand why other methods of the SuDS hierarchy cannot be implemented and see confirmation from the utilities supplier that their system has got capacity and the connection is acceptable
- f) A demonstration of how surface water runoff is going to be catered for, given that parts of the development site already suffer from surface water flooding.
 - g) A description of how any overland flow routes will be catered for
 - h) Groundwater data confirming seasonal high groundwater levels
 - i) A drainage strategy plan indicating the location and sizing of SuDS features, with the base of any SuDS features located at least 1m above the seasonal high water table level
 - j) Details demonstrating how any SuDS for this development would be managed throughout the lifespan of the development and who will be responsible for maintenance
 - k) Details of permeable and bonded materials within the car park area

Reason: To prevent increased flood risk from surface water run-off.

Relevant policy: NPPF Section 10, Core Strategy policy CP1 and Managing Development Delivery Local Plan policies CC09 and CC10.

6) Energy and water saving details

The reserved matters application(s) shall include a scheme to reduce water consumption to achieve internal potable water consumption targets of 105 litres or less per person per day and for generating 10% of the predicted energy requirement of the development from decentralised renewable and/or low carbon sources (as defined in the glossary of Planning Policy Statement: Planning and Climate Change (December 2007) or any subsequent version), which shall be submitted to and approved in writing by the local planning authority. The approved scheme shall be implemented before the development is first occupied and shall remain operational for the lifetime of the development.

Reason: To ensure developments contribute to sustainable development.

Relevant policy: NPPF Section, Core Strategy policy CP1, Managing Development Delivery Local Plan policy CC05 and the Sustainable Design and Construction Supplementary Planning Document.

7) Lighting details

The reserved matters application(s) shall include a report detailing the lighting scheme and how this will not adversely impact upon wildlife, which shall be submitted to and approved in writing by the LPA. The report shall include the following figures and appendices:

- l) A layout plan with beam orientation
- m) A schedule of equipment
- n) Measures to avoid glare
- o) An isolux contour map showing light spillage to 1 lux both vertically and horizontally and areas identified as being of importance for commuting and foraging bats.

The approved lighting plan shall thereafter be implemented as agreed.

Reason: To limit the impact of light pollution from artificial light on nature conservation in accordance with para 180 of the NPPF.

8) Landscaping details

The reserved matters application(s) shall include full details of both hard and soft landscape proposals, which shall be submitted to and approved in writing by the local planning authority. These details shall include, as appropriate, car parking layouts, other vehicle and pedestrian access and circulation areas, hard surfacing materials, refuse or other storage units, signs, lighting and external services. Soft landscaping details shall include a planting plan, specification (including cultivation and other operations associated with plant and grass establishment), schedules of plants, noting species, planting sizes and proposed numbers/densities where appropriate, and implementation timetable. It should also include a landscape management plan, including management responsibilities, timescales and maintenance schedules for all landscape areas.

It should take account of car parking to meet (and not exceed) the parking standards in Appendix 2 of the Managing Development Delivery Local Plan in consultation with Condition 9, with the remaining excess spaces assigned as soft landscaping and tree/shrub planting.

All hard and soft landscape works shall be carried out in accordance with the approved details prior to the occupation of any part of the development or in accordance with a timetable approved in writing by the local planning authority. Any trees or plants which, within a period of five years after planting, are removed, die or become seriously damaged or defective, shall be replaced in the next planting season with others of species, size and number as originally approved and permanently retained.

Reason: In the interests of visual amenity.

Relevant policy: Core Strategy policy CP3 and Managing Development Delivery Local Plan policies CC03 and TB21.

9) Parking details

In consultation with Condition 8 and as part of a reserved matters application(s), no development shall take place until full details of allocated, visitor, unallocated and disabled parking in accordance with WBC parking standards, an Electric Vehicle Charging Strategy (including on-site infrastructure, installation of charging points and future proofing of the site) and bicycle parking have been submitted to and approved in writing by the local planning authority:

All parking shall be implemented in accordance with such details as may be approved before occupation of the development hereby permitted, and shall be permanently retained in their approved form and used for no other purpose, unless otherwise agreed in writing by the Local Planning Authority.

Reason: In order to ensure that secure weather-proof bicycle parking facilities are provided, to encourage the use of alternative and sustainable modes of travel, to meet the future requirements of disabled users and to ensure that secure electric vehicle charging facilities.

Relevant policy: NPPF Section 9 and Core Strategy policies CP1, CP2, CP3 and CP6 and Managing Development Delivery Local Plan policy CC07.

10) Travel Plan

The reserved matters application(s) shall include a revised Travel Plan which shall be submitted to and approved in writing by the local planning authority. The travel plan shall include a programme of implementation and proposals to promote alternative forms of transport to and from the site, other than by the private car and provide for periodic review. It shall also include reference to the Council's MyJourney scheme and include targets, mode share and action plans. The travel plan shall be fully implemented, maintained and reviewed as so-approved.

Reason: To encourage the use of all travel modes.

Relevant policy: NPPF Section 9 and Core Strategy policy CP6.

11) Materials and finishes details

The reserved matters application(s) shall include details of the materials to be used in the construction of the external surfaces of the buildings, including to the courtyards of ground floor units, which shall be submitted to and approved in writing by the local planning authority. Development shall be carried out in accordance with the approved details.

Reason: To ensure that the external appearance of the building is satisfactory.

Relevant policy: Core Strategy policies CP1 and CP3

12) Refuse storage details

The reserved matters application(s) shall include details of bin storage, which shall be submitted to and approved in writing by the local planning authority. The bin storage area and facilities shall be permanently so-retained and used for no purpose other than the temporary storage of refuse, recyclable and compost materials.

Reason: In the interests of visual and neighbouring amenities and functional development.

Relevant policy: Core Strategy CP3 and Managing Development Delivery Local Plan policy CC04.

13) Biodiversity enhancement details

No occupation of the development shall take place until details of biodiversity enhancements, to include swift bricks, bird, and bat boxes on and around the new buildings and native and wildlife friendly landscaping, has been submitted to and approved in writing by the council. The biodiversity enhancements shall thereafter be installed as approved prior to occupation of the development.

Reason: To incorporate biodiversity in and around developments in accordance with paragraph 175 of the NPPF.

14) Site clearance

All areas of hedges, scrub or similar vegetation where birds may nest which are to be removed as part of the development, are to be cleared outside the bird-nesting season (March - August inclusive) or if clearance during the bird-nesting season cannot reasonably be avoided, a suitably qualified ecologist will check the areas to be removed immediately prior to clearance and advise whether nesting birds are present. If active nests are recorded, no vegetation clearance or other works that may disturb active nests shall proceed until all young have fledged the nest.

Reason: To ensure that wildlife is not adversely affected by the proposed development in line with Policy CP7 of the core strategy and wildlife legislation.

15) Working hours

No work relating to the development hereby approved, including works of demolition or preparation prior to building operations, shall take place other than between the hours of 8am and 6pm Monday to Friday and 8am to 1pm on Saturday and at no time on Sunday or Bank or National Holidays.

Reason: To protect the occupiers of neighbouring properties from noise and disturbance outside the permitted hours during the construction period.

Relevant policy: Core Strategy policies CP1 and CP3 and Managing Development Delivery Local Plan policy CC06.

Informatics

1) Section 106 agreement

This permission should be read in conjunction with the legal agreement under section 106 of the Town and Country Planning Act dated <<TBC>>, the obligations in which relate to this development.

2) Southern Gas Networks

Gas mains are located within the site. There should be no mechanical excavations taking place above or within 0.5m of a low/medium pressure system or above or within 3.0m of an intermediate pressure system. You should, where required confirm the position using hand dug trial holes. Safe digging practices in accordance with HSE publication HSG47 "Avoiding Danger from Underground Services" must be used to verify and establish the actual position of the mains, pipes, services and other apparatus on site before any mechanical plant is used.

3) Changes to the approved plans

The applicant is reminded that should there be any change from the approved drawings during the build of the development this may require a fresh planning application if the changes differ materially from the approved details. Non-material changes may be formalised by way of an application under s.96A Town and Country Planning Act 1990.

4) Travel plan

The requisite Travel plan would need to comply with the latest national and local guidance:

- a) NPPF Section 9 (Sustainable Transport)
- b) The Essential Guide to Travel Planning (DfT, March 2008)
- c) Delivering Travel Plans Through the Planning Process (DfT, April 2009)
- d) A Guide on Travel Plans for Developers (DfT)
- e) Making Residential Travel Plans Work (DfT, June 2007)

Documents, covering workplace travel plans and residential travel plans provide local guidance and are available on the Borough's website.

5) Protected species

This permission does not convey or imply any approval or consent required under the Wildlife and Countryside Act 1981 for protected species. The applicant is advised to contact Natural England with regard to any protected species that may be found on the site.

6) Pre commencement details

Where this permission requires further details to be submitted for approval, the information must formally be submitted to the Council for consideration with the relevant fee. Once details have been approved in writing the development should be carried out only in accordance with those details. If this is not clear please contact the case officer to discuss.

7) Discussion

The Local Planning Authority has acted positively and proactively in determining this application by assessing the proposal against all material considerations, including planning policies and any representations that may have been received. This planning application has been the subject of positive and proactive discussions with the applicant in terms of a full pre-application process being used and amended plans being submitted to overcome concerns.

The decision to grant planning permission in accordance with the presumption in favour of sustainable development as set out in the NPPF is considered to be a positive outcome of these discussions.

ASSESSMENT

1. Policy CP5 of the Core Strategy, Policy TB05 of the MDD Local Plan and the Affordable Housing SPD specify an affordable housing rate of 30% for any development comprising more than 15 dwellings. This equates to 11.4 units of the total of 38 units.
2. The applicant initially indicated an intention to meet the affordable housing obligations via an off-site financial contribution in lieu of on-site provision. The Council's Housing Policy Officer was not averse to this approach on the basis of the location within the Core Employment Area and the type of units proposed that would not adequately address need/demand based on dwelling size and location.

The required sum was £714,701.34 index-linked, to be used on other affordable housing in the borough.

3. Member discussion at the Planning Committee promoted on site provision of affordable housing contrary to the recommendation of the Housing Officer. The minutes from the meeting also indicate that the applicant was '*exploring options with affordable housing companies and were open to providing on-site affordable housing units.*'
4. A financial viability assessment has been submitted prior the completion of the legal agreement. The summary of that assessment concluded that '*As there is a negative residual land value for the scheme comprising all 38 units for private sale and also for the scheme providing 11.4 affordable housing units, this indicates that neither scheme is able to generate sufficient land value for there to be any affordable housing contribution.*'
5. On the aspect of developer return, the National Planning Policy Guidance assumes a viability assumption of 15-20% of Gross Development Value as a suitable return to developers. An alternative figure can be used where there is evidence to support this according to the type, scale and risk. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk.
6. The applicant has used a 17% return on private sales and 6% on the affordable housing element. This has been accepted by the Council's external consultant as an acknowledgement that it is a brownfield site and because it is a single phased scheme with all costs expended before any revenues are achieved. Affordable units have a lower return of 6% as they are seen as lower risk as an agreement has usually been reached with an RP prior to construction rather than private units where they usually need to have been constructed prior to a purchaser being found.
7. The review by the Council's external consultant raises five areas of disagreement with the financial viability assessment submitted by the applicant:
 - a) The Gross Development Value is undervalued with insufficient allowance made for their new build nature and new build premium
 - b) A six month lead in time is excessive given no demolition is required
 - c) The total build cost is excessive for a flatted scheme given there are no estate roads, very limited landscaping and fencing and no garaging and the sort
 - d) Finance costs are overstated and sales, marketing and legal costs are marginally overstated
 - e) Where the benchmark land value was not assessed in the applicant's review, it is clear that the site lies in residential use because of a lack of marketability of the previous planning permission for an office building and because of the substantial number of office conversions in the surrounding area
8. These points of differentiation have the effect of ensuring that the proposed development can return a developer profit of 15.13% whilst providing for nine affordable housing units and a commuted sum of £15,976. This is higher than the 14.18% at which the applicant stated that their appraisal of the 100% private sale

scheme would proceed at. The developer return with no affordable housing is 17% and 10.95% when applying the policy compliant affordable housing requirement of 11.4 units.

9. The applicant accepted this conclusion, with the exception of the commuted sum, citing current uncertainties with the coronavirus pandemic and disagreement with the application of the existing use value as amenity land (and not open car storage). Upon review, the Council's external consultant has accepted this reasoning.
10. Accordingly, the affordable housing requirement is for the provision of nine on-site units, which is 23.7% of the total of 38 units. This is a 2.4 unit reduction from a policy compliant requirement of 11.4 units (30%). The units are to be provided in the form of two x 1-bed units and seven x 2-bed units in a 100% shared ownership arrangement. The Council's Housing Officer is satisfied with this arrangement.
11. It also remains subject to a late stage viability review to be undertaken when 70% of the units have been sold in order that the viability of providing a commuted sum to bridge the difference between the nine units and the remaining 2.4 units to provide a policy compliant scheme can be reassessed.
12. The legal agreement is being updated to reflect the provision of nine on site affordable units and the late stage review as well as the Employment Skills Plan. At the time of writing, it was not yet completed but it is anticipated that it will be in place at the time of the Planning Committee meeting.
13. As a postscript and following assurances to the Planning Committee at the meeting on 8 January 2020, the applicant is currently in negotiations with a housing provider whereby 100% of the development will be provided as affordable housing. It is anticipated that this will be finalised by the time of the Planning Committee meeting.

CONCLUSION

14. The viability of the proposed development has been scrutinised and a partially reduced provision of affordable housing from 30% to 23.7% (or reduction of 2.4 units) is accepted as appropriate. The proposal remains acceptable in the context of the assessment made in the original officer report.