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Date: 2 October 2015

Dear Councillor,

### **Environmental and Development Services Committee**

A Meeting of the **Environmental and Development Services Committee** will be held in the **Council Chamber**, on **Thursday, 20 August 2015 at 18:00**. You are requested to attend.

Yours faithfully,

Chief Executive

To:- **Conservative Group**

Councillor Watson (Chairman), Councillor Muller (Vice-Chairman) and Councillors Mrs. Brown, Coe, Roberts, Mrs. Hall, MacPherson, Mrs. Patten and Stanton.

**Labour Group**

Councillors Chahal, Southerd, Taylor and Tilley.



## **AGENDA**

### **Open to Public and Press**

- 1** Apologies and to note any substitutions appointed for the meeting.
- 2** Minutes  
  
EDS OPEN MINUTES 04.06.2015 **4 - 8**
- 3** To note any declarations of interest arising from any items on the Agenda
- 4** To receive any questions by members of the public pursuant to Council Procedure Rule No.10.
- 5** To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 6** Reports of Overview and Scrutiny Committee
- 7** ADOPTION OF CONDITIONS FOR CAT BOARDING **9 - 35**  
ESTABLISHMENTS UNDER THE ANIMAL BOARDING ACT 1963
- 8** DEREGULATION ACT 2015 – CHANGES TO PRIVATE HIRE **36 - 63**  
LICENSING
- 9** LOCAL PLAN - EVIDENCE BASE **64 - 66**
- 10** DIESEL ROAD ROLLER PLAN **67 - 70**
- 11** DERBYSHIRE CYCLE PLAN CONSULTATION **71 - 82**
- 12** LOCAL PLAN PART 1 **83 - 244**

<b>13</b>	<b>PUBLIC SPACES PROTECTION ORDERS AND FIXED PENALTY NOTICE SANCTIONS UNDER THE ANTI-SOCIAL BEHAVIOUR CRIME AND POLICING ACT 2014</b>	<b>245 - 250</b>
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<b>15</b>	<b>LEICESTERSHIRE MINERALS AND WASTE LOCAL PLAN CONSULTATION</b>	<b>264 - 267</b>
<b>16</b>	<b>CORPORATE PLAN 2009 -15; PERFORMANCE MANAGEMENT REPORT (1 APRIL – 30 JUNE 2015)</b>	<b>268 - 277</b>
<b>17</b>	<b>WORK PROGRAMME 2015-16</b>	<b>278 - 280</b>

**Exclusion of the Public and Press:**

- 18** The Chairman may therefore move:-  
That in accordance with Section 100 (A) of the Local Government Act 1972 the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda.
- 19** Exempt Minutes  
EDS EXEMPT MINUTES 04.06.2015
- 20** To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.



## ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE

4<sup>th</sup> June 2015

### **PRESENT:-**

#### **Conservative Group**

Councillor Watson (Chairman), Councillor Muller (Vice-Chairman) and Councillors Mrs Brown, Coe, Mrs Plenderleith (substituting for Councillor Roberts), Mrs Hall, Mrs Patten and Smith (substituting for Councillor Stanton).

#### **Labour Group**

Councillors Southerd, Taylor and Tilley.

#### EDS/1 **APOLOGIES**

Apologies for absence from the meeting were received from Councillors MacPherson, Roberts and Stanton (Conservative Group) and Councillor Chahal (Labour Group).

#### EDS/2 **MINUTES**

The Open Minutes of the Meetings held on the 5<sup>th</sup> March 2015 and 9<sup>th</sup> April 2015 were approved as a true record.

Councillor Taylor referred to Minute No. EDS/101 9<sup>th</sup> April 2015, stating that the minutes did not refer to the state of paving disrepair within Swadlincote as discussed at the Meeting. Accepted as an amendment to the Minutes.

#### EDS/3 **DECLARATIONS OF INTEREST**

The Committee was informed that no Declarations of Interest had been received.

#### EDS/4 **QUESTIONS FROM MEMBERS OF THE PUBLIC UNDER COUNCIL PROCEDURE RULE NO 10**

The Committee was informed that no questions from members of the public had been received.

#### EDS/5 **QUESTIONS BY MEMBERS OF THE COUNCIL UNDER COUNCIL PROCEDURE RULE NO 11**

The Committee was informed that no questions from Members of the Council had been received.

#### EDS/6 **REPORTS OF THE OVERVIEW & SCRUTINY COMMITTEE**

The Committee was informed that there were no Overview & Scrutiny Committee reports for it to consider.

EDS/7 **ROLE OF ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE**

The Director of Community and Planning Services, the Planning Services Manager and the Planning Policy Manager summarised, in turn, the role of Environmental and Development Services Committee Members in relation to Planning, Building Control, Planning Policy and Economic Development, whilst the Director of Housing and Environmental Services made reference to the Environmental Health and Direct services within his directorate.

**MATTERS DELEGATED TO COMMITTEE**

EDS/8 **DESIGNATION OF NEIGHBOURHOOD AREA**

The Planning Policy Manager presented the report to Committee, drawing attention to the requirements of the Town and Country Planning Act 1990 (as amended) regarding supporting the Neighbourhood Planning process and the need to designate the Repton Neighbourhood Area to enable this process.

***RESOLVED:***

***That the Repton Neighbourhood Area be formally designated in accordance with the application from Repton Parish Council.***

EDS/9 **LOCAL PLAN PART 1 – FURTHER INFORMATION**

The Planning Policy Manager delivered her update report on the Local Plan Part 1 to Committee, outlining the next steps to be taken to progress matters.

Queries raised by Members relating to progress with Derby City and Amber Valley Borough Council's, as well as potential methods of fostering progress were noted and responded to.

***RESOLVED:***

***That Members noted the update report.***

EDS/10 **PROMOTION OF KERBSIDE RECYCLING AND COMPOSTING COLLECTIONS**

The Direct Services Manager presented the report to Committee.

Queries raised by Members regarding the promotional content, appropriate recycling materials, the rejected bin rate, roadshow locations and other methods of promotion were noted and responded to.

**RESOLVED:**

*That the communication plan and associated costs for promotion of the kerbside recycling and composting collection schemes be approved, to be undertaken through June / July 2015, including additional promotional locations in Swadlincote and Melbourne.*

**EDS/11 PROPOSED PERMANENT DIVERSION OF PUBLIC FOOTPATH NO.3 (PART) IN KINGS NEWTON (PARISH OF MELBOURNE)**

The Planning Services Manager delivered the report to Committee.

**RESOLVED:**

- 1) *That an Order be made under Section 257 of the Town and Country Planning Act 1990 in respect of the Proposed Permanent Diversion of Public Footpath No.3 (Part) in Kings Newton (Parish of Melbourne); and***
- 2) *That the subsequent confirmation of the Order be agreed in the event of there being no objections received during the formal consultation stage.***

**EDS/12 PLANNING CODE OF GOOD PRACTICE**

The Director of Community and Planning Services presented the report to Committee.

Comments regarding the wording of the Code in respect of official site visits, the availability of Members in full time employment and private site visits were noted.

**RESOLVED:**

- 1) *That the wording of paragraph 7 of the proposed Planning Code of Good Practice relating to site visits be delegated to the Director of Community and Planning Services and the Chairman of the Environment and Development Services Committee for determination.***
- 2) *That, upon approval of the aforesaid wording, that the proposed Planning Code of Good Practice be recommended for approval at Council.***

**EDS/13 CORPORATE PLAN 2009-15: PERFORMANCE MANAGEMENT YEAR END REPORT 2014/15**

The Director of Community and Planning Services and the Director of Housing and Environmental Services jointly presented the report to Committee.

**RESOLVED:**

*That progress against the performance targets be considered and approved.*

EDS/14 **COMMITTEE WORK PROGRAMME 2015/16****RESOLVED:**

*That the updated work programme be considered and approved.*

EDS/15 **LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985****RESOLVED:-**

*That, in accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended), the press and public be excluded from the remainder of the Meeting as it would be likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.*

**MINUTES**

*The Exempt Minutes of the Meeting held on the 9<sup>th</sup> April 2015 were approved as a true record.*

**EXEMPT QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER COUNCIL PROCEDURE RULE NO 11**

*The Committee were informed that no exempt questions from Members of the Council had been received.*

**REVIEW OF LAND CHARGES FUNCTION**

*The Director of Finance and Corporate Services presented the report to Committee.*

**RESOLVED:**

- 1) *That the following change to the restructure of the Land Charges Team within the Finance and Corporate Services Directorate be recommended to the Finance and Management Committee.*
- 2) *That the current part time post of Land Charges Assistant (18.5 hours) is increased to a full time post (37 hours) upon the retirement of the current post holder.*
- 3) *That guidance on organisational change to be followed to implement this change that includes formal consultation with employees and Trade Union representatives.*

- 4) That, owing to the exigencies of the service, any adjustments to the dates as outlined in the report is delegated to the Director of Finance and Corporate Services in consultation with the Chief Executive, Leader of the Council, Leader of the Opposition and Chairman of the appropriate Committees.**
- 5) That the timescales and actions outlined in the report for the completion of the review are approved in principle.**
- 6) That the grades of any existing or new posts are subject to the Council's Pay and Grading Review.**

The meeting terminated at 7.15pm

COUNCILLOR P WATSON

CHAIRMAN

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<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICE COMMITTEE</b>	<b>AGENDA ITEM: 7</b>
<b>DATE OF MEETING:</b>	<b>20<sup>TH</sup> AUGUST 2015</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>CHIEF EXECUTIVE</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>EMMA McHUGH 01283 595 716 <a href="mailto:emma.mchugh@south-derbys.gov.uk">emma.mchugh@south-derbys.gov.uk</a></b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>ADOPTION OF CONDITIONS FOR CAT BOARDING ESTABLISHMENTS UNDER THE ANIMAL BOARDING ACT 1963</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: EDS</b>

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## **1. Recommendations**

1.1 That Members approve the conditions contained in Appendix 1 of this report relating to cat boarding establishments to come into effect upon adoption by Council.

## **2. Purpose of Report**

2.1 To provide Members with the outcome of a consultation with interested parties.

2.2 To provide Members with the necessary information to be able to give full consideration to the recommendation contained in paragraph 1.1 of this report.

## **3. Detail**

3.1 The boarding of cats is a regulated activity by virtue of the Animal Boarding Establishments Act 1963 (the 'Act'). The Council is responsible for issuing licences to the proprietors of businesses falling within the definition of an animal boarding establishment, and ensuring compliance with the Act.

3.2 The Act permits the Council to adopt conditions it deems necessary, or expedient in the particular case, as specified in section (3)(a) to (e) of the Act, namely:

- (a) that animals will at all times be kept in accommodation suitable as respects construction, size of quarters, number of occupants, exercising facilities, temperature, lighting, ventilation and cleanliness;

- (b) that animals will be adequately supplied with suitable food, drink and bedding material, adequately exercised, and (so far as necessary) visited at suitable intervals;
- (c) that all reasonable precautions will be taken to prevent and control the spread among animals of infectious or contagious diseases, including the provision of adequate isolation facilities;
- (d) that appropriate steps will be taken for the protection of the animals in case of fire or other emergency;
- (e) that a register be kept containing a description of any animals received into the establishment, date of arrival and departure, and the name and address of the owner, such register to be available for inspection at all times by an officer of the local authority, veterinary surgeon or veterinary practitioner authorised under section 2(1) of this Act.

3.3 The Council currently licences a total of 18 establishments for the boarding of cats in catteries. All cattery licences are controlled by conditions based on the 1995 Chartered Institute of Environmental Health's (CIEH) set of model conditions for catteries.

#### **Proposed Conditions**

- 3.4 The proposed conditions are the model conditions produced by the Chartered Institute of Environmental Health (CIEH) and are the basic minimum standards considered necessary to ensure animal health and welfare are maintained in boarding establishments.
- 3.6 The conditions also include guidance to assist existing licence holders and applicants in complying with the conditions. A copy of the draft conditions and guidance can be found at **Appendix 1**.

#### **Consultation**

- 3.5 Officers conducted a consultation exercise on these proposals with all existing licence holders and members of the public via the Council's website.
- 3.6 During the consultation period, the CIEH produced an update to the model conditions following an amendment to ensure clarity and consistency of approach between existing and new build establishments in regard to sneeze barriers. The draft conditions and have been updated to include these amendments.
- 3.7 Three responses were received during the consultation period. A summary of the points raised in the responses can be found at **Appendix 2**. No changes have been made to the draft conditions as a result of the responses received.

#### **4. Financial Implications**

- 4.1 There are no financial implications to the Council.
- 4.2 Recommendation 1.1 will have no financial implications on existing licence holders.

**6. Corporate Implications**

- 6.1 These proposals will provide a clear framework for anyone wishing to start their own business which will contribute directly to the corporate vision to make South Derbyshire a better place to live, work, and visit, and to the theme of sustainable growth and opportunity.
- 6.2 These proposals will also demonstrate to members of the public that South Derbyshire District Council takes the safety and welfare of animals seriously, which contributes to the theme of safety and security.



**SOUTH DERBYSHIRE DISTRICT COUNCIL**

**LICENCE CONDITIONS AND GUIDANCE**

**FOR**

**CAT BOARDING ESTABLISHMENTS**

**ANIMAL BOARDING ESTABLISHMENTS ACT 1963**

**ANIMAL WELFARE ACT 2006**

**Adopted: #**

## **Cat Boarding Establishment Conditions and Guidance**

### **ENVIRONMENT: PROVIDING THE CAT(S) WITH A SUITABLE PLACE TO LIVE**

#### **1. Physical construction and integrity**

##### **General**

The cattery must be safe, secure and free from hazards, to minimise any chance of injury to cat or escape of a cat.

- 1.1 The cattery must be structurally sound.
- 1.2 The cattery must be constructed of materials that are robust, safe and durable and be well maintained in good decorative order and repair.
- 1.3 Materials used in construction or maintenance must not expose cats to any harmful chemicals.
- 1.4 The cattery must be built in compliance with good building practice (e.g. local authority guidelines), on a concrete base with a damp proof membrane. Where Building Regulations apply these must be adhered to.
- 1.5 There must be no sharp edges, projections, rough edges or other hazards which present risk of injury to a cat.
- 1.6 Windows must be escape-proof at all times.
- 1.7 Doors must have secure latches or other closing devices.
- 1.8 All wire mesh/fencing must be strong and rigid and kept in good repair to provide an escape-proof structure.
- 1.9 Timber, if used, must be of good quality, well maintained and any scratched areas sealed or over-clad.
- 1.10 Any storage areas must be dry and free from vermin.
- 1.11 Electrical equipment must be installed in line with current legislation and maintained in a safe condition.

##### **Drainage**

Drainage must be effective to ensure there is no standing water in the cattery, as this can be a reservoir for infectious agents.

- 1.12 Waste water must not run off into adjacent pens.
- 1.13 Adequate drainage must prevent pooling of liquids.
- 1.14 Any drain covers in areas where cats have access must be designed and located to prevent toes/claws from being caught.

An enclosed area (safety corridor/entrance lobby) is essential to ensure that if cats manage to slip out from their individual cat unit, they are still kept safely inside the cattery.

- 1.15 There must be an escape-proof area (safety corridor/entrance lobby) at the exit of each cat unit.
- 1.16 For catteries where there are facing units accessed by an indoor corridor, the corridor must be at least 1.2 m wide, or the doors of the units must be solid or have sneeze barriers.
- 1.17 At the end of the safety corridor there must be a securable door through which the inside of the cattery can be viewed from the outside and this must be kept closed when not in use.
- 1.18 The door from the cat unit to the safety corridor must be escape-proof, securable, strong enough to resist impact and scratching and kept closed at all times.
- 1.19 The floor must be finished to produce a smooth, impervious surface which is easy to clean and disinfect. Holes or gaps between tiles or paving slabs are not acceptable.
- 1.20 Outdoor safety corridors must be roofed.
- 1.21 External doors/gates must be lockable and staff must have easy access to keys in case of emergency.
- 1.22 Sufficient lighting must be provided in the safety corridor to illuminate all year round. Where practicable this should be natural light during the day.
- 1.23 The safety corridor must not be used as an exercise area.

## Roofing

Roofing provides protection from the weather and prevents escape of cats. In a timber construction it is strongly recommended that the run should also be roofed with wire mesh, as an added precaution against escape. The mesh should extend over the top of the run under the roof and be attached firmly to the framework.

In catteries where substantial roofing is placed over the whole cattery (including the safety corridor) the need for wire mesh roofing is diminished. However, care must be taken to ensure that no gaps appear to allow escape of a cat.

- 1.24 There must be a safe, secure, waterproof roof over all of the cat units (sleeping accommodation and run) and the safety corridor. For the run, materials used must be capable of filtering UV light and providing adequate shade.

## 2 Cat units

A boarded cat is accommodated in a 'unit' comprising enclosed sleeping accommodation and an adjoining individual covered exercise run.

- 2.1 Cats from different households must not share cat units.

## Lighting

Lighting enables adequate observation of the animals and for cleaning and working in the cattery.

- 2.2 There must be adequate lighting in the cat unit.

### **Ventilation and humidity**

Fresh air is essential for the maintenance of good health and well-being as well as limiting the spread of infectious disease. Proper ventilation removes heat, dampness, odour, airborne microbes and pollutant gases such as ammonia.

- 2.3 Ventilation must be appropriate all year round (both cool in hot weather and avoiding cold draughts in winter). Localised draughts in the sleeping accommodation must be avoided.

### **Interior surfaces**

For disease prevention units must be easy to clean and disinfect.

- 2.4 All interior surfaces to which cats have access must be durable, smooth and impervious, capable of being cleaned and disinfected, and be kept in good decorative order and repair.
- 2.5 Where concrete or other building blocks or bricks are used, they must be sealed to be smooth and impervious.
- 2.6 Surfaces which are peeling, scratched, chipped or in disrepair must be repaired or resealed to an acceptable standard, or replaced.
- 2.7 Ceilings must be capable of being easily cleaned and disinfected.
- 2.8 Junctions between sections must be covered or sealed.
- 2.9 Floors must be finished to produce a smooth, non-slip, solid surface and all surfaces must be capable of being easily cleaned and disinfected. (There must be no open gaps if using concrete slabs or tiling).

### **Accessing the cat unit**

Each unit needs to be easily accessible and provide a means of identification for each cat.

- 2.10 Each unit must be designed to allow staff to access and clean all parts of the cat unit safely.
- 2.11 The unit must have a securable, full height door for access.
- 2.12 Each unit must be clearly marked (e.g. numbered) and a system in place which ensures that relevant information about the cat in that unit is readily available.

### **Litter trays**

Cats are meticulous animals and a dirty litter tray may deter use. Natural behaviour is to scratch in loose material (litter), to dig a hole or cover waste. The tray should be large enough (average size is 30 x 42 cm (12" x 16")) to let the cat turn around and the litter deep enough (a minimum of 3 cm is recommended) to allow digging activity. Loose sawdust, shredded or sheet newspaper, or soil, are not considered acceptable as litter material.

- 2.13 Litter trays of a suitable size or type must be provided at all times.

- 2.14 Each unit must have space to allow for at least 60 cm separation between the litter tray, resting place and feeding area. This allows cats to sit, rest and eat away from areas where they urinate and defecate.
- 2.15 Trays must be impermeable, easy to clean and disinfect, or be disposable.
- 2.16 A safe and absorbent litter material must be provided.
- 2.17 In a multiple cat unit the number of trays must be appropriate to the number of cats.
- 2.18 Trays must be regularly and appropriately cleaned.

### 3 Sleeping accommodation

Cats need separate sleeping accommodation which in most cases (except some indoor catteries) must be separate from the run and provide somewhere for the cat to hide away. Most designs fall within the guidelines detailed here:

**Full-height unit** – cat sleeping accommodation in the form of a full-height ‘shed’ which opens into the exercise run and is accessed via a full-height door.

**Penthouse unit** – cat sleeping accommodation in the form of an enclosed raised ‘box’ which opens into the exercise run and is accessed via a ramp from the cat flap. It can also be accessed by opening the front door(s) to the box.

The sleeping accommodation must be large enough to allow cats to move and lie comfortably and provide enough space to spread resources.

#### Size of full height walk-in unit sleeping accommodation:

- 3.1 The following minimum areas and dimensions must be achieved in order to give cats a suitable and appropriate comfortable space and for ease of cleaning and management.

Existing Buildings, floor area and dimensions of full height walk-in sleeping accommodation			
	Minimum area	Smallest dimension must be a minimum of:	Minimum height
One cat	0.85m <sup>2</sup>	0.9m (e.g. 0.90 x 0.95m)	1.8m
Up to two cats	1.5m <sup>2</sup>	1.2m (e.g. 1.20m x 1.25m)	1.8m
Up to four cats	1.9m <sup>2</sup>	1.2m (e.g. 1.20m x 1.60m)	1.8m

#### Shelving or raised area for a full height walk-in unit

Shelves or raised areas are important to allow cats to rest high up. Shelving must be able to be kept clean, be large enough for cats to lie on (usually between 0.75 and 1.5 m above the ground) and accessible.

- 3.2 All resting areas/shelving must be large enough for each cat to lie on.
- 3.3 Facilities must be easily accessible and provide safe easy access to the shelf for elderly, ill, very young or disabled cats if required.

3.4 Shelving or raised areas must be made of impervious, easily cleanable materials.

**Size of penthouse sleeping accommodation (an enclosed boxed sleeping area raised off the ground)**

3.5 The following minimum areas and dimensions must be achieved in order to give cats a suitable and appropriate comfortable space and for ease of cleaning and management.

Existing Buildings, floor area and dimensions of penthouse sleeping accommodation (box)			
	Minimum area	Smallest dimension must be a minimum of:	Minimum height
One cat	0.85m <sup>2</sup>	0.9m (e.g. 0.90m x 0.95m)	1m
Up to two cats	1.1m <sup>2</sup>	0.9m (e.g. 0.9m x 1.20m)	1m
Up to four cats	1.7m <sup>2</sup>	0.9m (e.g. 0.9m x 1.90m)	1m

3.6 Facilities must be easily accessible and provide safe easy access (ramp/steps) to the penthouse. Extra consideration may be needed for elderly, ill, very young or disabled cats.

**Temperature in sleeping accommodation**

Cats like warmth and some indoor cats are used to high ambient temperatures. In a cattery the cat needs an adequate ambient temperature and additional heating facilities if this cannot be guaranteed at times of excessively cold weather.

Breed, body condition, medical condition, coat and age can affect an individual's ability to maintain its body temperature.

3.7 There must be a means of measuring, monitoring and recording temperature (maximum and minimum temperatures) representative of the temperature in the cat sleeping accommodation.

3.8 Insulation and temperature regulation in the cattery must aim to keep the ambient temperature in the cat sleeping accommodation above an absolute minimum of 10°C.

3.9 There must be part of the cat's sleeping accommodation where the cat is able to enjoy a minimum temperature of 15°C; this additional heat may be in the form of a heated bed/pad etc.

3.10 The cat must be able to remove itself from the source of heat.

3.11 Heaters must not be sited in a manner or location where they present a risk of burning or electrocution to cats or humans, or a risk of fire.

3.12 Open flame appliances must not be used.

3.13 All heating equipment must be installed and maintained in a safe condition.

- 3.14 Additional forms of heating can be in the form of heated beds, heated pads or similar but these must not be the main source of heat for the cats. Use should be tailored to the needs of individual cats.
- 3.15 Any sockets in the sleeping accommodation must be waterproof and as far out of reach of cats as possible.
- 3.16 There must be a policy in place for dealing with high temperatures and a means of keeping cats cool.

### **Bedding**

Bedding is important to help animals regulate their body temperature, to give traction and to keep animals comfortable. Old or infirm cats can have difficulty rising if surfaces are slippery, and old, very young or infirm animals may have difficulty regulating their body temperature.

- 3.17 There must be a clean resting place to provide comfort and warmth which is situated out of draughts.
- 3.18 Soft bedding materials must be provided and adapted if necessary for old, young or infirm cats to help regulate their body temperature.
- 3.19 Bedding must be made of a material that is easy to wash/disinfect, or is disposable.

### **Access to run**

A cat flap allows free access to the run while maintaining indoor temperature. It can be locked if necessary.

- 3.20 A cat must have access between the sleeping accommodation and run (eg a cat flap) so it can easily and safely access all parts of its unit.

## **4. Exercise run (in addition to and not including sleeping accommodation)**

The exercise run must be large enough to allow cats to play/exercise.

- 4.1 Any part of the run to which the cat has access must be easily cleanable and not damaged by scratching. Any replacement wood must be clad with a smooth impervious material.
- 4.2 The floor must be finished to produce a smooth, impervious surface and all surfaces must be capable of being easily cleaned and disinfected. There must be no open gaps if using concrete slabs or tiling.
- 4.3 Where cats have access to mesh (catteries with gaps rather than sneeze barriers), the diameter of the wire must not be less than 1.6 mm (16 gauge welded mesh). Mesh size must not exceed 25 mm in one direction and should be positioned on the inside of the framework of runs to prevent damage of uprights by cats scratching any woodwork.
- 4.4 All exercise runs must be roofed to provide protection from the elements.
- 4.5 Communal exercise areas must not be used.

### **Size of exercise run for full height walk-in unit and penthouse style unit**

- 4.6 The following minimum areas and dimensions must be achieved in order to give cats a suitable and appropriate comfortable space and for ease of cleaning and management.

<b>Existing Buildings, floor area and dimensions of full height and penthouse exercise runs</b>			
	<b>Minimum area</b>	<b>Smallest dimension must be a minimum of:</b>	<b>Minimum height</b>
<b>One cat</b>	0.85m <sup>2</sup>	0.9m (e.g. 0.90m x 0.95m)	1m
<b>Up to two cats</b>	1.1m <sup>2</sup>	0.9m (e.g. 0.9m x 1.20m)	1m
<b>Up to four cats</b>	1.7m <sup>2</sup>	0.9m (e.g. 0.9m x 1.90m)	1m

### **Sneeze barriers**

It is important to ensure that cats from different households cannot come into direct contact with one another or sneeze on each other.

- 4.7 Full height, full width solid sneeze barriers must be installed between cat units. Alternatively, where the cattery is built with gaps between outdoor units rather than sneeze barriers, these must be a minimum of 0.6m wide.
- 4.8 Sneeze barriers must be in place on the end walls of the exercise run at each end of the cattery block to prevent contact with animals from outside.

### **Shelving or raised areas in exercise run**

Shelves or raised areas are important to allow cats to rest high up where they feel more secure usually between 0.75 and 1.5 m above the ground).

- 4.9 Shelving must be made of impervious, easily cleanable materials.
- 4.10 There must be a shelf or facility for providing a raised area in the exercise area.
- 4.11 All resting areas/shelving must be large enough for each cat to lie on.
- 4.12 Extra help (e.g. steps) to provide safe easy access to the shelf for elderly, ill, very young or disabled cats must be available if required.

## **5 Fire and other emergencies**

Appropriate steps will be taken for the protection of the animals in case of fire and other emergencies.

This should include instructions on where staff and cats are to be evacuated to in the event of emergencies such as fire or flooding. An emergency telephone list should include fire, police and vets.

Fire and electrical safety certificates should be available for inspection.

- 5.1 There must be a written emergency plan (agreed by the local authority) which must

be on display and known to staff and a contingency plan should the premises be destroyed or uninhabitable.

- 5.2 Premises and activities must be risk assessed (including fire). These risk assessments must be recorded and relayed and understood by all staff.
- 5.3 Fire fighting equipment must be provided, maintained in good working order (maintenance must be evident and should show date checked) and easily accessible.
- 5.4 Fire exits must be clearly marked and access left unrestricted.
- 5.5 The premises must comply with current legislation with regards to electricity and gas (if connected).

### **DIET: PROVIDING THE CAT(S) WITH AN APPROPRIATE DIET**

Fresh clean water and a suitable diet are basic nutritional requirements for physical health.

## **6 Drinking**

Water is essential for all cats. It is especially important for those fed on dry food. Cow's milk should not be fed to cats because many cats have lactose intolerance. Wide water bowls allow cats to drink without bending their whiskers.

- 6.1 Fresh water must be available at all times. Clean water must be provided daily in a clean container or changed sooner if it is visibly soiled.
- 6.2 Food and water must be kept separate (Joint feeding and water bowls must not be used).
- 6.3 Water must be positioned well away from the litter tray, as cats will not drink if it is placed too close to a toilet site.
- 6.4 Adequate water bowls must be provided for multi-cat units.
- 6.5 Water bowls must be non-porous and easy to clean/disinfect.

## **7 Eating**

Cats have very specific dietary needs which can vary, dependent on a number of factors (i.e. age, health status, activity, weight). However, all cats are obligate carnivores and require a well-balanced, meat-based diet to stay fit and healthy. Ideally cats should be fed several small meals per day. Kittens, or cats with additional needs, will need more frequent feeding. The feeding of raw food diets is not recommended due to the risk of bacterial and parasite contamination and the public health risk. Cats should not remain inappetent (not eating) for longer than 2 days without seeking veterinary advice.

- 7.1 There must be exclusive facilities, hygienically constructed and maintained, for the storage and preparation of food for the cats.
- 7.2 Refrigeration facilities must be provided.
- 7.3 A sink with hot and cold water must be provided for the washing of food equipment and eating and drinking vessels.
- 7.4 Clean, safe containers must be provided for the storage of foods and must be insect and rodent proof.

- 7.5 Cats must be fed a balanced diet suitable for their age, health status, reproductive status and lifestyle. The type of food, specific diet or prescription diet is usually by agreement with the owner.
- 7.6 Food must be unspoilt, palatable, and free from contamination.
- 7.7 For healthy adult cats at least two meals a day must be offered at a minimum of 8 hours apart, as appropriate to the individual's requirements.
- 7.8 Unconsumed wet or fresh food must be removed before it deteriorates, and before the next feed time. Dry food can be fed as indicated by the manufacturer.
- 7.9 Food must not be left for excessive periods to prevent it being spoiled and attracting flies. This will vary with temperature conditions and type of food.
- 7.10 All food must be positioned well away from the litter tray, (minimum 60cm), as cats will not eat if it is placed too close to their toilet site.
- 7.11 One feeding bowl must be provided per cat.
- 7.12 Food bowls must be non-porous and easy to clean and disinfect, or disposable.
- 7.13 Food intake must be monitored daily and any problems recorded.
- 7.14 Veterinary advice must be followed if feeding debilitated, underweight or ill cats, or those with specific dietary requirements.
- 7.15 Cats displaying marked weight loss/gain must be evaluated by a vet and treated as necessary.

## **BEHAVIOUR: ALLOWING THE CAT(S) TO EXPRESS NORMAL BEHAVIOUR PATTERNS**

Good welfare depends on meeting both the mental and behavioural needs of cats, as well as their physical needs. How a cat behaves can indicate how successfully an individual is coping in its environment.

### **8 General points on cat behaviour**

Physical and mental health can affect cat behaviour. Cats are intelligent active creatures but changes can upset them, as can being off their own territory. Some cats can become stressed or bored in a boarding situation. This can lead to poor appetite, shedding viruses or greater susceptibility to disease. Staff should be appropriately trained to recognise common behaviours and behaviour changes. A cat should never be punished as this is likely to make it more nervous or scared. A regular routine will help cats to predict what is going to happen.

Ideally cats should be able to view the outdoors and have an interesting outlook.

- 8.1 The behaviour of individual cats must be monitored on a daily basis and abnormalities or changes noted and acted upon if necessary.
- 8.2 Cats must be able to access different levels within the unit.
- 8.3 Cats must be given the opportunity for play and exercise.

Hiding is a behaviour that cats can use to help them cope with changes in their environment. Cats hide to avoid interactions with other cats or people, or stressful situations. Providing cats with places to hide can reduce stress and can be as simple as providing a cardboard box, an igloo-type bed or other structures within the unit.

8.4 A hiding place must be provided for cats in the sleeping accommodation.

## **Play**

Encouraging cats to play can be a good way of keeping them active.

Cats are playful animals (but individuals vary in their desire to play) and enjoy playing with toys (especially those which mimic prey), and with people. Cats have a need to express the innate predatory behaviour which is natural for them and therefore show most interest in toys that mimic prey.

Environmental enrichment such as changing toys regularly, can reduce boredom.

8.5 Any toys provided must be safe and be disinfected between use in the cattery, or disposed of. If provided by the owner toys must be kept within that cat's unit and used solely for that cat and returned to the owner at the end of the cat's stay.

## **Scratching**

Cats are highly motivated to show scratching behaviour and naturally use objects to scratch to mark their territory, strengthen their muscles and sharpen their claws. Cats often prefer scratch posts tall enough for the cat to use fully stretched.

8.6 Cats must be provided with suitable facilities for scratching.

8.7 Any surface available for scratching must either be disinfected between use for different cats, or disposable. If provided by the owner it must be kept within that cat's unit and used solely for that cat and returned to the owner at the end of the cat's stay.

## **9 Noise**

Cat hearing is more sensitive than human hearing and thus noise levels uncomfortable for humans are likely to be very uncomfortable for cats. Excessive noise contributes to adverse behavioural and physiological responses. Cats are adversely affected by the sound of barking dogs.

The cattery environment should be as calm and quiet as possible with noise producing equipment located as far away from animals as possible.

9.1 Cats must not be exposed to excessive noise of barking boarded dogs or other excessive/continuous noise.

## **10 Long stay cats**

Occasionally cats stay in a boarding cattery for periods over 3 weeks and these cats require special consideration such as environmental enrichment, regular health checks and extra attention from staff.

10.1 A Standard Operating Procedure (SOP) must be in place explaining how to ensure the health and welfare of long-term stay cats.

## **COMPANY: PROVIDING THE CAT(S) WITH THE APPROPRIATE COMPANY**

It is important from a welfare perspective to ensure that any need that a cat has to be housed, with or apart from, other animals, is met. The cat is by nature a solitary animal, and contact with or seeing unfamiliar/strange cats can be very stressful.

### **11 Feline company and interactions**

Most adult cats will only be friendly to siblings or certain other cats they live with. Strange cats are usually avoided. Cats can find the presence of other cats very stressful and can suffer if they cannot avoid cats with whom they are not familiar or do not like. Housing cats at high densities increases the potential for them to be stressed. Only cats from the same household may share a unit.

Where possible cats must be able to avoid seeing other cats by being provided with hiding places and translucent (allowing light to pass through, but only diffusely, so that objects on the other side cannot be clearly distinguished) barriers between units.

- 11.1 Cats from different units must not share exercise runs or an exercise area either at the same time or sequentially.

### **12 Human company and interactions**

Most cats enjoy and benefit from human company, but prefer to interact with people on their own terms. Cats socialised to humans can find human company stimulating and may show signs of stress when this interaction is decreased. However, other cats will prefer minimum contact.

Cattery staff should find out from the owner and monitor each cat to ascertain how much human contact it wants and adapt to provide this.

A cat should never be forced to interact with a person/people, and a facility should be provided for a cat to avoid people should they wish.

Scruffing of cats (picking up a cat by the scruff of its neck) should not be done except as an absolute last resort.

- 12.1 Cats must be always be handled humanely and appropriately to suit the requirements of the individual cat.

### **13 Multi-cat units**

Proprietors have a responsibility to monitor units where more than 1 cat is housed. Even though these cats originate from the same household, cats sharing a home may not necessarily get on well, especially when confined. Therefore proprietors must monitor cats to ensure that they are not experiencing stress/distress/aggression from another cat. Only cats from the same household can share a unit.

- 13.1 For any multi-cat unit (cats from the same home) cats must be monitored and consent obtained from the owner for separating cats, should problems arise (e.g. cats fighting or 'stressed').
- 13.2 There must be multiples of all resources (food and water bowls, litter trays and sleeping areas (warmed if required), depending on the number of cats, to ensure that

some cats cannot monopolise resources and prevent the others from accessing them.

- 13.3 A separate bed must be provided for each cat.
- 13.4 A separate hiding place must be provided for each cat e.g. a cardboard box, igloo bed.
- 13.5 Separate feeding bowls (not double feeders) must be provided for each cat.
- 13.6 Several sources of water must be provided if multiple cats are housed.

## **HEALTH AND WELFARE: PROTECTING THE CAT(S) FROM PAIN, SUFFERING, INJURY AND DISEASE**

### **14 Monitoring cats**

In order to keep cats healthy the proprietor needs to have an organised system for registering and monitoring all cats at the cattery.

It is recommended that a late-night round be carried out to check on all cats, heating etc.

The well-being of the boarded cat is paramount. It is recommended that all cats are weighed on entry and exit from the cattery. This allows the proprietor to monitor any changes and provides information should clients challenge the cat's condition on their return. This is especially important for older cats and kittens. Geriatric, ill or debilitated cats should also be monitored more closely for appropriate management.

It is recommended that cats that are boarded for longer than 2 weeks are weighed every 2 weeks, and older cats and kittens weighed weekly, and records kept.

- 14.1 All cats must be observed regularly throughout the day. Cats must be checked daily for signs of illness and/or injury and to ensure that their needs are being met. Any signs of ill health or unusual behaviour must be recorded and advice sought without delay.
- 14.2 The cattery proprietor or responsible person must visit the cats at regular intervals (of no more than 4 hours apart during the working day), or as necessary for the individual health, safety and welfare of each cat.
- 14.3 Presence or absence of faeces and urine in trays must be noted daily. Any signs of abnormalities in excreta must also be noted or acted upon as appropriate.
- 14.4 Drinking and eating habits must be monitored and any problem investigated.

### **15 Keeping records**

- 15.1 A register must be kept of all cats boarded and available to key members of staff and to local authority inspectors if requested. Records should be backed up and records kept for a minimum of 24 months. It is also useful to know if cats are insured, should problems occur.
- 15.2 The information kept must include the following:
  - Date of arrival and departure.
  - Name, sex, description of cat and microchip number.

- Number of cats sharing from same household.
- Name, address, phone number and email of owner (including emergency contact details).
- Name, address, email and phone number of emergency local contact (who is able to take the cat if necessary).
- Cat's veterinary surgeon.
- Cat's diet and relevant requirements.
- Cats' relevant medical history.
- Consent forms e.g. veterinary treatment, consent to share or separate cats if needed, record of baskets/toys etc. left at the cattery (Check vet consent forms i.e. own vet or designated vet if not in area).
- Record of vaccination.
- Any medical treatment must be recorded and visible to prevent mis-dosing.

## 16 Disease control

Cats are vulnerable to a range of serious infectious diseases, therefore disease control and rapid response to any signs of illness is critical.

The potential for infectious disease problems escalates where many cats are kept together and a cat's immune system can also be affected by stress.

As outlined elsewhere, construction materials and equipment need to be easy to clean and disinfect.

No cats should be allowed in the safety corridor or to share an exercise area (unless they come from the same household).

Infectious agents are spread in various ways:

- Feline leukaemia virus (FeLV) and feline immunodeficiency virus (FIV) need direct contact between cats, which should be impossible in the boarding situation.
- Cat flu viruses such as feline herpesvirus [FHV], feline calicivirus [FCV], and other respiratory pathogens such as Bordetella bronchiseptica, are spread in sneeze droplets, on hands, clothes, shoes, equipment and environment.
- Feline parvovirus (aka feline infectious enteritis (FIE)) can be spread on hands, clothing and shoes, litter trays and environment, and can remain in the environment for a long time.

The source of feline parvovirus (FIE) is faeces from an infected cat and several other agents are spread via contact with other cats' faeces/litter trays and include Coronavirus, Salmonella and Campylobacter etc.

Ringworm spores can remain infectious in the environment for prolonged periods of time.

Preventing cat-to-cat contact, ensuring excellent hygiene protocols and management protocols to minimise stress can reduce the risk of disease spread.

The movement of people through the cattery should be minimised and supervised.

If rescue cats are boarded, these should be handled last.

16.1 Where work with rescue cats or breeding cats is also undertaken, this must be kept completely separate, and extra precautions taken to prevent the spread of disease.

16.2 When there is any cause for concern regarding the health status of a cat, that cat

must be handled last and the unit must be cleaned after all the others.

- 16.3 Cats must remain in their assigned unit and not be moved to other units (rotation) or to a holding unit for cleaning purposes, except for moving to an isolation facility.
- 16.4 Standard operating procedures (SOPs) must be in place and followed to prevent spread of disease, and staff trained in these procedures.
- 16.5 Facilities must be provided for the proper reception, containment and disposal of all waste and meet with local authority approval.
- 16.6 Isolation facilities must be available.

## **17 Hygiene practices**

Proper cleaning and disinfection helps to reduce the spread of infectious disease to both animals and people. Cats are particularly susceptible to poisoning from phenolic compounds (those that turn cloudy when added to water), therefore these must not be used.

### **Cleaning and disinfectant products**

- 17.1 Products must be suitable to use and effective against the pathogens, (especially feline parvovirus (FIE) and ringworm)) for which the cats are at risk and under the conditions present in the environment in which they are used.
- 17.2 Cleaning agents and disinfectants must be non-toxic to cats.
- 17.3 The compatibility of different bactericides, fungicides and virucides (if used together and/or with a detergent) must also be taken into account.

Manufacturers' recommended guidelines for use, correct dilutions and contact time for use in cleaning and disinfection products must be followed. Standing water must not be allowed to accumulate in areas around the cat units due to the possibility of pathogens residing in these moist environments.

### **Cleaning and disinfecting routines for units when cats are resident**

Litter tray hygiene is very important as cats may refuse to use trays if they are soiled; faeces is also a high risk source of infection for some feline diseases.

Cats prefer clean, comfortable dry bedding. Bedding should not be a source of infection.

Cats can ingest infective agents from dirty dishes and may excrete viruses themselves in saliva. Clean and disinfected dishes reduce the risk of disease.

On a daily basis (and more often if necessary) the unit needs to be spot cleaned and any obvious food or waste removed, and all excreta and soiled material removed from all areas used by cats.

Litter trays need to be cleaned and disinfected in a separate area away from food preparation.

Food and water dishes need to be cleaned and disinfected, and not at the same time in the same sink or area as litter trays or other items soiled with body waste.

If only one sink is available, strict protocols need to be in place between use to ensure adequate disinfection after cleaning litter trays and before cleaning dishes, as faeces is the

major source of many infective pathogens. Sinks need to be disinfected thoroughly between uses.

- 17.4 There must be cleaning and disinfection routines in place for day-to-day management of the cats and for ensuring a cat unit and all equipment is cleaned and disinfected effectively before a new cat comes in.
- 17.5 Each unit must be supplied with its own dustpan, brush and scoop, to be used exclusively in, and kept in that unit, until departure of the cat, and then cleaned and disinfected before re-use, or disposed of prior to the next resident.
- 17.6 Litter trays must be emptied and cleaned and disinfected at least once a day, or more frequently as necessary.
- 17.7 Beds and bedding material must be checked daily and be maintained in a clean, dry and parasite-free condition.
- 17.8 Drinking vessels must be changed/cleaned and disinfected at least once a day.
- 17.9 Grooming equipment must either be cleaned and disinfected between use on different cats, or be disposable. If provided by the owner, it must only be used on that cat and must be sent home with the cat.
- 17.10 Toys and scratch posts must be cleaned and disinfected between use for different cats, disposed of, or returned to the cat's owner (if they came in with the cat).

### **Handling cats**

Hand sanitiser dispensers should be available in all cat care areas and should only be used on clean hands. It should be noted that hand sanitisers are ineffective against some of the more dangerous pathogens (e.g. calicivirus) and cannot be relied upon as the sole means of hand sanitation. Washing of hands thoroughly or wearing of gloves is preferable.

Fresh protective garments should be worn when handling vulnerable individuals. Kittens and young cats should be handled before adult cats.

- 17.11 Hygiene protocols must be observed between handling cats. Hands must be washed/disinfected or hand sprays or alcohol gel used between handling of each cat.
- 17.12 Protective garments must be changed and laundered with an appropriate disinfectant/ disposed of immediately after handling a cat with a suspected infectious disease.

### **18 Vaccination, fleas, worms and other parasites**

There must be a policy for cats coming to the cattery having vaccinations against appropriate diseases (Occasionally there will be veterinary advice on a specific cat regarding vaccination and its health status and this should be taken into account).

If owners have treated their cats for worms and fleas before entry to the cattery, the proprietor should note when this occurred and what products were used.

- 18.1 An up-to-date veterinary health record must be seen to ensure that cats boarded have current vaccinations against feline parvovirus (feline infectious enteritis) (FIE) and against feline respiratory viruses (feline herpesvirus and feline calicivirus).

- 18.2 Vaccination (including boosters) must have been completed, at the very least, 2 weeks before the cat's arrival in order to ensure maximum protection.
- 18.3 Homoeopathic vaccination is not acceptable as it will not protect against infectious diseases.

## **19 Isolation facilities**

All establishments must have a means of providing isolation that will allow for the care of sick cats which develop signs of infectious diseases, to minimise the risk to other cats. How this is physically provided (ranging from being able to shut off an end unit of the cattery and using a separate door, to having a separate building) may vary. In many catteries the cat is taken straight to the vet (catteries are advised to check with the vet whether this service is available). If not, isolation protocols (below) must be observed.

- 19.1 The area must provide separate, self contained facilities for the isolation of suspected infected cats and must have a separate entrance to the rest of the units.
- 19.2 Separate cleaning supplies and clothing must be designated for the isolation area and other cattery sections.
- 19.3 Protective clothing and footwear must be worn when handling cats in the isolation facility, and sanitation protocols adhered to, to avoid the transmission of disease. Whilst in use, the clothing should be kept in the isolation unit and not be removed other than for cleaning and disinfection.
- 19.4 Hands must be washed/disinfected between handling cats.
- 19.5 Separate feeding and water bowls, litter trays, litter, a dedicated safe cat basket, bedding and cleaning utensils must be stored in the isolation unit ready for immediate use.
- 19.6 Any cats in the isolation facility must be checked regularly and unless a separate person is caring for them, they should be visited after the other cats.
- 19.7 A Standard Operating Procedure (SOP) for barrier nursing and information must be provided for staff.
- 19.8 Should a cat need to be removed from its unit, it must be carried in a secure and disinfected cat carrier, and the carrier disinfected after use.
- 19.9 In emergency cases, such as admission of unvaccinated cats because of owner hospitalisation, there must be provision to be able to place these animals in isolation.

## **20 Veterinary treatment and health care**

Access to veterinary care is vital for the cat, should it be required.

If medication is necessary, it should only be used for the cat for which it is prescribed and following a veterinary surgeon's instructions.

- 20.1 A veterinary practice must be appointed for the establishment. The name, address and telephone number of the establishment's veterinary service must be displayed in a prominent position for staff.

- 20.2 Where cats require wiping of eyes, grooming or other cleaning regimes, these must be carried out frequently enough to keep the cat clean and comfortable providing it is safe to do so.
- 20.3 When a cat is suspected of being ill or injured (staff should be trained to recognise when a cat requires veterinary care), a veterinary surgeon must be contacted for advice immediately. Any instructions for treatment given by a veterinary surgeon must be strictly followed with further advice sought if there is ongoing concern.
- 20.4 Medicines must be stored safely, securely, at the correct temperature and labelled correctly according to manufacturer's instructions. Any unused medications must be returned to the owner or prescribing vet.

## **21 Holding units for temporary housing**

Routine use of holding units is not recommended as they are small (minimum size should be 1 m in each dimension) and are an additional source of cross infection to cats.

Holding pens should only be used in exceptional circumstances ideally for no longer than 12 hours and not in areas where other cats are housed.

The licensed capacity of the cattery does not include holding pens.

- 21.1 If, in an emergency, holding units/pens are used, they must not be sited in the reception.
- 21.2 Cats must be provided with a bed, litter tray, food and water.

## **22 Transportation of animals**

Transportation can increase risk for cats, both of disease (from unclean vehicles or carriers) or of escape. A vehicle can be viewed as an extension of the premises and therefore the same principles of hygiene, care and disease control apply. If the journey is long, appropriate resources must be provided.

- 22.1 Any transport legislation must be complied with.
- 22.2 Cats must be secured in durable carrying baskets any time they are transported/carried outside the cat unit (A spare cat carrier should be kept at the cattery for situations where owners do not arrive with their cat in a secure carrier).
- 22.3 All vehicles and equipment must be kept clean and disinfected after each collection or delivery.
- 22.4 Cats must not be left in vehicles except for transportation.

## **NEW BUILD**

As knowledge and materials change, recommendations for better construction and care can change. For anyone undertaking a new build cattery the following advice and recommendations must be followed. When replacing (or adding to) parts of an existing cattery, new build must be followed.

## **23 Cat units**

Previous smallest size units (for 1 cat) are considered difficult to clean and manage efficiently.

Having 2 cat size units gives much greater flexibility for the cattery.

### Sleeping accommodation sizes

- 23.1 For new build the smallest unit must be large enough for up to 2 cats and to allow for adequate staff space for cleaning.

Penthouse accommodation has a number of drawbacks in the cleaning and management of the cat and the units:

- Cleaning adequately under the box can be difficult.
- The box must not be too deep or the internal height of the sleeping box too high, in order to be able to clean it.
- Cleaning inside the sleeping box can be difficult and health and safety issues arise if the person doing the cleaning has to climb on a stool or climb into the box to reach the top or back.
- Cats in the box are at face height which could be potentially dangerous with an aggressive cat.
- Very young, old/infirm or disabled cats may find the ramp difficult /dangerous. It is advisable to have at least one full height unit for use for blind, old, infirm or severely disabled cats, or suitable provision made for these cats.

<b>Full height, walk-in units – floor area and dimensions of sleeping accommodation</b>			
<b>New build – the minimum size must be as below (2 cats)</b>			
	<b>Minimum area</b>	<b>Smallest dimension must be a minimum of:</b>	<b>Minimum height</b>
<b>Up to two cats</b>	1.5m <sup>2</sup>	1.2m (e.g. 1.2m x 1.25 wide)	1.8m
<b>Up to four cats</b>	1.9m <sup>2</sup>	0.9m (e.g. 1.2m x 1.6m wide)	1.8m

### In new build

- 23.2 Penthouse accommodation measurements for the exercise run must be taken from the front of the sleeping accommodation/box, not under the box.
- 23.3 When measuring floor area, shelving areas must not be included.
- 23.4 The box must be 0.9 m off the ground both to enable the area underneath to be cleaned effectively, and to enable a person to reach inside to clean the walls and ceiling of box.

<b>Penthouse accommodation sleeping accommodation (box) – floor area and dimensions</b>			
<b>New build – the minimum size must be as below (2 cats)</b>			
	<b>Minimum area</b>	<b>Smallest dimension must be a minimum of:</b>	<b>Minimum height</b>
<b>Up to two cats</b>	1.1m <sup>2</sup>	0.9m (e.g. 0.9m deep x 1.20m wide)	1.8m
<b>Up to four cats</b>	1.7m <sup>2</sup>	0.9m (e.g. 0.9m deep x 1.90m	1.8m

		wide)	
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### Exercise Run Areas

<b>Full height, walk-in units and penthouse accommodation exercise run</b>			
<b>New build – the minimum size must be as below (2 cats)</b>			
	<b>Minimum area</b>	<b>Smallest dimension must be a minimum of:</b>	<b>Minimum height</b>
<b>Up to two cats</b>	2.2m <sup>2</sup>	1.20m (e.g. 1.20m deep x 1.85m wide)	1.8m
<b>Up to four cats</b>	2.8m <sup>2</sup>	1.20m (e.g. 1.20m deep x 2.35m wide)	1.8m

### Sneeze barriers

In new build sneeze barriers must be at a minimum, translucent (Allowing light to pass through, but only diffusely, so that objects on the other side cannot be clearly distinguished) to reduce stress caused by cats seeing one another. Opaque barriers are acceptable but may cut down on the light entering the cattery.

### Gaps between units

In new build where gaps between units are used as disease control, one side of the gap must have a full height, full width translucent sneeze barrier.

### Hygiene facilities

In new build there must be separate sinks for cleaning of litter trays and feeding utensils.

### Materials

In new build any wood to which the cat has access must be clad with an impervious smooth material to prevent damage and make cleaning and disinfection easier.

### Noise

If a new cattery is being built near existing kennels serious consideration must be given to positioning of the building to minimise the level of noise from the dogs which can be very stressful to cats.

## GENERAL LICENSING PROVISIONS

- 24.1 A copy of the licence and its conditions (maximum number of cats and number of holding units) is displayed prominently in the boarding establishment.
- 24.2 No animals other than cats are to be boarded within the licensed facilities without the written approval of the local authority.

### Staff Training

- 24.3 All staff who handle and care for cats must be adequately trained in ensuring the cats' welfare as well as their safe handling.

- 24.4 Staff must also be trained in emergency procedures to follow and all other aspects of the licence conditions which are pertinent to their work. Obtaining relevant qualifications is strongly recommended.
- 24.5 Written policies and procedures setting out how the cattery will ensure all aspects of the welfare of cats in their care as well as their staff should be provided.
- 24.6 A systematic training programme should be implemented including the provision of evidence of its use for permanent, temporary and part-time employees and regular review of training.

### **Supervision/responsibility**

- 24.7 The cattery proprietor or a responsible person over the age of 18 years should always be present to exercise supervision and deal with any emergencies whenever cats are boarded at the premises.
- 24.8 The cattery proprietor or responsible person should live on site or a key-holder must live within a reasonable distance of the cattery. An emergency contact number must be clearly displayed at the entrance to the cattery.

## **Emergency and Evacuation Plan**

### **Introduction**

All appropriate steps will be taken for the protection of the cats in case of fire or other emergency; Animal Boarding Establishments Act 1963 section 1(3)(d).

There should be an Emergency Evacuation Plan (EEP) and fire warning procedure in place. This should be posted where staff may become familiar with it. This procedure should include instructions dealing where cats are to be evacuated to and contingency for their accommodation/care if the premises are rendered unsafe or unsuitable.

Prior to formulating an Emergency and Evacuation Plan carry out a Fire Risk Assessment (FRA) to identify any potential fire risk hazards within your establishment.

Emergency situations and the requirement to evacuate from the establishment can arise from a number of situations like; Fire, Flooding, Damage to building, Power failure and disease.

Being prepared and planning a simple but well understood procedure to be carried out in the event of an emergency is essential to offer maximum protection for you, your staff and the animals in your care. This need not be a lengthy document but should include a plan of the site giving exit points, location of telephone, emergency equipment (fire extinguishers and storage of baskets/cages) RVP and designated holding area for cats. The emergency contact details of a supervisor or the proprietor and the establishments Veterinary Surgeon should also be displayed.

Fire fighting equipment and detectors must be properly maintained. All electrical installations and appliances must be maintained in a safe condition. There should be a residual current circuit breaker system on each cattery block for the premises. Heating appliances should not be sited in a location or manner where they may present a risk of fire/risk to cats. Precaution should be taken to prevent any accumulation of material which may present a risk of fire.

1. Identify potential fire risk hazards in the workplace
2. Decide who might be in danger (staff, Visitor, animal) in each area
3. Evaluate the risks arising from hazards and what can be done
4. Record your findings
5. Keep assessment under review

There should be adequate means of raising an alarm in the event of a fire or other emergency. In the event of a fire breaking out within your establishment, remember that your safety and those of your staff is of prime importance and no risks should be taken which may compromise any person's safety. No task in tackling the fire or evacuating animals should be undertaken unless it is safe to do so.

### Upon Discovery of Fire

- Leave fire area immediately
- Close all doors behind you
- Alert occupants of building by sounding alarm (if present) or yell "Fire"
- Telephone Fire and Rescue Services dialling 999 from a safe location
- Evacuate animals when it is safe to do so to the designated holding area
- Use exit to leave building

### Upon Hearing of a Fire Condition

- If safe, staff can assist with evacuating animals/occupants
- Leave building via nearest safe exist
- Close doors behind you
- Remain Calm
- Proceed to the designated RV area

### Fire and Evacuation Action Plan

<b>Planning Your Escape</b>	You only have a short time to get out so prepare a plan of escape in advance rather than waiting until there is a fire or evacuation of the establishment. Think of another way out in case the normal route is blocked. Know where door and window keys are kept. Know where spare baskets/ cages are stored. Know where the RVP/Holding areas are.	
<b>If you discover a Fire</b>	Page 33 of 280	Leave fire area immediately. Close all doors behind you. Sound the alarm and call 999 from any phone.

		<p>Stay calm, speak clearly and listen to the operator. Where safe to do so, assist others to evacuate and remove animals to the safe holding area. If there is a fire elsewhere in the establishment, stay where you are and await instructions or if you have to move remember to check doors with the back of your hand before opening. If it feels warm, do not open it and go another way. If there is a lot of smoke, crawl along floor where the air will be cleaner. If in doubt – Get out, Stay out and get the Fire &amp; Rescue Services Out.</p>
<b>Contacts in an Emergency</b>	<p><b>(enter details here)</b></p> <ul style="list-style-type: none"> <li>• Proprietors name and Telephone Number(s)</li> <li>• Supervisors Name and Telephone Number(s)</li> <li>• Establishments Veterinary Surgeons Name(s) and Telephone Number(s)</li> </ul>	<p><b>(enter details here)</b></p> <ul style="list-style-type: none"> <li>• Telephone at (enter location)</li> <li>• Emergency equipment at (enter location)</li> <li>• RVP at (enter location)</li> <li>• Animal Holding area at (enter location)</li> <li>• Fire Extinguishers located at (enter location)</li> <li>• Keys kept at (enter location)</li> </ul>
<b>RVP = Rendezvous Point</b>		

The onus is upon the cattery to ensure adequate fire prevention precautions are in place.

It is recommended that plans and details for large catteries are lodged with the police and fire authorities. Fire prevention advice may be sought from the Fire Prevention Officer based at your local fire station. This officer can give advice on fire drills, fire escapes, equipment and should be consulted when new buildings are constructed or existing buildings modified.

Smoke detectors are recommended and you must make sure that Fire Detection and fighting equipment are easily accessible and regularly tested. Exit routes should be kept clear. Staff should be familiar with the fire evacuation procedure by use of fire drills and how to use the fire extinguishers.

The Fire Precautions (Workplace) Regulations 1997 place a duty on employers to carry out a risk assessment for the premises not covered by a fire certificate.

### Consultation Responses Log

Response	Summary of points raised
Response 1	<ul style="list-style-type: none"> <li>• Pleased that tightening up on the conditions.</li> <li>• Confirmed that the cattery complies with all conditions except condition 17.5.</li> <li>• It is over the top to have separate brush, dust pan and scoop for every pen. They dunk their scoop in disinfectant between pens and to store a brush and dustpan in or outside each pen is impractical.</li> </ul>
Response 2	<ul style="list-style-type: none"> <li>• Confirmation of the cattery complying with the draft conditions.</li> <li>• State that any reputable cattery is already following the proposed guidelines and finds that the proposed conditions are more appropriate for animal rescue centres.</li> <li>• Reference included from a customer.</li> </ul>
Response 3	<ul style="list-style-type: none"> <li>• Concerns over condition 24.7 and 24.8 that there is no requirement for someone to live on site.</li> <li>• It is a contradiction to have very detailed regulations focusing on the cats' welfare yet require no one to be on site overnight to deal with any emergency.</li> <li>• The implications of this are: <ul style="list-style-type: none"> <li>• Cats may be unattended overnight for 13 hours</li> <li>• Frequent checks cannot be carried out if someone is not on site;</li> <li>• Premises would be vulnerable to vandalism, malicious damage and harm to the cats.</li> <li>• Fire evacuation procedures are useless if there is no one site to spot the fire, report it and to take action with the cats</li> <li>• Possibility of things happening that might mean the cats are left on their own for more than 13 hours.</li> </ul> </li> <li>• Cat owners would not be happy with the situation and they wonder if the Council may face some criticism of what could be viewed as a relaxation of the regulation.</li> </ul>

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<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICE COMMITTEE</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>20<sup>th</sup> AUGUST 2015</b>	<b>CATEGORY:  RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>CHIEF EXECUTIVE</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>EMMA McHUGH (EXT. 5716) <a href="mailto:emma.mchugh@south-derbys.gov.uk">emma.mchugh@south-derbys.gov.uk</a></b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>DEREGULATION ACT 2015 – CHANGES TO PRIVATE HIRE LICENSING</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: EDS</b>

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## **1. Recommendations**

- 1.1 That the proposed changes to the Private Hire Licensing Policy are approved to ensure full compliance with the provisions of the Deregulation Act 2015 by 1<sup>st</sup> October 2015.
- 1.2 That the proposed fees for private hire drivers and operators are approved.

## **2. Purpose of Report**

- 2.1 To advise Members of the changes to private hire licensing introduced by the Deregulation Act 2015.
- 2.2 To provide Members with the necessary information to be able to give full consideration to the recommendation contained in paragraph 1.1 of this report.
- 2.3 To provide Members with the necessary information to approve the proposed fees.

## **3. Detail**

- 3.1 The Deregulation Act 2015 (the '2015 Act') received Royal Assent on 26<sup>th</sup> March 2015 and contains a number of provisions across a number of sectors aimed to reduce the burdens resulting from legislation on businesses and individuals. Some of the provisions relate to private hire licensing.
- 3.2 Section 10 of the Act makes amendments to the Local Government (Miscellaneous Provisions) Act 1976 (the '1976 Act') that governs the licensing of private hire operators, drivers and vehicles. Section 10 of the Act comes into force on 1<sup>st</sup> October 2015.

- 3.3 The 1976 Act currently states that private hire driver's licences can be issued for a period of 3 years or 'for such lesser period as the district council may specify in such licence'. The Council's current policy is to issue a driver's licence for one year. From 1<sup>st</sup> October 2015, this section has been amended to read 'for such lesser period, specified in the licence, as the district council think appropriate in the circumstances of the case,' therefore all driver's licences must be issued for 3 years unless an individual case warrants a lesser period.
- 3.4 The 1976 Act currently states that private hire operators can be issued for 5 years unless the Council specifies a lesser period. The Council's current policy is to issue an operator's licence for one year. From 1<sup>st</sup> October 2015, the 2015 Act states an operator's licence must be issued for 5 years unless an individual case warrants a lesser period.
- 3.5 Decisions on whether a private hire driver's licence or operator's licence warrants a lesser period will depend on the individual circumstances of the case and any decision to grant a licence for a lesser period will be made by the Licensing and Appeals Sub-Committee.
- 3.6 Private hire vehicle licences will still remain valid for one year.
- 3.7 The Private Hire Licensing Policy has been amended to reflect the changes and to update the procedures to ensure that drivers and operators remain 'fit and proper persons' to hold a licence during the extended licence periods specifically in terms of monitoring compliance with licence conditions. In addition, Officers have made some minor changes to the Policy in line with current procedure. A copy of the amended Policy is attached as **Appendix 1**.
- 3.8 As the changes to the Private Hire Licensing Policy are minor, the Policy does not need to be consulted on however all of the Policy changes were discussed at the Private Hire Operators Liaison Group held in June 2015. The private hire operators, in attendance, were advised of the changes and made no comments on the proposed changes.
- 3.9 As the length of the licences is being extended, the fee has been reviewed to reflect the additional administration costs in respect of the licences. Under the 1976 Act, the Council is able to recover the administration costs of a private hire driver's licence and the administration and compliance costs of a private hire operator's licence.
- 3.10 Once the reviewed fees have been approved, the Council will advertise the reviewed fees in a local newspaper and at the Council Offices for a period of 28 days as required by the 1976 Act.
- 3.11 The current fee for a private hire driver's licence is £98 and it is proposed to charge £180 for a three year licence.
- 3.12 The current fee for a private hire operator's licence is £212 and it is proposed to charge £495 for a five year licence. To ensure that the operator remains a fit and proper person to hold a licence, an annual compliance check will be carried out at each operator's base.

#### **4. Financial Implications**

- 4.1 The proposed changes to procedures and fees will result in a reduction in the overall income of the Council over a three year period. This is currently estimated at £40,000.
- 4.2 Existing licence holders will pay less under the new procedures than they currently pay.

**5. Corporate Implications**

- 5.1 The changes identified in the report will enable the Council to comply with the provisions of the Deregulation Act 2015.

**6. Background Papers**

Local Government (Miscellaneous Provisions) Act 1976  
Deregulation Act 2015



**SOUTH DERBYSHIRE DISTRICT COUNCIL**

**PRIVATE HIRE LICENSING POLICY**

**LOCAL GOVERNMENT (MISCELLANEOUS  
PROVISIONS) ACT 1976**

**Issue 4: October 2015**

# **1 INTRODUCTION**

## **Powers and Duties**

- 1.1 This Statement of Licensing Policy (“the Policy”) is written pursuant to the powers conferred by the Local Government (Miscellaneous Provisions) Act 1976 (“the Act”), as amended, which places on South Derbyshire District Council (“the Council”) the duty to carry out its licensing functions in respect of private hire vehicles, drivers, and operators.

## **Objectives**

- 1.2 The private hire trade has a specific role to play in an integrated transport system. The trade are able to provide services in situations where public transport is either not available (for example in rural areas, or outside “normal” hours of operation such as in the evenings or on Sundays), or for those with mobility difficulties.
- 1.3 In setting out this Policy, the Council seeks to promote the following objectives:
- the protection of the health and safety of the public;
  - the maintenance of a professional and respected private hire trade;
  - access to an efficient and effective local transport service;
  - the protection of our local environment.
- 1.4 It is the aim of the Council in this context, to use the licensing powers available to ensure that licensed vehicles in the district are safe, comfortable, properly insured and available where and when required, and that the drivers of these vehicles have been sufficiently vetted so as to be considered “fit and proper”.
- 1.5 The Council in composing this Policy has been mindful of the need to justify each requirement against the risk it seeks to address, or objective it seeks to promote. Where the cost of implementing a proposed requirement was not commensurate with the perceived benefit in either of these areas, the introduction of the requirement was not pursued.
- 1.6 In carrying out their regulatory functions, the Council will have regard to this Policy and in particular, the objectives set out above. Notwithstanding the existence of this Policy, each application or enforcement measure will be considered on its own merits. Where it is necessary for the Council to depart substantially from this Policy, clear and compelling reasons will be given for doing so.
- 1.7 The Policy refers to guidance that is available to applicants, drivers and operators to assist them with the application processes and the running of the service. This Policy, relevant application forms and the current fees are available on the Council’s website.

## **Background to Policy**

- 1.8 The Council gave a commitment to subject the Policy to regular review. Best Practice Guidance (“the Guidance”) has been re-issued by the Department for Transport and internal procedures have been further revised.
- 1.9 There is recognition within the Guidance that unduly stringent licensing requirements are likely to unreasonably restrict the supply of private hire vehicles by increasing the

cost of their operation, or by restricting access to the trade. The Council is aware, therefore, that a too restrictive approach may be detrimental to the public interest and could have adverse safety implications.

- 1.10 In light of this and in order for the Council to maintain a modern, forward thinking licensing function, a full review of the Policy has been undertaken. This new Policy is intended to ensure that both the trade, public and Officers have a document that fully explains the licensing procedures in a clear and transparent manner.

### **Policy Duration**

- 1.11 This Policy will take effect from # for a period of three years.
- 1.12 Prior to the end of the three year period, a full consultation will be undertaken with a view to publishing a new Policy to take effect no later than the date of expiry of the existing Policy.
- 1.13 The Policy will be kept under constant review and amended as and when necessary to reflect changes in legislation and case law.
- 1.14 The Policy was updated in October 2015 to incorporate the changes introduced by the Deregulation Act 2015 as well as some minor changes to the Policy.

## **2 VEHICLES**

### **Specifications and Conditions**

- 2.1 The Council has a wide range of discretion over the types of vehicle that they can license as private hire vehicles.
- 2.2 The Council is empowered to impose such conditions, as it considers reasonably necessary, in relation to the grant of a private hire vehicle licence. Private hire vehicles provide a necessary service to the public, however, it is appropriate to set standards for the external and internal condition of the vehicle and the mechanical fitness of the vehicle.
- 2.3 All private hire vehicles must meet the standards as laid down by the Council with regard to standard of appearance. Vehicles shall be right hand drive, be able to carry no more than 8 passengers, have a minimum of 4 doors and shall not have an engine capacity of less than 1250cc. Vehicles with any unrepaired accident damage, panels of a different colour to the rest of the vehicle, missing trims, dirty or damaged upholstery or generally shabby appearance will not be licensed.

### **Appearance of the Vehicles**

- 2.4 The exterior of all licensed vehicles shall be maintained in a clean, safe and proper manner at all times. In particular, the exterior of the vehicle shall:
- (i) be free of dents;
  - (ii) be free of visible rust;
  - (iii) be free of any scratches over 10cm in length;
  - (iv) be free of unrepaired accident damage;
  - (v) have uniform paintwork equivalent to that applied by the manufacturer;
  - (vi) not be missing any exterior trim;

- (vii) have all 4 hub caps (if part of the original specification) present, matching and scuff free; and
  - (viii) be maintained in an acceptable state of cleanliness.
- 2.5 The interior of all licensed vehicles shall be maintained in a clean, safe and proper manner at all times. In particular, the interior of the vehicle shall:
- (i) be free of stains to the upholstery including carpets, and door trim;
  - (ii) be free of splits and tears to the passenger seats;
  - (iii) be maintained in an acceptable state of cleanliness;
  - (iv) have no edges or damaged items likely to cause injury to a passenger;
  - (v) be free from damp and odour that may cause passenger discomfort; and
  - (vi) provide seats functioning in accordance with the manufacturers' specification.

### **Liquid Petroleum Gas (LPG)**

- 2.6 An applicant for a licence involving a vehicle that has been converted to run on LPG is required to produce, prior to a licence being issued, a certificate issued by a member of the LPG Association confirming satisfactory installation, examination and testing of the vehicle in accordance with the LPG Association's Code of Practice. This certification is required to ensure that the vehicle is considered safe by an approved inspector.
- 2.7 Any licence holder wishing to convert their licensed vehicle to run on LPG must notify the Council prior to any conversion taking place. Once the conversion has taken place, the licence holder must provide the Council with a certificate issued by a member of the LPG Association confirming satisfactory installation, examination and testing of the vehicle in accordance with LPG Association Code of Practice. This certification is required to ensure that the vehicle is considered safe by an approved inspector. The licence will be suspended until the changes have been made. The licence plate must be returned to the Council.
- 2.8 If an LPG conversion involves installation of an LPG fuel tank in a vehicle's boot space (and possible relocation of the spare wheel) it shall be a requirement that an amount of space shall remain free for the stowage of a reasonable amount of luggage and any spare wheel displaced as a result must be stowed in a location that does not impinge on the passenger carrying area of a vehicle.

### **Wheelchair Accessible**

- 2.9 The Council is committed to social inclusion and ensuring a wide variety of opportunities is available to those with mobility difficulties in order to enjoy a high quality of life. It fully supports the view of the Equality and Human Rights Commission that:
- "Making successful journeys is critical to the social inclusion of disabled people. Without the ability to travel, disabled people are denied access to life opportunities. Their access to education, shopping, employment, healthcare, as well as social and family life is significantly improved when journeys become accessible."*
- 2.10 The private hire trade should be aware of a good practice guide produced by the Equality and Human Rights Commission, as private hire operators also have a duty under the Equality Act 2010 to ensure disabled people are not discriminated against or treated less favourably.

- 2.11 The licence holder and all other drivers of wheelchair accessible vehicles must be suitably trained on how to use the equipment in the licensed vehicle and how to handle a person in a wheelchair. The DVSA Wheelchair Test Assessment pass certificate will be required for all drivers of the wheelchair accessible vehicle. The pass certificates must be provided to the Council on application.
- 2.12 Any equipment fitted to the vehicle for the purpose of lifting a wheelchair into the vehicle must be tested every 6 months in accordance with the requirements of the relevant legislation. Any such equipment must be maintained in good working order and be available for use at all times. The certificate must be provided to the Council. Failure to provide an updated certificate before the expiry of the current document will result in the licence being suspended until such a time as a new satisfactory document has been received.

### **Age of Vehicles**

- 2.13 On the initial grant of a private hire vehicle licence, all vehicles must be less than 8 years old from the date of first registration. The date will be taken from the V5C logbook.
- 2.14 A licensed vehicle may continue to be licensed until it reaches ten years of age from the date of first registration provided that it:
- (i) is mechanically tested by the Council Depot every 6 months,
  - (ii) obtains an MOT pass certificate; and
  - (iii) is compliant with the standards of appearance for a private hire vehicle (detailed at 2.3, 2.4 and 2.5 above).
- 2.15 Once a licensed vehicle reaches ten years old, the licence will not be renewed.

### **Vehicle Testing**

- 2.16 All vehicles over 3 years of age must have a valid MOT pass certificate upon first application and annually thereafter.
- 2.17 In addition to the MOT testing, the vehicle must also be mechanically tested and inspected by the Council's depot every 6 months.
- 2.18 A valid MOT certificate and compliance test pass sheet must continuously be in place throughout the course of the licence. Failure to provide an updated MOT certificate or compliance test pass sheet before the expiry of the current documents will result in the licence being suspended until such a time as new satisfactory documents have been received.
- 2.19 The licence of any vehicle which fails its inspection requirements will be immediately suspended on public safety grounds until such time as the vehicle has been re-examined and the necessary pass certificates obtained. The licence plate must be returned to the Authorised Officer within 7 days of receipt of the suspension notice. The licence holder must not use the vehicle after they have been served this suspension notice until such time as the inspection requirements are met and the suspension is lifted by an Authorised Officer.
- 2.20 In addition to the above testing requirements, all licensed vehicles shall be liable to be randomly inspected and tested by an Authorised Officer. These tests will be undertaken at the Council Offices, or any other location. The tests may be conducted

in conjunction with the Police and/or VOSA inspectors. If it is discovered during an inspection that a vehicle is not being properly maintained, a suspension notice may be served under section 68 of the Act on public safety grounds. This notice will specify the defects and the action required to remedy the problem. The vehicle may not be used for private hire work until an Authorised Officer lifts the suspension. The licence plate must be returned to the Authorised Officer within 7 days of receipt of the suspension notice.

- 2.21 Failure to comply with the requirements of a section 68 notice will be considered a serious breach of licensing requirements and dealt with accordingly. If the requirements of a section 68 notice are not rectified within two months, the vehicle licence will be revoked in accordance with the Act.
- 2.22 A re-test fee is payable if the vehicle fails the compliance test at the Depot. A test fee is payable if any test is carried out at the Depot in addition to the two tests included in the vehicle licence fee.

### **Alteration of Vehicle**

- 2.23 If a licence holder wishes to make any material alteration or change in the specification, design, condition or appearance of the vehicle then they must notify the Council in writing before any changes are made.
- 2.24 If the vehicle is already licensed, the licence will be suspended while the changes to the vehicle are being made. The licence plate must be returned to the Council.
- 2.25 Once any changes have been made, the licence holder will need to provide the Council with a Confirmation of Compliance notification from the Driver and Vehicle Standards Agency (DVSA).

### **Insurance**

- 2.26 A valid insurance certificate must continuously be in place throughout the course of the licence. The insurance policy must cover the licence holder for hire and reward purposes and all drivers of the vehicle for that purpose. Failure to provide an updated insurance certificate before the expiry of the current documents will result in the licence being suspended until such a time as new satisfactory documents have been received.
- 2.27 Any person named on an insurance certificate should be a licensed private hire driver with this Council. The Council will not accept any insurance certificates that name any person other than a licensed private hire driver.

### **Taximeters**

- 2.28 It is not compulsory to have a taximeter installed in a private hire vehicle. Where a taximeter is fitted, the licence holder must provide the Council with:
  - (i) a calibration certificate;
  - (ii) details of the fare that the meter is set to.
- 2.29 A tariff card must be displayed in the vehicle showing the current fares payable.

- 2.30 The Council will require a new calibration certificate and new fare details each time a licence holder changes the private hire operator that they work for or the fare table changes.

### **Accidents**

- 2.31 With the safety of the public being a predominate factor of this Policy, all vehicles involved in an accident, however minor, will be required to complete the Council's accident report form and submit to the Council within 72 hours of the accident. On receipt of an accident report form, the Authorised Officer will carry out an inspection of the damaged vehicle and decide the course of action to be taken in respect of the vehicle.

### **Signage and Advertising**

- 2.32 No licensed vehicle will be permitted to have a roof sign or any other kind of fixing on the roof.
- 2.33 All licensed vehicles must display signs stating the name of the private hire operator, their telephone number, and the statement, "Advanced Bookings Only" on both sides of the vehicle. The signs should be legible for members of the public to read easily. The signs must be displayed on the licensed vehicle at all times during the period of the licence.
- 2.34 For any signage in addition to the above, approval must first be obtained from the Council in writing.
- 2.35 Where a licensed vehicle is used by more than one operator the licence holder must ensure that the correct identifying signs are attached to the vehicle when fulfilling any booking.
- 2.36 No signage shall include the word "TAXI", "CAB" or the words "FOR HIRE" or combinations of the above, or any other words that are likely to cause a person to believe that the vehicle is a hackney carriage and available for instant hire.
- 2.37 Written permission must be obtained from the Council prior to any commercial advertising being placed on or in the vehicle.
- 2.38 No signage must be placed in or on the rear window of the licensed vehicle so as to avoid the driver's view from being obscured.

### **Plate exemption**

- 2.39 Licensed vehicles are required to display licence plates externally on the rear of the vehicle and a dual sided plate in the front windscreen. Exemptions may be given for certain types of private hire vehicle not to display the rear plate, however, a letter of exemption from the Council and the licence plate must be carried in the boot of the vehicle at all times.
- 2.40 Exemption requests must be submitted in writing. Exemptions will only be granted to licensed vehicles used for executive hire, corporate contracts, or work of a similar nature. Evidence will be required before any exemption is granted by the Council. Vehicles that are used for a combination of 'exempt' work and normal private hire work will be required to display the licence plate at all times when the exemption does not apply.

## **Trailers**

- 2.41 The Council permits the use of trailers for private hire vehicles. The trailer must meet the requirements set out in the private hire vehicle licence conditions. An application form must be submitted to the Council with the required documentation. The trailer must be tested by the depot. A fee is payable.
- 2.42 Once the application has been received, a plate and licence will be issued. The plate must be displayed on the rear of the trailer at all times that the trailer is in use. The trailer must only be used with the licensed vehicle that it was presented with at the Depot.

## **Application Procedures**

- 2.43 The application procedures for a private hire vehicle licence are prescribed by the Council. Applications must be made on the specified application form in accordance with the application procedure set out in Appendix 1.
- 2.44 The Council will consider all applications on their own merits once it is satisfied that the appropriate criteria have been met and the application form and supporting documents are complete.
- 2.45 Private hire vehicle licences will be issued for a maximum one year period from the date of grant, subject to the power to grant a licence for a shorter period, should this be appropriate in the circumstances.
- 2.46 A private hire vehicle licence is issued to a specific vehicle, and proprietor, therefore, any change of vehicle or proprietor during the period of the licence would require the relevant application process to be completed.
- 2.47 The Council will undertake to send a renewal reminder to a licence holder's registered address 1 month prior to the expiry date. However, licence holders are reminded that the responsibility to renew a licence in accordance with this Policy remains their responsibility.
- 2.48 An application will not be validated until all of the relevant documentation and the fee have been received. Once a valid application has been received, the Council will determine the application within **five** working days.
- 2.49 If the renewal application has not been determined when the existing licence expires, the licence holder must not use the vehicle for private hire purposes until the new licence has been received.
- 2.50 Once the date of expiry of an existing licence has passed and a valid renewal application has not been received, the licence automatically expires. Expired licences cannot be re-instated. A new licence application will be required.

## **Conditions of Licence**

- 2.51 The Council is empowered to attach such conditions to a private hire vehicle licence as are considered reasonably necessary. All private hire vehicle licences will be issued with the private hire vehicle licence conditions attached.

## **Non-Standard Private Hire Vehicles (Limousines, Novelty Vehicles and Vintage and Classic Cars)**

- 2.52 Stretched limousines are elongated saloon cars that have been increasingly used for mainstream private hire work. The number of stretched limousines being imported, particularly from the United States, has been increasing. Their use generally includes all private hire work plus special occasions such as days at the races, stag/hen parties and children's birthday parties.
- 2.53 A novelty vehicle is a vehicle that has been specially adapted, or converted by a low volume specialist vehicle manufacturer or modifier, and has been specially modified from its original design or specification. For the avoidance of doubt, any vehicle capable of being licensed as a standard private hire vehicle would not be considered a novelty vehicle.
- 2.54 Due to the nature of the work undertaken by limousines and novelty vehicles, both can be licensed for private hire work providing they carry no more than eight passengers and meet the requirements of the Act. This Council requires that all limousines and novelty cars are licensed if they undertake private hire work. In addition to the requirements for a standard private hire vehicle, the Council will require the following:
- (i) there are no more than 8 seats provided for customers and there is no facility for seats to be added after the licence has been granted;
  - (ii) proof of an Individual Vehicle Type Approval (IVA) test;
  - (iii) MOT certificate every 6 months.
- 2.55 All applications to license stretched limousines, or novelty vehicles as private hire vehicles will be treated on their own merits. It is, however, proposed that imported stretched limousines, and novelty type vehicles be granted an exemption from the requirement to be right hand drive and from the age restrictions relating to standard private hire vehicles.
- 2.56 Classic and vintage cars will be exempt from the age restrictions relating to standard private hire vehicles so long as they meet the relevant criteria to be licensed as a private hire vehicle.
- 2.57 Once granted, limousines, novelty vehicles, classic and vintage cars will automatically receive an exemption from displaying the external plate. The letter of exemption and plate should be carried in the vehicle at all times. The internal badge should be displayed in the interior of the vehicle at all times.
- 2.58 It would be an offence under the Licensing Act 2003 to provide facilities for the sale of alcohol within a limousine, or novelty vehicle. If a limousine is to be provided whereby part of the booking includes "free alcohol", the premises which accepts the booking and supplies the alcohol within the vehicle would need an appropriate licence under the Licensing Act 2003, otherwise a criminal offence would be committed. Further information on this matter can be obtained from the Licensing Department.

## **Dual Plating**

- 2.59 The Council will not grant a private hire vehicle licence for any vehicle already licensed by another licensing authority.

### **3 DRIVERS**

#### **Licences**

- 3.1 Under the Act, the Council must be satisfied that an applicant is a fit and proper person to hold a private hire driver's licence.
- 3.2 All private hire driver licences will be issued for a period of three years.

#### **Age and Experience**

- 3.3 A licence will not be granted to anyone who has not held a full DVLA driving licence for a period of at least twelve months immediately prior to the application.
- 3.4 Driving licences issued by another Member State of the European Community (EC) or one of the countries in the European Economic Area (EEA) are acceptable providing the applicant has held the licence for at least 12 months. An applicant who meets the licensing requirements by virtue of an acceptable non-UK driving licence must obtain a counterpart from the DVLA prior to the issue of the private hire driver's licence, which can be attached to the non-UK driving licence and used by the DVLA to monitor penalty points obtained whilst driving in the UK.

#### **Driver Knowledge Tests**

- 3.5 The Council recognises that private hire drivers require a working knowledge of the District as a whole, and an understanding of the laws and conditions they are required to comply with. To this extent, the Council requires all applicants to undertake a knowledge test.
- 3.6 The knowledge test will consist of:
- (i) Writing a receipt;
  - (ii) Questions on the Council's private hire conditions;
  - (iii) Questions on the highway code;
  - (iv) Questions on the legislation relating to private hire;
  - (v) Shortest route questions;
  - (vi) Identifying the location of places of interest.
- 3.7 A fee will be payable for each test taken. The test fee will be non-refundable and subject to regular review.
- 3.8 An applicant must achieve an 80% pass rate. An applicant will have 3 attempts to pass the knowledge test. Failure to pass the test on the 3<sup>rd</sup> attempt will result in the application for a private hire driver's licence being rejected and the applicant will not be permitted to sit the knowledge test for one year from the date of the 3<sup>rd</sup> failure.
- 3.9 Any person found to be cheating on the knowledge test will be disqualified from that test and the test paper will not be marked. However, the test will count towards the total of 3 attempts.
- 3.9 The Senior Licensing Officer, in consultation with the Legal and Democratic Services Manager, shall be authorised to amend the administration of the knowledge test and

to add/delete questions to reflect any changes in legislation or local issues. The administration of the knowledge test will be transparent and all applicants will be made aware of the current criteria and applicable fees on application.

### **Driving Practical Test**

- 3.10 All applicants must complete and pass a DVSA taxi/private hire assessment course prior to application to ensure they are aware of the hazards of driving. The requirement to take a driving course helps raise the standard of driving and ensure persons are aware of other road users. The applicant must provide a signed copy of the assessment pass certificate before their application can be considered. The DVSA certificate must be less than 12 months old when submitted to the Council.
- 3.11 With regards to existing licensed drivers, there is no requirement to pass the DVSA test. However, where a driver obtains 6 points or more in a two year period on their DVLA driving licence, there will be the requirement to pass the DVSA test. A maximum time limit of 6 months is allowed to pass the test. A copy of the DVSA pass certificate must be provided to the Council. Failure to pass the DVSA test within the 6 month period will result in the immediate suspension of the private hire driver's licence until a DVSA certificate has been submitted.

### **Disability Awareness Training**

- 3.12 To ensure compliance with the Equality Act 2010, the Council requires all drivers to undertake disability awareness training. The training will be provided by an external provider and will be arranged by the Council. A fee will be payable by the licensed driver. If a driver has undertaken an equivalent training course, they will not need to complete the training as long as a certificate has been provided to the Council.
- 3.13 Existing drivers will have until 1<sup>st</sup> November 2016 to complete the disability awareness training. If a driver has not completed the training by this date, the application for a renewal of the driver's licence will not be determined until the training has been completed.
- 3.14 For all new applicants, the training must be completed within the first year of being licensed as a private hire driver. If a driver has not completed the training within the first year, the application for a renewal of the driver's licence will not be determined until the training has been completed.

### **Medical and Eyesight Examination**

- 3.15 All drivers are required to provide a prescribed certificate signed by a registered medical practitioner, and a registered ophthalmic practitioner to the effect that they are physically fit to be the driver of a private hire vehicle:
- (i) on initial application;
  - (ii) for medicals, every 5 years\* until the age of 65, and every 12 months thereafter;
  - (ii) for eye tests, every 2 years\* until the age of 65, and every 12 months thereafter.

\* unless the driver is restricted to a shorter period for medical reasons.

- 3.16 The applicant is responsible for the payment of all fees required for any medical or eye examination.

- 3.17 The Council will follow the DVLA Group 2 medical standards when considering the medical fitness of new applicants with insulin dependent diabetes and other illnesses or existing licence holders diagnosed with insulin dependent diabetes or other illnesses during the period of their licence.
- 3.18 A medical and eye test document required under section 3.15 above must be no older than 3 months at the time a valid new driver or renewal application is submitted.
- 3.19 Where there is reasonable doubt over a driver's fitness, the Council may direct the driver for a medical examination by a specified registered medical practitioner at any time. The licence holder will be responsible for the payment of all fees required for any medical examination.
- 3.20 The Council requires all licence holders, who have an illness or injury that affects their fitness to drive, to notify the Council of this fact in writing within 72 hours.

### **Medical Exemption Certificates**

- 3.21 Private hire drivers must allow assistance dogs to be carried in their vehicles. However, it is possible to apply for an exemption from carrying assistance dogs on medical grounds. Any request for an exemption must be submitted in writing to the Council. Medical evidence will be required to support the exemption request.
- 3.22 Once an exemption has been granted, the driver will be issued with a medical exemption certificate. The driver must display a notice of exemption, which will include a photograph of the driver, on the windscreen of their private hire vehicle facing outwards.
- 3.23 In the absence of a medical exemption certificate from the Council, it would be a criminal offence for a private hire driver to refuse to carry an assistance dog, to refuse to allow the assistance dog to remain with the passenger throughout the journey, or to make any additional charge for the carriage of the assistance dog.

### **Disclosure and Barring Service (DBS) Disclosures**

- 3.24 Under the Rehabilitation of Offenders Act 1974, private hire drivers are an exempt occupation therefore all convictions even if they are considered spent can be taken into consideration when determining an applicant's fitness and propriety. All convictions must be declared on the application form and failure to do so will be treated as a dishonest act.
- 3.25 All applicants are required to obtain a Disclosure and Barring Service (DBS) Enhanced Disclosure upon first application and every three years throughout the period of their licence. The applicant or licence holder will be responsible for any associated fees. Please note that the Council will not receive a copy of the DBS certificate therefore the applicant must submit their copy to the Council. No application will be granted until a DBS reply has been received.
- 3.26 Any applicant who has not been registered in the UK for at least 5 years at the point of application will be required to submit a certificate of good conduct or similar document from the relevant embassy before an application will be considered valid. This certificate must be in English and the applicant will be responsible for any fees incurred in obtaining the certificate.

- 3.27 If a driver has paid a yearly fee to the DBS for the facility of online checking the Council will still require the following:
- (i) confirmation of ID in line with a DBS check;
  - (ii) original DBS certificate to an enhanced level and checked to the required workforce;
  - (iii) consent form signed by the driver permitting the Council to carry out an online check.
- 3.28 A new DBS certificate will be required every 3 years in line with the renewal of the private hire driver's licence. Notification of the expiry of the DBS certificate will be sent to licence holders 3 months prior to the expiry date along with the renewal paperwork. It is advised that the DBS application form is submitted at least 8 weeks prior to the expiry of the licence. If the new DBS certificate is not received back prior to the expiry of the licence then the renewal application will not be determined until the DBS certificate is received and the licence holder will not be permitted to work as a private hire driver until their application has been determined.

#### **Relevance of Convictions and Cautions upon initial application**

- 3.29 Any application containing convictions, cautions, or information considered relevant to the application by the Police will be considered at the time of application in accordance with the Relevance of Convictions section of this Policy in Appendix 2.
- 3.30 In assessing whether the applicant is a 'fit and proper person' to hold a licence, the Council will consider each case on its own merits.
- 3.31 All applications will be referred to the Licensing and Appeals Sub-Committee for determination if an applicant has any convictions.

#### **Convictions during any period of licence**

- 3.32 The Council requires all licence holders who are arrested to report this fact to the Council within 72 hours. A representative may fulfil this requirement if the licence holder is unable to.
- 3.33 The Council requires all licence holders who are subsequently convicted or cautioned for any criminal or motoring offence during the period covered by their existing licence to report this information to the Council within 7 days of being convicted, or cautioned, or receiving a fixed penalty notice.
- 3.34 In the case of a deferred sentence, the penalty must be disclosed to the Council within seven days of sentencing. Any fixed penalty notice should be reported to the Council upon acceptance of the notice as opposed to when the driving licence has been updated.

#### **Right to work**

- 3.35 All applicants will be required to submit proof of right to work on initial application. The proof should be submitted along with the identification at the DBS appointment. A list of acceptable documents can be found on the Council's website. If an applicant is not able to provide proof of right to work then they will not be permitted to apply for a private hire driver's licence.

- 3.36 If the right to work is for a limited period then the licence holder must submit further proof of right to work prior to the expiry of the existing documentation. If the proof is not received then the private hire driver's licence will be suspended until satisfactory documentation has been received.
- 3.37 If a licence holder's right to work is withdrawn at any time, the licence holder is required to notify the Council immediately. The private hire driver's licence will then be suspended until satisfactory documentation has been received to prove the right to work.

### **DVLA Licence Checking**

- 3.38 It will be necessary for a DVLA mandate to be signed which enables the Council to obtain a driver's complete driving history from the DVLA upon initial application and annually during the period of the licence. The cost of this check is included in the application fee.

### **Application Procedure**

- 3.39 The application procedures for a private hire driver's licence are prescribed by the Council. Applications must be made on the specified application form in accordance with the application procedure set out in Appendix 1.
- 3.40 The Council will undertake to send a renewal reminder to a licence holder's registered address 3 months prior to the expiry date. However, licence holders are reminded that the responsibility to renew a licence in accordance with this Policy remains their responsibility.
- 3.41 An application will not be validated until all of the relevant documentation and the fee have been received. Once a valid application has been received, the Council will determine the application within **ten** working days.
- 3.42 If the renewal application has not been determined when the existing licence expires, the licence holder must not work as a private hire driver until the new licence has been received.
- 3.43 Once the date of expiry of an existing licence has passed and a valid renewal application has not been received, the licence automatically expires. Expired licences cannot be re-instated. A new licence application will be required.

### **Conditions of Licence**

- 3.44 The Council is empowered to attach such conditions to a private hire driver's licence as are considered reasonably necessary. All private hire driver's licences will be issued with the private hire driver's licence conditions attached.

## **4 PRIVATE HIRE OPERATORS**

### **Requirements and Obligations**

- 4.1 Any person who operates a private hire service utilising one or more private hire vehicles must apply to the Council for a private hire operator's licence.
- 4.2 A private hire vehicle may only be dispatched to a customer by a private hire operator who holds a private hire operator's licence. Such a licence permits the

operator to make provision for the invitation or acceptance of bookings for a private hire vehicle.

- 4.3 A private hire operator must ensure that every private hire vehicle has a current private hire vehicle licence and is driven by a person who holds a current private hire driver's licence, and that the vehicle is fit for purpose before being used to fulfil a booking.
- 4.4 All three licences; private hire operator's licence, private hire driver's licence and private hire vehicle licence must be issued by the same Council.
- 4.5 Sub-contracting to other operators licensed by this Council and other Councils is permitted under the Act. It is advised that an operator takes steps to ensure that the operator is licensed along with the driver and vehicle dispatched to carry out the sub-contracted booking.
- 4.6 Applications for a private hire operator's licence must be made on the prescribed form, together with the appropriate fee. The Council will decide whether the applicant is a fit and proper person to hold an operator's licence.
- 4.7 Applicants for an operator licence must provide proof that planning permission has been obtained, or that it is not required for the location they wish to license before an application will be considered.
- 4.8 All private hire operator's licences will be issued for a period of five years.

#### **Criminal Record Checks**

- 4.9 Private hire operators, that are not licensed drivers, cannot be required to produce an enhanced DBS disclosure. In order to satisfy the public safety objective, the Council will require a basic disclosure certificate from Disclosure Scotland and a certificate of good conduct from the relevant embassy where the applicant has lived in the UK for less than 5 years. The certificate must be less than one month old and be submitted with the application form. References may be requested depending upon the applicant's specific circumstances. Applicants that hold a current private hire driver's licence with the Council will be exempt from this requirement.
- 4.10 A basic disclosure certificate will be required annually from any operator who is not a licensed private hire driver.

#### **Insurance**

- 4.11 Where an applicant has indicated that members of the public will be allowed to enter the bookings office/waiting area, the applicant must produce evidence that they have taken out appropriate public liability insurance for the premises to be licensed before a private hire operator's licence can be granted.
- 4.12 Adequate employee liability insurance must be taken out for any operator who will employ any licensed driver or any other member of staff prior to any application being determined.

#### **Address from which an operator may operate**

- 4.13 Upon the grant of a private hire operator's licence, the Council will specify on the licence the address from which the operator may operate. This address will be the address stated on the application form.
- 4.14 The operator must notify the Council in writing of any change of trading or home address during the period of the licence by submitting the necessary form within 7 days of such a change taking place. The operator must also provide proof of public liability insurance for the new premises, if members of the public will be allowed to enter, as well as proof of planning permission status within 7 days of such a change taking place. A fee will be payable for the change of address.

Note: Operators are reminded that it is their responsibility to obtain appropriate planning, building control or any other relevant permissions in respect of the premises.

#### **Bases outside the South Derbyshire District Council Area**

- 4.15 The Council will not grant a private hire operator's licence for an operator with an operating base that is outside the South Derbyshire District. This is to ensure that proper regulation and enforcement measures may be taken by the Council.

#### **Renewal of Operator's Licence**

- 4.16 The Council will undertake to send a renewal reminder to an operators' registered address 2 months prior to the expiry date. However, operators are reminded that the responsibility to renew a licence in accordance with this Policy remains their responsibility.
- 4.17 An application will not be validated until all of the relevant documentation and the fee have been received. Once a valid application has been received, the Council will determine the application within **five** working days.
- 4.18 If the renewal application has not been determined when the existing licence expires, the licence holder must not work as a private hire driver until the new licence has been received.
- 4.19 Once the date of expiry of an existing licence has passed and a valid renewal application has not been received, the licence automatically expires. Expired licences cannot be re-instated. A new licence application will be required.

#### **Conditions**

- 4.20 The Council has power to impose such conditions on a private hire operator's licence as is reasonably necessary. All private hire operators' licences will be issued with the private hire operator's licence conditions attached.

### **5 ENFORCEMENT**

- 5.1 It is recognised that well-directed enforcement activity by the Council benefits not only the public but also the responsible members of the private hire trade.
- 5.2 The Council will adhere to the Licensing Enforcement Policy and Associated Guidance to ensure that its enforcement is reasonable, transparent and proportionate.

## **6 FEES**

### **Fee Structure**

- 6.1 The legislation provides that the fees charged should only cover the cost of administering the private hire licence scheme. This will include the cost of determining and issuing the licences and ensuring compliance with the relevant legislation and conditions attached to the relevant licences.
- 6.2 The fees currently payable for the grant and renewal of private hire licences are set out on the Council's website. The fee structure is reviewed annually as part of the Council's budgetary process.
- 6.3 The setting of fees is the responsibility of the Finance and Management Committee or its equivalent Committee.

### **Refunds and Duplicate Copies**

- 6.4 In the case of any licence where the licence holder voluntarily surrenders their licence prior to the expiry date, the Council may make a refund in respect of the whole months of the unexpired portion of the licence fee less an appropriate administrative charge.
- 6.5 Any request for a refund must be made in writing and the licence, plate and badge returned to the Council.
- 6.6 In the case of a licence that has been suspended, refused or revoked, no refund will be made by the Council.
- 6.7 Where the Council receives a request for a duplicate copy of any previously issued licence, an appropriate fee will be paid to cover the associated administrative costs.

## **7 AMENDMENTS TO THE POLICY**

- 7.1 Any substantial amendment to this Policy will only be implemented after further consultation with the trade and the public. All substantial amendments must be authorised by the Elected Members of the Environmental and Developmental Services Committee, or its equivalent Policy Committee.

For the purpose of this section, any substantial amendment is defined as one that:

- will have a significant financial impact on licence holders or the public, or
  - will have a significant procedural impact on licence holders or the public, or
  - may not be perceived by the trade or the public to be consistent with the published objectives detailed in this Policy.
- 7.2 Any minor amendment to this Policy may be authorised by the Legal and Democratic Services Manager and approved by the Chairman of the Environmental and Developmental Services Committee or its equivalent Policy Committee and the Chairman of the Licensing Committee. For the purpose of this section, any minor amendment is an amendment not defined as substantial in section 7.1 of this Policy.

## **8 RIGHTS OF APPEAL**

- 8.1 The Local Government (Miscellaneous Provisions) Act 1976 details an applicant's right of appeal.
- 8.2 In general terms, where an applicant is aggrieved by the Council's decision to refuse to grant, or refuse to renew a licence, or the Council's decision to suspend or revoke a licence, the applicant has a right of appeal to the local Magistrates' Court.
- 8.3 Any appeal must be lodged at the Magistrates Court within twenty-one days of the applicant receiving written notification of the Council's decision. The appeal must state the grounds upon which the appeal is based.

**9 CONTACT DETAILS**

The Licensing Department can be contacted on the following details:

**In writing:** South Derbyshire District Council  
 Council Offices  
 Civic Way  
 Swadlincote  
 Derbyshire  
 DE11 0AH

**Telephone:** 01283 595 716 / 890 / 724

**Email:** [licensing@south-derbys.gov.uk](mailto:licensing@south-derbys.gov.uk)

**DOCUMENT HISTORY**

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3	November 2014	Council
4	October 2015	Council

**APPENDIX 1**

**APPLICATION PROCEDURES**

**PRIVATE HIRE DRIVERS**

**1 New Drivers**

- 1.1 An application for a private hire driver's licence may be made at any time of the year.
- 1.2 Applications must be made on the form called New Drivers Licence Application Form.

- 1.3 In support of a completed application form, the applicant must provide the following original documentation:
- (i) a current full UK or EU driving licence;
  - (ii) proof of right to work
  - (iii) an enhanced DBS disclosure application form, obtained via the Council;
  - (iv) identification for the completion of the DBS form (3 required);
  - (v) the specified fee;
  - (vi) a medical certificate (no older than 3 months);
  - (vii) an eye examination certificate (no older than 3 months);
  - (viii) a completed DVLA mandate form;
  - (ix) a passport style colour photo which must reflect your current image;
  - (x) a DVSA driving assessment certificate;
  - (xi) a local knowledge test pass, arranged through the Council.
- 1.4 In order to apply for a private hire driver's licence, an appointment must be made with the Licensing Department to submit the DBS application form. The application form will be provided by the Licensing Department at the appointment. The applicant must provide three pieces of identification and the fee for the DBS. At the appointment, the applicant will be provided with details of the next available knowledge test date.
- 1.5 Once the DBS has been returned to the applicant and the knowledge test has been passed, the application form with all the remaining documentation and fee can be submitted to the Licensing Authority.
- 1.6 An application will not be validated until all of the above documents have been received. Once a valid application has been received, the Licensing Department will determine the application within 10 working days.

## **2 Renewals**

- 2.1 Applicants are advised to submit their renewal no less than 28 days before the expiry date to ensure continuity. Any applicant with new adverse information on their application form may have their renewal application referred to the Licensing and Appeals Sub-Committee for determination, therefore, the applicant is advised to apply for their renewal at least two months prior to their expiry date.
- 2.2 Applications must be made on the form called Renewal of a Driver's Licence Application Form.
- 2.3 In support of a completed renewal application form, the applicant must provide the following original documentation:
- (i) a current full UK or EU driving licence
  - (ii) the specified fee;
  - (iii) a completed DVLA mandate form;
  - (iv) a Passport style colour photo which must reflect your current image;
  - (v) an enhanced DBS disclosure application form, obtained via the Council;
- 2.4

It is advised to submit the DBS application form at least 8 weeks before the expiry of the licence. If the DBS certificate is not received back prior to the expiry of the licence then the renewal application will not be determined and the driver will not be permitted to work for private hire purposes.

- 2.5 A new medical certificate and eye examination certificate (no older than 3 months) will be required prior to the expiry of the current documents. Reminders will be sent out 2 months prior to the expiry of the documents. If the documents are not received then the private hire driver's licence will be suspended until satisfactory documents have been received by the Council.
- 2.6 An application will not be validated until all of the above documents have been received. Once a valid application has been received, the Licensing Department will determine the application within 10 working days.
- 2.7 A private hire driver will still be able to act as a private hire driver whilst their application is being determined as long as their current licence is in force. If the private hire driver's licence has expired and the renewal application has not been determined, the applicant is not permitted to act as a private hire driver until he is in possession of the new licence and badge.

## **PRIVATE HIRE VEHICLES**

### **3 New Vehicles**

- 3.1 An application for a private hire vehicle licence may be made at any time of the year.
- 3.2 Applications must be made on the relevant form called New Private Hire Vehicle Licence Application Form.
- 3.3 In support of a completed application form, the applicant must provide the following **original** documentation:
  - (i) the full V5C registration document. (If the vehicle is not registered in the applicant's name, proof of proprietorship for the proposed vehicle will be required);
  - (ii) insurance certificate for hire and reward purposes for all proposed drivers;
  - (iii) depot pass certificate;
  - (iv) the specified fee;
  - (v) SVA or IVA certificate (limousines and novelty vehicles only);
  - (vi) MOT certificate (if more than 3 years old);
  - (vii) Meter certificate (if applicable);
  - (viii) LPG certificate (if applicable);
  - (ix) Tailgate certificate (if applicable);
  - (x) Wheelchair Test Assessment pass certificate for all drivers (if applicable).
- 3.4 An application will not be validated until all of the above documents have been received. Once a valid application has been received, the Licensing Department will determine the application within 5 working days.

### **4 Renewals**

- 4.1 Applicants are advised to submit their renewal application at least 28 days before the expiry date to ensure the new licence will be ready before your old licence expires, in order to ensure continuity.
- 4.2 Applications must be made on the form called Renewal Private Hire Vehicle Licence Application Form.
- 4.3 In support of a completed renewal application form, the applicant must provide the following **original** documentation:
- (i) the specified fee;
  - (ii) depot pass certificate;
  - (iii) insurance certificate for hire and reward purposes for all proposed drivers;
  - (iv) MOT certificate (if more than 3 years old).
- 4.4 No faxes or emails from the applicant will be accepted in place of original documents. Faxes and emails will be accepted for insurance if sent direct from the insurance company.
- 4.5 An application will not be validated until all of the above documents have been received. Once a valid application has been received, the Licensing Department will determine the application within 5 working days.
- 4.6 With regards to the expiry of any documents during the term of the licence, the Council will notify the licence holder 5 days before the date of expiry via text message. The licence holder must then submit up to date documents to the Council within 5 days of this notification. Failure to submit the documents within this period will result in the vehicle licence being suspended until the documents are received.
- 4.7 A vehicle will still be able to be used as a private hire vehicle whilst the renewal application is being determined as long as their current licence is in force. If the private hire vehicle licence has expired and the renewal application has not been determined, the applicant is not permitted to use the vehicle as a private hire vehicle until he is in possession of the new licence and plate.

## **5 Transfer of Vehicle Ownership**

- 5.1 Applications must be made on the form called Transfer of Vehicle Ownership Application Form.
- 5.2 In support of a completed transfer application form, the applicant must provide the same documentation as per a new vehicle application.
- 5.3 The full V5 will need to be submitted with the transfer application.
- 5.4 A fee is payable.
- 5.5 An application will not be validated until all of the above documents have been received. Once a valid application has been received, the Licensing Department will determine the application within 5 working days.

## **6 Replacing a vehicle**

- 6.1 If you wish to replace the existing vehicle with a new vehicle, you must surrender the old vehicle licence. This must be in writing and the old plate returned to the Council.
- 6.2 A refund will be issued for the remaining full months remaining on the licence minus administration costs incurred in granting the licence.
- 6.3 A new vehicle application will be required with all the supporting documentation and relevant fee.

## **PRIVATE HIRE OPERATORS**

### **7 New Operators**

- 7.1 An application for a private hire operator's licence may be made at any time of the year.
- 7.2 Applications must be made on the form called New Private Hire Operator Licence.
- 7.3 In support of a completed application form, the applicant must provide the following original documentation:
  - (i) Basic disclosure certificate from Disclosure Scotland (if not a private hire driver. The certificate must be less than one month old);
  - (ii) the specified fee;
  - (iii) a passport style colour photo for each person named on the application;
  - (iv) proof of planning permission for the proposed operator base;
  - (v) public liability insurance (if applicable);
  - (vi) employees liability insurance (if applicable).
- 7.4 An application will not be validated until all of the above documents have been received. Once a valid application has been received, the Licensing Department will determine the application within 5 working days.

### **8 Renewals**

- 8.1 Applicants are advised to submit their renewal no less than 28 days before the expiry date to ensure continuity. Any applicant with new adverse information on their application form may have their renewal application referred to the Licensing and Appeals Sub-Committee for determination, therefore, the applicant is advised to apply for their renewal at least two months prior to their expiry date.
- 8.2 Applications must be made on the form called Renewal of a Private Hire Operator Licence.
- 8.3 In support of a completed renewal application form, the applicant must provide the following original documentation:
  - (i) Basic disclosure certificate from Disclosure Scotland (if not a private hire driver. The certificate must be less than one month old);
  - (ii) the specified fee;
  - (iii) a passport style colour photo which must reflect your current image;
  - (iv) public liability insurance (if applicable);
  - (v) employees liability insurance (if applicable).
- 8.4 An operator will still be able to take private hire bookings whilst the renewal application is being determined, as long as their current licence is in force. If the

private hire operator licence has expired and the renewal application has not been determined, the applicant is not permitted to act as a private hire operator until he is in possession of the new licence.

## **9 GENERAL PROCEDURES**

- 9.1 All required paperwork with the exception of DBS application forms must be provided to the Council either by post or by hand at the Council Offices.
- 9.2 An appointment must be made with the Licensing Department to submit all DBS application forms as the original documentation must be checked and copies taken.
- 9.3 If a driver has paid a yearly fee to the DBS for the facility of online checking, the Council will still require the following:
- (i) confirmation of ID in line with a DBS check;
  - (ii) original DBS certificate to an enhanced level and checked to the required workforce;
  - (iii) consent form signed by the driver permitting the Council to carry out an online check.
- 9.4 Local knowledge tests are run on a monthly basis and all new applicants must contact the Licensing Department to book a place. A fee is payable.
- 9.5 Depot tests are completed on an appointment basis. Prior to submitting vehicles for testing at the depot, applicants must obtain an appointment and ensure that the vehicle is clean enough to be inspected and is mechanically sound. The initial test and the six monthly inspection is included in the application fee but any further re-inspections i.e. re-test following failure or test after an accident will be charged at the specified fee. Appointments are booked directly with the depot on 01283 595991 or by calling the Licensing Department at any time during normal office hours. A fee may be chargeable if the appointment is cancelled with less than 24 hours' notice or if the appointment is missed.
- 9.6 Plates, badges and licences may be collected from the Council Offices during office hours. All licence holders will be notified by phone or text once their documents are ready to collect. Existing licence holders must return their old plates and/or badges to collect their new ones.

## **10 CONSIDERING APPLICATIONS**

- 10.1 The Council will only consider complete applications with all the necessary documentation and fee.
- 10.2 When submitting applications, applicants should be aware that it may take up to **ten** working days to process and issue a licence.
- 10.3 Renewal applications must be submitted before the existing licence expires. Failure to do so will result in the old licence expiring and the applicant will need to comply with the entry requirements for a new application.

### GUIDANCE ON THE RELEVANCE OF CONVICTIONS AND CAUTIONS FOR NEW APPLICANTS AND EXISTING LICENCE HOLDERS

#### 1 General

1.1 For the purposes of this Policy, a conviction is defined as:

- A sentence imposed by a Court;
- A formal caution;
- A fixed Penalty Notice.

1.2 Each case will be considered on its own merits.

1.3 Where it is necessary for the Council to depart substantially from this Guidance, clear and compelling reasons will be given for doing so. The purpose of this Guidance is to formulate guidelines, consistent with national guidance, which detail the Council's position on the relevance of convictions and cautions in respect of applications for the grant of new licences, and the renewal of existing licences, for private hire driver and operator licences.

1.4 The legislation states that the Council may grant a licence only if it is satisfied that the applicant is a 'fit and proper' person.

#### 2 Minor motoring offences

2.1 Convictions for minor traffic offences should not prevent a person from applying to be a driver. If sufficient points have been accrued to require a period of disqualification of the applicant's driving licence then a driver's licence may be granted 12 months after its restoration but a warning should be issued as to future conduct.

#### 3 Major traffic offences

3.1 An isolated conviction for driving without due care and attention or dangerous driving etc. (depending on the circumstances of the individual case) should normally merit a warning as to future driving and advice on the standard expected of private hire drivers. More than one conviction for this type of offence within the last two years should merit refusal and no further application should be considered until a period of 1 to 3 years free from conviction has elapsed.

3.2 An applicant with a conviction for any of the following motoring offences should be refused and no further application should be considered until a period of 3 to 5 years free from conviction has elapsed. A period of 12 months must also have elapsed since the end of any disqualification period:

- Using a vehicle uninsured against third party risks,
- Reckless driving;
- Causing death by dangerous driving;
- Driving whilst disqualified;
- Driving or attempting to drive whilst under the influence of drugs or drink.

#### **4 Drug offences**

- 4.1 A serious view is taken of any drug related offence.
- 4.2 A licence will not normally be granted where the applicant has a conviction for an offence related to the supply of drugs and has not been free of conviction for 5 years. A licence will not normally be granted where the applicant has more than one conviction for offences related to the possession of drugs and has not been free of conviction for 5 years.
- 4.3 An application from an applicant who has an isolated conviction for an offence related to the possession of drugs within the last 3-5 years may be considered for a licence.

#### **5 Sexual / Indecency offences**

- 5.1 Applicants with one or more convictions at any time for indecent exposure, indecent assault, or any sexual offence, will generally not be granted a private hire driver's licence.

#### **6 Violence Offences**

- 6.1 A licence will generally not be granted to any applicant convicted of an offence involving violence, for a period of five years from date of conviction or, if a term of imprisonment was imposed, ten years free of convictions from the end of the term of imprisonment (meaning the date when the offender would have been released from custody had he/she served the full term of imprisonment imposed by the Court) whichever is the latter.

#### **7 Dishonesty**

- 7.1 A licence will generally not be granted to any applicant convicted of an offence involving dishonesty for a period of five years from date of conviction or, if a term of imprisonment was imposed, five years free of convictions from the end of the term of imprisonment (meaning the date when the offender would have been released from custody had he/she served the full term of imprisonment imposed by the Court) whichever is the latter.

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<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 9</b>
<b>DATE OF MEETING:</b>	<b>20<sup>th</sup> AUGUST 2015</b>	<b>CATEGORY:</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF COMMUNITY AND PLANNING</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>NICOLA SWOROWSKI (EXT. 5983) nicola.sworowski@south-derbys.gov.uk</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>LOCAL PLAN PART 1 – EVIDENCE BASE</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>DISTRICT</b>	<b>TERMS OF REFERENCE:</b> *see below

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## **1.0 Recommendations**

1.1 Note the content of the report

## **2.0 Purpose of Report**

2.1 To update Members on work that has been ongoing with the Local Plan evidence base around the Gypsy and Traveller Accommodation Assessment and the Open Space, Sport & Community Facilities Strategy.

## **3.0 Detail**

3.1 The Local Plan requires justification for its policies and allocations that it sets and that is in the form of an evidence base that covers many different areas.

3.2 The present Gypsy and Traveller Accommodation Assessment (GTAA) was produced in March 2008 and therefore a refresh of the data was required. The 2008 GTAA is a county-wide document and similarly the refreshed GTAA has been undertaken as a county-wide study, however this time East Staffordshire has also been included. The County had intended to publish the study on their website on the 7<sup>th</sup> August but this has now been delayed.

3.3 The methodology for producing the latest GTAA has been based on previous government guidance and good practice. It incorporated a wide range of research methods including interviews with key stakeholders. The accommodation needs figures were based on extensive consultation with Gypsy, Traveller, and Showpeople families and the model used to determine accommodation needs was based on Communities and Local Government Guidance (2007). As the GTAA states, "the main drivers of need are from newly forming families on authorised sites, families

living on unauthorised encampments, families living on unauthorised developments, and overcrowding.”

3.4 Whilst the study has been undertaken county-wide, each authority has had its need assessed separately except for the transit pitches which are currently given across Derbyshire and East Staffordshire as two figures. Once published then further information can be provided to Members.

3.8 Also as part of the evidence base is an up to date Open Space, Sport & Community Facilities Strategy that will help to shape and contribute to the delivery of a Sport, Physical Activity and Health Strategy. The framework will set the ambition and underpinning principles for three areas: Built Sports/Community Facilities, Playing Pitches and Open Space and Play

3.9 In order to meet the future sporting and physical activity needs of an active and healthy population we need to ensure that there are sufficient facilities in terms of their quantity, quality, and spatial distribution. In order to address this, work will build up a portfolio of Built Facility, Playing Pitch, and Open Space Strategies.

3.10 The work will be used for several areas of work including:

- Informing Planning Policy and the Local Plan
- Influencing community use of Education sites (including proposed new developments)
- Identifying priority projects for funding through the Community Infrastructure Levy
- Identifying priority projects for pursuing through funding bids (detailed feasibility studies to be undertaken at a later stage)
- Determining strategic decisions on planning applications (detailed application specific assessment studies will be undertaken at a later stage).

3.11 The current timetable is for completion in November 2015. The study will involve consultation and the appointed consultants and Officers involved are keen that as many Parishes and local sports/leisure clubs are involved in this process as possible. A further report will be taken to the Housing Committee and again to this Committee before the end of the process.

3.12 Work is continual on the Local Plan evidence base as some areas of work require refreshing or new areas of work are considered necessary.

#### **4.0 Financial Implications**

4.1 There are financial implications around the cost of both studies but in the case of the Open Space, Sport & Facility framework there is the potential for a loss of section 106 monies (or CIL potentially later) if the evidence base is not kept up to date.

#### **5.0 Corporate Implications**

5.1 This report is essential to the Local Plan and also Development Management to help bring forward the Local Plan and also contribute to the planning applications process.

#### **6.0 Community Implications**

6.1 An adopted Local Plan and therefore an up to date evidence base will ensure that development across the District is achieved in as sustainable manner as possible and in a way that provides the infrastructure of community facilities for both the new and existing residents.

**7.0 Background Papers**

7.1 None

<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 10</b>
<b>DATE OF MEETING:</b>	<b>20<sup>th</sup> AUGUST 2015</b>	<b>CATEGORY:</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OR COMMUNITY AND PLANNING</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>NICOLE SWOROWSKI (EXT. 5983) nicola.sworowski@south-derbys.gov.uk</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>DIESEL ROAD ROLLER LOAN</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>DISTRICTWIDE</b>	<b>TERMS OF REFERENCE:</b> *see below

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## **1.0 Recommendations**

1.1 Members approve that options are investigated and a report brought back to Committee.

## **2.0 Purpose of Report**

2.1 To notify Members of the Council's ownership of an Aveling Barford diesel Road Roller that is currently stored at Snibston Discovery Park that recently closed and therefore needs to be removed.

## **3.0 Detail**

3.1 The Council in May 2001 arranged a loan agreement with Snibston Discovery Park for the Aveling Barford Road Roller which expired in 2008. Contact has been made recently with the Council due to Snibston Discovery Park closing down on July 31<sup>st</sup> this year.

3.2 It is not clear as to how the Council came to own this Road Roller but it is known that it finished its working life at Hepworth Pipework's where it was on display atop some pipes to illustrate the strength of the company's products.

3.3 Prior to that it was used at Ellistown Brick and Tile Company and it started life at Stimpson and Rollston in Leicester. The road roller dates back to around 1934 (pictures attached at appendix A).

3.4 Before the loan agreement with Snibston Discovery Park was agreed, an article was placed in 'Old Glory' an enthusiast's magazine to see whether anyone was willing to undertake a loan agreement with the Council. There were several letters of interest received though none were local and therefore the chances of it being seen at local rallies was deemed unlikely which was to be one of the terms of the loan agreement.

3.5 The Council has been advised that due to the Road Roller being stored outside at Snibston Discovery Park that its removal is not currently pressing as other parts of the Park are being cleared first. However, in the not too distant future the Road Roller will need removing. The Road Roller is no longer functioning so removal would most likely need to involve a crane and low loader.

3.6 At this point, Members need to consider the options for the Road Roller which are:

1. Storage somewhere in South Derbyshire
2. Agree a loan agreement with another Local Authority
3. Place an advert in an enthusiast's magazine for someone willing to enter a loan agreement with the Council
4. Place an advert in an enthusiast's magazine for someone willing to purchase the Road Roller with agreements to maintain it
5. Dispose of the roller in the most cost efficient way.

3.7 Further research will be undertaken on the options once Members have had an opportunity to consider this report and recommend a preferred route.

#### **4.0 Financial Implications**

4.1 There are no direct financial implications from this report but at some point it is likely that the Council would be required to remove the Road Roller from Snibston which would involve the hire of heavy machinery.

#### **5.0 Corporate Implications**

5.1 There are none relating to this report.

#### **6.0 Community Implications**

6.1 The Road Roller does have local links to Swadlincote and also neighbouring Leicestershire.

#### **7.0 Background Papers**

7.1 None

### **Appendix A**

Photos of the Aveling Barford Road Roller





<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 11</b>
<b>DATE OF MEETING:</b>	<b>20<sup>th</sup> AUGUST, 2015</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF COMMUNITY AND PLANNING</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>STUART BATCHELOR (EXT. 5820) <a href="mailto:batchelors@south-derbys.gov.uk">batchelors@south-derbys.gov.uk</a></b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>DERBYSHIRE CYCLE PLAN CONSULTATION</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL WARDS</b>	<b>TERMS OF REFERENCE: EDS07</b>

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## **1.0 Recommendations**

- 1.1 That Members comments are forwarded along with Planning Policy comments as part of the Councils response to the Derbyshire Cycling Plan consultation exercise.
- 1.2 Members approve the development of a South Derbyshire Action Plan for Cycling which will be reported to Committee for future consideration.

## **2.0 Purpose of Report**

- 2.1 To obtain Members comments on the Derbyshire Cycling Action Plan and outline the South Derbyshire approach to developing a local action plan. The consultation document may be viewed at <http://www.derbyshiresport.co.uk/derbyshirecyclingplan>.

## **3.0 Detail**

- 3.1 Over the past 12 months the County and City Councils, Derbyshire District and Borough Councils, Derby University, Sustrans, Peak District National Park, The National Forest and British Cycling have been working on the production of a Cycling Plan. This Plan is now at a draft stage, attached as Annexe No.1 and is now being consulted upon. All stakeholders are being encouraged to submit comments at this stage.

- 3.2 The aim of the Plan is as follows:

“By 2025, Derbyshire will be the most connected and integrated county for cycling in England, recognised as a premier cycling destination for visitors. More Derbyshire people of all ages and abilities will be cycling regularly for leisure, active travel and sport.”

- 3.3 A whole-system approach to delivering this plan is required, working at every level; from the strategic level down to the community level up. To make a significant difference to cycling behaviour, work needs to be done across all sectors, including transport, economic development, tourism, housing, planning, sport, recreation, education and health.

- 3.4 There needs to be provision of high quality cycling facilities which are based on innovative, attractive and sustainable transport links and a behaviour change approach to increase cycling across all areas of the City and County.
- 3.5 This Plan is important for Derbyshire as it will help increase cycling which will help to:
- Improve health
  - Develop tourism
  - Improve the environment
  - Reduce congestion
  - Improve air quality
  - Reduce social exclusion
  - Increase participation in sport and physical activity
  - Sustainable transport use
  - Increase awareness and care for the natural environment
- 3.6 The proposed strategic aims for establishing a ‘connected’ cycling county are:
- 1) Infrastructure Connectivity: High quality connected routes, in all cycling environments, supporting all forms of cycling.
  - 2) Participation: Targeted participation programmes and behaviour change work, at community level to support and enable more people to cycle, closing the gaps in participation.
  - 3) Communication: High quality, connected marketing and communication of cycling information and opportunities for Derbyshire residents and visitors to the county.
  - 4) Advocacy: Cross sector advocacy for policy change and implementation at the highest level.
- 3.7 The success of these strategic aims will be measured through measuring the number of people cycling, the gender of those cycling and also the number of children cycling to school.
- 3.8 The Plan will be adopted by all key partners in the county, through individual authorities’ corporate plans, local spatial plans, and Local Transport Plan's. It will complement and help to shape key strategies and policies now, and in the future.
- 3.9 In terms of South Derbyshire a Stakeholder event is to be held on 7 September to which anyone interested in cycling will be invited. Attendees will be given the opportunity to comment on the Derbyshire Plan but also put forward ideas and observations on how cycling can be developed in the District. These ideas will then be used to formulate a local action plan which will form part of the emerging South Derbyshire Local Plan, Sport, Recreation and Open Space Facility Development Strategy and the Sport and Health Strategy.
- 3.10 With respect to Officer comments on the Plan from a Planning Policy point of view “Policies BNE1 ‘Design Excellence’ and INF2 ‘Sustainable Transport’ contained in the Council’s emerging Local Plan Part 1, together with the proposed Design Supplementary Planning Document (SPD) and the Greenways Strategy for South Derbyshire SPD, currently under review, will support the aspirations of the Cycling Plan to encourage and hopefully increase the number of people cycling. This will be achieved by continuing to require that appropriate provision be made to accommodate cyclists within new development (through the provision of cycle paths, cycle parking etc.); by seeking developer contributions toward off-site infrastructure and by requiring that applications for development with significant transport implications be accompanied by Travel Plans setting out soft measures (such as contributions toward the cost of

bicycle purchase, the distribution of cycling maps etc.), to encourage access by cycle for site users.

- 3.11 In addition, the Greenways Strategy SPD will assist in the allocation of public funding, such as Local Transport Plan, National Forest and other monies, toward the expansion and enhancement of cycle routes.”

#### **4.0 Financial Implications**

- 4.1 There are no financial implications for the District Council resulting from this report.

#### **5.0 Corporate Implications**

- 5.1 The proposed Plan and the potential work arising from its adoption fits within the ‘Promoting Healthy Facilities and Lifestyles’ objective and the ‘promotion of cultural events’ in the ‘Lifestyle Choice’ priority. The project would also contribute to supporting the ‘Safer Neighbourhoods’ objective of the ‘Safe and Secure’ priority in that it would provide significant opportunities for youth engagement

#### **6.0 Community Implications**

- 6.1 The Plan gives the community of South Derbyshire an ideal opportunity to become more physically active and to benefit from external investment. This Plan will continue the work of the District in providing sustainable and healthy communities.

#### **7.0 Conclusions**

- 7.1 Cycling is gradually transforming the lives of many people and the Derbyshire Cycle Plan could ensure that local communities are given the best opportunity to benefit from the positive changes that can be achieved.

#### **8.0 Background Papers**

- 8.1 <http://www.derbyshiresport.co.uk/derbyshirecyclingplan>

# Derbyshire: The *Connected* Cycling County

## The Derbyshire Cycling Plan 2015-2025

### Our Ambition

By 2025, Derbyshire will be the most connected and integrated county for cycling in England, recognised as a premier cycling destination for visitors. More Derbyshire people of all ages and abilities will be cycling regularly for leisure, active travel and sport.

**Graphic:** Visionary, Exciting, Ambitious.

### How will we achieve this?

#### Graphic

A whole-system approach to delivering this plan, working at every level; from the strategic level down and the community level up. To make a significant difference to cycling behaviour, we need to work across all sectors, including transport, economic development, tourism, housing, planning, sport, recreation, education and health.

High quality cycling facilities. Innovative, attractive and sustainable transport links and a behaviour change approach to increase cycling across all areas of the City and County.

### More people cycling- why is it important for Derbyshire?

#### The Drivers: GRAPHIC demonstrating all the benefits of increased cycling participation

- ✓ Improve health
- ✓ Develop the economy
- ✓ Develop tourism
- ✓ Improve the environment
- ✓ Reduce congestion
- ✓ Improve air quality
- ✓ Increase participation in sport and physical activity
- ✓ Reduce social exclusion
- ✓ Increase awareness and care for the natural environment
- ✓ Cycling as a sustainable form of transport.

### Derbyshire – past success, future potential.

#### MAP WITH PHOTO OVERLAYS AND ANNOTATIONS- A SENSE OF PLACE- DIVERSITY OF DERBYSHIRE

*City/Towns/Villages/National Park/National Forest/nearby cities*

*Show what has been achieved so far infrastructure: Greenways, Leisure Trails, Derby Arena, Road routes.*

*Demonstration of where Derbyshire is- how well placed it is to attract visitors '- central, accessible, diverse. Include population figure in this and visitor catchment.*

*Show the participation potential on this map, for all cycling environments.*

*Highlight successful behaviour change projects and initiatives; Park Bikeworks, cycle training, All Derbyshire's schools have a school travel plan. TOB, TaF, Peak Gateway.*

Show recent trends- overall cycling participation in Derbyshire has grown since 2005/6, but women's cycling has declined slightly. Opportunity to reverse this trend. Women cycling confidently is key to children cycling rates.

### Why is Derbyshire the best place to develop/invest in cycling?

#### IMAGE

- At the 'heart' of the country. Easy to access.
- Fantastic cycling environments- indoor and outdoor, active travel, leisure, and sport,
- Access from major cities which surround Derbyshire.
- Major events- Tour de France route, Eroica, Tour of Britain, The Women's Tour, Iconic cycling destinations; Peak District National Park, National Forest, Derby; a cycling city,

### What do we mean by a 'connected' cycling county?

(image to demonstrate this)

A connected strategy, born out of connected thinking, planning and communicating will lead to more connected routes, places, information, people, opportunities....

#### Strategic Aims

- 1) **Infrastructure Connectivity:** High quality connected routes, in all cycling environments, supporting all forms of cycling.
- 2) **Participation:** Targeted participation programmes and behaviour change work, at community level to support and enable more people to cycle, closing the gaps in participation.
- 3) **Communication:** High quality, connected marketing and communication of cycling information and opportunities for Derbyshire residents and visitors to the county.
- 4) **Advocacy:** Cross sector advocacy for policy change and implementation at the highest level.

### How will success be measured?

#### VISUAL

TARGET	Measure	Baseline	2025 Target
We will double the number of people cycling by 2025.	Active People Survey <sup>1</sup>	2013/14 <b>9.59%</b>	19.18%
The gap between the number of men and women cycling regularly will have narrowed by 25%.	Gap between percentage of men and women cycling regularly. (Active People Survey 2013/14)  NB: Men's Participation Women's Participation	2013/14 <b>6.6%</b>  11.9% 5.3%	<b>4.95%</b>
The number of people cycling to school will have increased by 10%.	Number of children age 5 – 16 regularly cycling to school (measured by East Midlands School Census)	Total : 1.05% Primary 1.66% Secondary 0.68%	1.15 % 1.83 % 0.75%

## Guiding Principles

We will:

- Use data, insight and evidence to inform planning and advocacy work.
- Work in partnership, ensuring that we are working together on the things that will have the biggest impact.
- Work together to bring inward investment to Derbyshire for identified priorities, through funding and sponsorship.
- Apply a behaviour change approach; to maximise the impact at key times (new housing developments, new routes), during key life events (changing school, job, moving house) and to close gaps in participation.
- Mobilise the whole of Derbyshire - encourage local action and engagement, so that individuals and organisations identify and make their own contributions towards the vision.
- Strive for inclusion and diversity- seek to reduce gaps in participation by those who are disadvantaged by virtue of their gender, age, socio economic status, disability or sexuality.

## How will this vision become reality?

The Derbyshire Cycling Plan has been developed by senior leaders from Derby, Derbyshire, the Peak District and National Forest, and experts in the field of cycling and sport development<sup>ii</sup>. They have set out the vision and ambitions, and will deliver the strategic actions identified within this plan. Four delivery groups will lead the implementation for their area of expertise.

### GRAPHIC- strong message

In order to deliver the vision a 'mobilisation' of Derbyshire is required – to bring **energy, dedication, creativity, skills and commitment to this vision.**

The Plan will be adopted by all key partners in the county, through individual authorities' corporate plans, local spatial plans, and LTP's. It will complement and help to shape key strategies and policies now, and in the future<sup>iii</sup>. Shared actions will be prioritised within their own organisational business, travel plans and service plans. Cross sector policies will be written in ways that will contribute to the achievement of this vision.

Organisations from public, private and voluntary sectors will be asked to consider their organisational actions, and embed these within travel plans and business plans for the future, and to sign up as a partner in the delivery of this plan.

### GRAPHIC

Show the diversity of **people** with a contribution to make – politicians, managers, road engineers, teachers, coach, club, leader, teacher, cyclist, café owner, bike shop, B&B, strategic to grassroots. Emphasise this

The challenge to the people of Derbyshire is to seize this opportunity, and make their contribution to delivering this vision. A whole-system approach includes everyone, from senior leaders and politicians, to small organisations, clubs, communities and businesses and schools.

## Monitoring and Evaluation

Delivery against this Plan will be monitored by the Derbyshire Cycling Plan strategic group<sup>iv</sup>, who will monitor progress against the Strategic Actions. Lead organisations have been appointed to steer a delivery group to deliver each of the Strategic Aims, engaging a range of partners.

Progress will be reported annually against each of the success measures outlined above, and shared with partners and the public.

### **Aim 1. Infrastructure and Connectivity**

High quality infrastructure including connected routes in all cycling environments supporting all forms of cycling.

#### **What will success look like?- IMAGE?**

- ✓ More people living in towns, villages and the city will enjoy high quality, easy to find, connected routes. They will choose to cycle short journeys to undertake their everyday activities. More people will be confident to ride on Derbyshire's roads.
- ✓ In their leisure time, people will enjoy cycling on connected road, traffic free routes or more technical trails. These will all have a clear 'identity' and the latest technology will help cyclists plan their journey online before they leave home.
- ✓ A resident of, or visitor to Derbyshire will discover great opportunities for cycling and iconic facilities; from roads and parks, access to countryside, high quality trails, well-connected leisure routes and top class mountain biking, to the indoor cycling track at the Derby Arena. There will be best practice on and off road provision for residents to cycle from their home to work, school and across their communities.
- ✓ Growth areas will plan in high quality environments for sustainable travel.
- ✓ The infrastructure will be high quality, well maintained, and well connected to the public transport infrastructure, which will welcome cyclists, and will also encourage walking and other active pursuits.
- ✓ It will be easier for cyclists to reserve places for their bikes on buses and trains, which will bring them from all over the country to this amazing cycling county.
- ✓ The contribution of cycling to the economy will increase, particularly in the tourism sector.
- ✓ Key transport destinations will have good cycle parking and bikes for hire, so that on arrival, people can continue their local, active sustainable journey.
- ✓ There will be high quality, cyclist friendly cafes, pubs, accommodation and shops en route, and high quality services to support cyclists on their journeys.
- ✓ Increasingly, developments will provide high quality cycle facilities including safe, connected and attractive cycle environments, convenient, secure and sheltered cycle parking, lockers/showers/changing facilities, signage and other infrastructure to encourage and enable cycling.

#### **Strategic Actions**

1. Ensure Derbyshire is best placed to attract external funding for cycling because of the clarity of its vision and ability to prioritise and plan projects that seek to remove gaps in provision;
2. Develop and agree investment strategy and seek resource to deliver priorities, and close priority gaps in infrastructure networks by 2025.
3. Local Transport Partnerships will develop detailed plans, and agree priorities for development and improvement in all cycling environments, alongside the Local Transport Plan process.
4. Make joint approaches to seek funding to sustain the high quality infrastructure that is built, and collective lobbying of government to ensure that funding is made available for this.
5. Ensure cycle proofing is embedded in design of future infrastructure developments.

#### **Who leads?**

Derby City Council, Derbyshire County Council, under auspices of Joint Committee.

Peak District National Park Authority, National Forest Company, Sustrans.

### **Supported by**

Local planning authorities (policy and development management), local cycling organisations.

### **At community level:**

Feedback on local development plans and other plans, for example HS2 and Highways England to ensure existing cycle provision is enhanced as part of new housing, employment, shopping, leisure, education, services, highway and other infrastructure or industrial developments.

Cycling communities and stakeholders will be needed to help identify the actions, take part in consultation around proposals, get involved with route maintenance, volunteering, talking to the planners and designers about what will work best.

## **Aim 2. Participation**

**Behaviour change approaches and targeted participation programmes** at community level will support and enable more people to cycle, closing the gaps in participation.

### **What will success look like? (IMAGE)**

- ✓ People of all ages and abilities will see cycling as a normal and convenient way to get around Derbyshire for short journeys. They will be encouraged to learn to ride, build confidence in riding on the roads, have easier access to bikes and to cycle regularly for the health and other benefits that it brings.
- ✓ Behaviour change approaches and participation programmes will be used to achieve greatest change, and to maximise the benefits of new cycling infrastructure.
- ✓ People will choose to cycle as a form of healthy leisure activity in their spare time. Those who enjoy cycling will enter cycling events, challenging themselves, their friends and family.
- ✓ Parents, educational establishments, other service providers, and employers will promote cycling positively, helping people to access bikes, understand the cycling opportunities available to them, learn to ride confidently and cycle regularly. This will increase the number of people cycling regularly for their everyday journeys.
- ✓ Those who enjoy competition will enjoy a rich and varied competition offer in Derbyshire, across all disciplines of the sport, and the talented will be supported to achieve great things. Successful cyclists from Derbyshire will be celebrated, helping to cement our identity as a cycling county, which in turn will encourage people of all ages to take up cycling.
- ✓ The cycling 'workforce' across public, private and voluntary sectors will be high quality, and sufficient to meet the needs of people who want to cycle at all levels from beginner to elite.

### **Key Strategic Actions**

6. Develop and deliver a cycling participation plan for Derbyshire.
7. Ensure a clear cycling pathway from learning to ride, to exploring on a bike and cycling regularly for active travel, leisure and sport.
8. Use behaviour change approaches to encourage and support more people to cycle regularly.

9. Seek partnerships and investment to increase women and girls' participation in cycling.
10. Seek partnerships and investment to increase the percentage of young people who can ride a bike confidently, cycle regularly, and cycle to school.
11. Increase the percentage of people who cycle to work, through partnerships with employers, and behaviour change approaches.
12. Seek partnerships and investment to use cycling as a way to reduce physical inactivity in areas with lowest levels of activity.
13. Support and work with cycling events of local and national significance, helping to create a vibrant and positive cycling events culture for residents and visitors to Derbyshire.
14. Develop the paid and volunteer workforce, and mobilise a grassroots movement for cycling participation.

### Who leads?

Derbyshire Sport, British Cycling, Sustrans.

### Supported by:

Cross sector delivery partners; Local Authorities (leisure, parks and open spaces, countryside services, transport), School Sport Partnerships, cycling campaign groups, leisure facilities, clubs, schools, coaches, volunteers, community organisations and businesses.

### At community level....

The support of schools, clubs, businesses and other local organisations will be needed to offer cycle training to beginners and returners, promoting regular cycling to school, work and for local journeys. Parents will need to be supported to encourage their children to ride bikes from an early age, and support their development to confident riding. Cycling Clubs and community groups will need to be supported to welcome cyclists at all levels, and to help close gaps in participation based on gender, ethnicity and socio-economic status.

Great bike shops and cafes will be needed across the whole of Derbyshire, selling a good range of bikes, accessories and recycled bikes, organising training, group rides, events – helping to develop a cycling culture for all.

### Aim 3. Communication

Excellent, well connected marketing and communication of the cycling opportunities for Derbyshire residents and visitors to the county.

### What will success look like?

- ✓ People who want to cycle in Derbyshire will easily find information on our connected routes and journeys, via mobile applications that are clear, comprehensive and inclusive of all cycling environments.
- ✓ Mobile applications will show where bike hire, shops, accommodation and other services are, which will help cyclists to enjoy a high quality experience.
- ✓ Online and printed information will help cyclists of all ages and abilities to find something suitable for them.
- ✓ A co-ordinated approach will mean that national and local campaigns will effectively encourage behaviour change, helping people to overcome fears and barriers to cycling, setting personal challenges and goals, and cycling regularly.
- ✓ Share positive messages and educational campaigns to educate people who drive and those who cycle, to share space safely, and foster an environment of mutual respect and care.

- ✓ Local insight and data will inform social marketing campaigns to help close gaps in participation.
- ✓ Cycling events will be promoted to residents and visitors, who will take part in cycling more regularly and visit Derbyshire more often, because of the range of high quality events taking place for all ages and abilities.
- ✓ Cycling will be celebrated- from the life changing stories of those who are fitter and healthier, to Derbyshire people, who are achieving on the world stage.
- ✓ Employers and other organisations will promote cycling by publicising cycling opportunities and incentives as one of the actions in their respective Travel Plans.

### Strategic Actions

15. Strategic commitment by delivery partners, to co-ordinated and collaborative promotion of Derbyshire, the Peak District and National Forest as cycling destinations.
16. Establish an effective Cycling Marketing network, which works together to deliver shared marketing priorities and maximises investment into Derbyshire.
17. Implement a marketing strategy for cycling in Derbyshire, through the Cycling Marketing network. This strategy will segment the market effectively, ensuring that the messages are delivered effectively for residents, domestic and overseas visitors.

### Who leads?

Derbyshire Cycling Marketing Network<sup>v</sup>.

### Supported by

Local cycling delivery partners, local businesses, local planning authorities (Policy and Development Management), cycling organisations, clubs, schools and campaign groups.

<h3>Aim 4. Advocacy</h3> <p>Cross Sector advocacy for policy change at the highest level.</p>
---

### What will success look like?

- ✓ There will be strong leadership behind cycling in Derbyshire.
- ✓ Senior local government officers, politicians, business leaders and high profile ambassadors will be committed to getting more people cycling, and will be lobbying for change at the national and local level. This includes planning, but also traffic laws, civil laws, taxation to make cycling the preferred option and financial incentives to encourage cycling.
- ✓ Derbyshire will be a great cycling county- both urban and rural. Town centres, villages, housing developments and workplaces will be encouraged to design spaces and provide facilities which inspire and enable people to cycle as a normal way to get around- more convenient than driving, especially for short journeys.
- ✓ Public transport providers will be encouraged to accommodate people with bikes. Railway stations, transport hubs, park and rides, communities, workplaces, and schools will be encouraged to offer cycle parking, lockers, changing/shower facilities, promotional material, signage, financial and other incentives to inspire and enable more people to cycle.
- ✓ Cycle hire will be on offer in town centres, urban centres of work, outdoor tourist destinations and places of learning to encourage people to cycle as a means of transport.

- ✓ Strategic partners and leaders will seek to bring cycling events of national and international status to Derbyshire. The economy of Derbyshire will be stronger because of the role that the cycling economy plays.
- ✓ The business community will be supported to welcome and develop cycling participation by the local authorities and funding programmes.
- ✓ A growing proportion of roads and junctions will have cycle provision in line with Sustrans and other recognised design guidance.
- ✓ A culture of mutual respect between people who cycle, walk and drive will be encouraged through education, road signs, campaigns and public information.

## **Strategic Actions**

18. Cycling ‘champions’ will be identified throughout the system. They will act as ambassadors for the shared vision across all sectors, and help to make a bigger impact because of their position or personality. These will include politicians, business leaders and elite cyclists of all disciplines.
19. Senior leaders will lobby government on planning policy changes which encourage cycling and walking.
20. Senior leaders will lobby for better public transport provision and easier reservations for cycle carriage, particularly by rail.
21. Professionals working in Derbyshire will be knowledgeable about and supported to implement designs and plans which contribute to the vision of a connected cycling county.
22. Senior town planning, transport, highways and housing planners will design and improve urban and rural environments that encourage cycling and walking, helping to make an easier choice for people to be active.
23. Housing, business, shopping, leisure, service and other developments will plan in cycling and walking from the outset. This will include the adoption of Travel Plans where appropriate, and planning decisions will support proposals which achieve this. Building for life PLUS will be used to build in physical activity requirements.
24. Public Health teams will consider Health Impact Assessments. Health and planning will be working closely together, with cycling and walking as a high priority.

## **Who Leads?**

Derbyshire Cycling Plan strategic group.

Cycling Champions, public health organisations, local authorities (highways and planning, communities and leisure).

## **Supported by**

Public transport providers

## **At community level....**

Local people will be needed to support all organisations that are lobbying and campaigning for change. Derbyshire people will need to talk to their MP’s and councillors to inform and educate them about local issues that affect cycling participation. Campaign and community groups will be needed to work together with organisations to identify the priority issues and take a collaborative approach to achieving a shared vision.

**CLOSING VISUAL WITH WHAT SUCCESS WILL LOOK LIKE**

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<sup>i</sup> The proportion/number of adults (aged 16 and over) participating in at least one session of (the) sport, at any intensity, and for any duration, in the last 28 days. Active People Survey 8 (2013/14). Includes all forms of cycling BMX, MTB, Recreational, CX, BUT excludes cycling for travel purposes.

<sup>ii</sup> Derby City Council, Derbyshire County Council, District Councils, University of Derby, British Cycling, Sustrans, Peak District National Park Authority, National Forest Company.

<sup>iii</sup> This Plan complements, and relies on the successful delivery of a number of key strategies across sectors.

**National;** British Cycling: Our Commitment, National Cycling Delivery Plan, Sport England Strategy 2012-17, Public Health Outcomes Framework 2013-2016 (Dept. Health), Healthy Lives, Healthy People (Dept. Health, 2010), Inspired by 2012: The legacy from the London 2012 Olympic and Paralympic Games (Cabinet Office, 2013), Creating a sporting habit for life – A new youth sport strategy (DCMS, 2012).

**Regional;** Local Economic Partnership Plans for Growth, Wider Peak District Cycle Strategy, National Forest Strategy, Get Active in the Outdoors – a Recreational Strategy and Action plan for the Peak District National Park 2010-2020

**Derbyshire;** Derbyshire Health and Wellbeing Strategy, Derbyshire – Leading the Way 2010-2014 (Derbyshire County Council), Local Transport Plans, Sustainable Modes of Travel Strategy, Rights of Way Improvement Plans, The Plan for Sport and Active Recreation in Derbyshire (and all associated action plans- coaching, talent, young people- list?), Active Derbyshire Plan 2013-16, Rights of Way Improvement Plans, Greenway/Waterways Strategies, *Road Safety Partnership Plans*, Derbyshire Built Facility Strategy 2012-2017

**Local:** Local Authority Corporate Strategies, Local Sport and Physical Activity strategies and action plans

<sup>iv</sup> Derbyshire Cycling Plan Group: Derby City Council, Derbyshire County Council, District Councils, University of Derby, British Cycling, Sustrans, Peak District National Park Authority, National Forest Company.

<sup>v</sup> Proposed members of Derbyshire Cycling Marketing network: Visit Peak District and Derbyshire, Visit Derby, Derbyshire County Council, Cycle Derby, Peak District National Park Authority, National Forest Company, National Trust, Derbyshire Sport. The group could be segmented into marketing to residents and marketing to visitors.

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<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 12</b>
<b>DATE OF MEETING:</b>	<b>20<sup>th</sup> AUGUST 2015</b>	<b>CATEGORY:</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF COMMUNITY AND PLANNING</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>NICOLA SWOROWSKI (EXT. 5983) nicola.sworowski@south-derbys.gov.uk</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>LOCAL PLAN PART 1</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>DISTRICTWIDE</b>	<b>TERMS OF REFERENCE:</b> *see below

---

## **1.0 Recommendations**

1.1 Members approve the continued approach to the Local Plan work

## **2.0 Purpose of Report**

2.1 To update Members on the Local Plan Part 1 and Part 2 and the Derby Housing Market Area (HMA) position.

## **3.0 Detail**

3.1 Since the previous report to this Committee regarding the Local Plan there has been a HMA JAB (Joint Advisory Board) meeting and continuation of SDDC work and HMA work.

3.2 There is now agreement across the HMA that the full housing requirement of 33,388 dwellings can be met. As Members will recall this was concluded by both South Derbyshire's and Amber Valley's Inspectors to be the requirement across the Derby HMA from 2011 – 2028. Derby City has again considered their capacity for delivering dwellings and 11,000 is still considered to be their cap. This continues to mean that 5,388 dwellings need to be delivered outside of the City boundary through the 'Duty to Co-operate' requirement with ourselves and Amber Valley Borough Council (AVBC). How this will be met will be considered through the joint HMA sustainability appraisal (SA) work.

3.3 A previous report to this Committee on the 4<sup>th</sup> June set out the four stages of the SA work. This work has been ongoing and the scoping consultation (with statutory consultation bodies) was completed on the 10<sup>th</sup> August. The responses received are currently being considered by HMA Officers. It is intended that the public consultation on the work will start before the end of August. This work is to confirm Derby's unmet needs and identify reasonable options to test for the split of that unmet need between Amber Valley and South Derbyshire.

3.4 On the 15<sup>th</sup> July, AVBC Officers [Page 83 of 280](#) their Full Council which

recommended that two housing sites were removed and one site was included in their Plan and also to agree with the option of increasing their housing target up to 9,849 dwellings. This was approved along with a further site being removed from the Plan.

- 3.5 Along with this Council's Full Council approval on the 2<sup>nd</sup> March this year, Members approved the recommendation for increasing the housing target by up to 277 dwellings to 12,618 dwellings. However, these recommendations only allow for a degree of flexibility that may not be in line with the outcomes of the SA work, in which case further Member approval would be required.
- 3.6 Derby City Council has approval to undertake their Regulation 19 consultation (prior to submission of their plan) and is keen that this takes place as soon as possible. A verbal update will be given at Committee should their timetable have been confirmed by that point.
- 3.7 Further hearings are required and Ms Kingaby wants to hold a further joint session of the Derby HMA authorities as part of the reconvened examination. It is anticipated that at this stage that this would at the earliest be the end of October.
- 3.8 Other work was also requested of South Derbyshire regarding viability, infrastructure and five year supply. The viability and Infrastructure work is now complete and will be published online and submitted to the Inspector in due course. The viability work undertaken by a consultant reconsidered the viability of sites with South Derbyshire and what affordable housing target would be achievable. The study concluded that 30% is considered viable across the majority of sites in South Derbyshire.
- 3.9 Consideration is being given to the most appropriate time to undertake a first Part 2 consultation and whether prior to the Inspectors report on the Local Plan would be sensible given the need to still address at least 600 dwellings in the District.

#### **4.0 Financial Implications**

- 4.1 There are none directly arising from this report.

#### **5.0 Corporate Implications**

- 5.1 Achieving the adoption of a Local Plan is a key priority within the Councils Corporate Plan.

#### **6.0 Community Implications**

- 6.1 An adopted Local Plan will ensure that development across the District is achieved in as sustainable manner as possible and in a way that provides the infrastructure of community facilities for both the new and existing residents.

#### **7.0 Background Papers**

- 7.1 Local Plan Part 1

Appendix A – Plan Wide Viability Review



**South Derbyshire**  
District Council

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# Plan Wide Viability Review

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June 2015

## Important Notice

HDH Planning and Development Ltd has prepared this report for the sole use of South Derbyshire District Council in accordance with the instructions and proposal under which our services were performed. No other warranty, expressed or implied, is made as to the professional advice included in this report or any other services provided by us. This report may not be relied upon by any other party without the prior and express written agreement of HDH Planning and Development Ltd.

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No part of this report constitutes a valuation and the report should not be relied on in that regard.

Certain statements made in the report may constitute estimates, projections or other forward-looking statements and even though they are based on reasonable assumptions as of the date of the report, such forward-looking statements by their nature involve risks and uncertainties that could cause actual results to differ materially from the results predicted. HDH Planning and Development Ltd specifically does not guarantee or warrant any estimate or projections contained in this report.

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# 1. Introduction

## Scope

- 1.1 South Derbyshire District Council are in the process of putting a new Local Plan in place. The new Local Plan Part 1 is undergoing a process of a public examination. In relation to affordable housing the inspector has said:

*In addition, I must request South Derbyshire District Council to look again at its affordable housing policy, Policy H20, having regard for viability. This was raised as a matter of concern in my Preliminary Note before the hearings opened (see Question 7) and in my Matter 2: The Spatial Strategy and Housing Policy, question 25. The Derby HMA Strategic Viability Assessment, pba/roger tym [C.27], the CIL Viability Assessment, Nationwide CIL Service [E.79], and the CIL Land and Property Value Appraisal Study, heb [E.80], all consider questions of the viability of housing development in South Derbyshire. However, none of these studies addressed directly what should be the target for affordable housing in the Local Plan, having regard for need and viability. The court of appeal judgment, Blyth Valley Borough Council v Persimmon Homes (North East) Limited and others [2007], emphasised the importance of ensuring that affordable housing targets in Development Plans are justified by robust viability evidence.*

*Policy H20 seeks to secure up to 30% of new housing development as affordable on sites of over 15 dwellings or 0.5 hectares. However, the supporting text indicates “In order that schemes are not rendered unviable the percentage that would be required in order to achieve the required amount of affordable housing over at least the next five years is not being sought as in most cases it would not be achievable”. It goes on to suggest that, across the HMA in the plan period, on average 25% will be achievable. Thus, the supporting text provides limited support for the policy aim of 30% affordable housing, and there is no mention of a viability study focussed on the establishment of a robust target for delivery of affordable housing.*

*In response to my preliminary questions, the Council stated that it expects between 10% and 40% affordable housing on 10 of the strategic sites in the Local Plan, with 100% in one case. It suggests that, if 30% affordable housing is sought, this would not remove the ability to charge a Community Infrastructure Levy in low, medium or high value areas of the District. This information offers some reassurance, but does not substitute for a robust viability appraisal to establish what should be the optimum target for the provision of affordable housing in the District overall and, if necessary, for the different value areas within it. I recognise the need for flexibility in affordable housing policy to enable negotiations where specific site circumstances would necessitate a departure from the 30% target, and to allow for application over the plan period. However, the policy should be based on robust evidence providing credibility and a level of certainty for developers so that site-by-site negotiations occur occasionally rather than routinely. I need to see additional viability evidence to justify and clarify Policy H20.*

*When looking again at the viability of affordable housing policy, the Council should be aware of very recent changes (28-11-2014) to the national Planning Practice Guidance (paragraph 23b Planning Obligations).*

*In addition, when the viability appraisal has been completed, it would be helpful to learn the Council's views on the Preliminary Conclusions of the Inspector examining the Eastleigh Borough Local Plan regarding affordable housing and total housing figures.*

- 1.2 Initially, the core question which this review sought to address is whether the existing viability evidence base is sufficient to be used to make an informed and robust judgement as to whether the Plan is likely to be deliverable. Early on it was recognised that whilst the existing evidence was of a high quality and, in terms of the methodology and the main assumptions used, it could be relied on it does not adequately consider the cumulative impact of all the

Council's policies and it was therefore necessary to undertake some further work to allow a judgement into the soundness of the Plan be able to be made.

- 1.3 To date, the Council has put weight on the existing evidence and has taken a pragmatic approach, using existing evidence where possible. This is consistent with current Government guidance – the NPPF puts much emphasis on the use of existing available evidence saying:

*Evidence supporting the assessment should be proportionate, using only appropriate available evidence. (NPPF 174).*

- 1.4 This is developed in the PPG that says:

*Evidence should be proportionate to ensure plans are underpinned by a broad understanding of viability. Greater detail may be necessary in areas of known marginal viability or where the evidence suggests that viability might be an issue – for example in relation to policies for strategic sites which require high infrastructure investment.*

PPG ID: 10-005-20140306

*Appropriate and proportionate evidence is essential for producing a sound Local Plan, and paragraph 158 onwards of the National Planning Policy Framework sets out the types of evidence that may be required.*

PPG ID: 12-014-20140306

- 1.5 HDH Planning and Development Ltd has now been appointed to advise the Council in connection with setting CIL in several regards:

- a. Firstly, to consider the Council's existing viability evidence. This is in several parts, including that prepared to inform the Plan and Community Infrastructure Levy (CIL).
- b. Secondly, to update the existing evidence, where required, and then to ensure that the viability testing is in the full context of the Council's full policy requirements.
- c. Thirdly, to consider the deliverability of the Plan.

- 1.6 It is important to note that whilst this Viability Review contains fresh work, on the whole it builds on that evidence used to develop the Plan which was developed through a process of consultation with the development industry.

- 1.7 It is not the purpose of this report to consider CIL in detail, or to make recommendations as to at what level (if at all) CIL should be set. Having said this, CIL is one of the mechanisms available to the Council to fund the infrastructure to support new development<sup>1</sup>. As part of the

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<sup>1</sup> CIL is set having regard to a range of factors, one of which is viability. This report only considers viability. Outside this report the Council will consider the need for infrastructure and other sources of funding

consideration of the deliverability of the Plan we have considered, in general terms, whether of CIL may have a useful role to play.

- 1.8 It is important to note at the start of a study of this type, that not all sites will be viable, even without any policy requirements imposed or sought by the Council. It is inevitable that the Council's requirements will render some sites unviable. The question for this report is not whether some development site or other would be rendered unviable, it is whether the delivery of the overall Plan is threatened.

### Report Structure

- 1.9 This reports is broken down as follows:

- Chapter 2** The reasons for, and approach to, viability testing, including a short review of the requirements of the NPPF (the CIL Regulations) and PPG.
- Chapter 3** The methodology used.
- Chapter 4** An assessment of the housing market, including market and affordable housing with the purpose of establishing the worth of different types of housing (size and tenure) in different areas.
- Chapter 5** An assessment of the non-residential markets with the purpose of establishing the worth of different types of commercial uses.
- Chapter 6** An assessment of the costs of land to be used when assessing viability.
- Chapter 7** The cost and general development assumptions to be used in the development appraisals.
- Chapter 8** A summary of the various policy requirements and constraints that influence the type of development that comes forward.
- Chapter 9** The setting out of the range of modelled sites used for the financial development appraisals.
- Chapter 10** The results of the appraisals and consideration of residential development.
- Chapter 11** The appraisals and consideration of non-residential development.
- Chapter 12** An assessment of whether or not the '*cumulative impact of the Council's policies puts the development plan at serious risk*' – this is the test in the NPPF.

### HDH Planning and Development

- 1.10 HDH is a specialist planning consultancy providing evidence to support planning and housing authorities. The firm was founded in the summer of 2011 by Simon Drummond-Hay who is a Chartered Surveyor and associate of the Chartered Institute of Housing.

- 1.11 The firm's main areas of expertise are:

- a. District wide and site specific viability analysis

- b. Community Infrastructure Levy testing
- c. Local and Strategic Housing Market Assessments and Housing Needs Assessments
- d. Future Housing Numbers Analysis (post RSS target setting)
- e. Viability and Planning Assessments and Inquiries

1.12 The findings contained in this report are based upon information provided by the Council and upon the assumption that all relevant information has been provided. This information has not been independently verified by HDH. The conclusions and recommendations contained in this report are concerned with policy requirement, guidance and regulations which may be subject to change. They reflect a Chartered Surveyor's perspective and do not reflect or constitute legal advice. No part of this report constitutes a valuation and the report should not be relied on in that regard.

**Metric or imperial**

1.13 The property industry uses both imperial and metric data – often working out costings in metric (£/m<sup>2</sup>) and values in imperial (£/acre and £/sqft). This is confusing so we have used metric measurements throughout this report. The following conversion rates may assist readers.

1ha	=	2.471acres	1acre	=	0.4147ha
1m	=	3.28ft (3' and 3.37")	1ft	=	0.30m
1m <sup>2</sup>	=	10.76sqft (10 sqft and 110sqin)	1sqft	=	0.0929m <sup>2</sup>

## 2. Viability Testing

- 2.1 Viability testing is an important part of the plan-making process. The requirement to assess viability forms part of the National Planning Policy Framework<sup>2</sup> (NPPF), The Planning Practice Guidance<sup>3</sup> (PPG), and is a requirement of the CIL Regulations. In each case the requirement is slightly different but all have much in common.
- 2.2 The NPPF sets out the Government's planning policies for England and how these are expected to be applied. The NPPF's content is finalised and has not been changed by the PPG. The PPG provides detail and clarity as to the meaning, application and implementation of the NPPF. In June 2014 the CIL Regulations were assimilated into the PPG.

### **NPPF Viability Testing**

- 2.3 The NPPF introduced a requirement to assess the viability of the delivery of Local Plan and the impact on development of policies contained within it. The NPPF includes the following requirements (with our emphasis):

*173. Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.*

*174. Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.*

- 2.4 The duty to test in the NPPF is a 'broad brush' one saying 'plans should be deliverable'. It is not a requirement that every site should be able to bear all of the local authority's requirements – indeed there will be some sites that are unviable even with no requirements imposed on them by the local authority. The typical site in the local authority area should be able to bear

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<sup>2</sup> The NPPF was published and came into effect on 27<sup>th</sup> March 2012.

<sup>3</sup> <http://planningguidance.planningportal.gov.uk/>

whatever target or requirement is set and the Council should be able to show, with a reasonable degree of confidence, that the Development Plan is deliverable.

2.5 The enabling and delivery of development is a priority of the NPPF. In this regard it says:

*47. To boost significantly the supply of housing, local planning authorities should:*

- use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period;*
- identify and update annually a supply of specific deliverable<sup>11</sup> sites sufficient to provide five years' worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land;*
- identify a supply of specific, developable<sup>12</sup> sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15;*
- for market and affordable housing, illustrate the expected rate of housing delivery through a housing trajectory for the plan period and set out a housing implementation strategy for the full range of housing describing how they will maintain delivery of a five-year supply of housing land to meet their housing target; and*
- set out their own approach to housing density to reflect local circumstances.*

2.6 Footnotes 11 and 12 of the NPPF are important in providing detail saying:

*<sup>11</sup> To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.*

*<sup>12</sup> To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.*

2.7 Some sites within the area will not be viable. In these cases developers have scope to make specific submissions at the planning applications stage; similarly some sites will be able to bear considerably more than the policy requirements.

2.8 This review will consider the development viability of the site types that are most likely to come forward over the Plan period building on the Council's existing viability evidence base.

## CIL Economic Viability Assessment

- 2.9 The CIL Regulations came into effect in April 2010 and have been subject to several (5) subsequent amendments<sup>4</sup>. CIL Regulation 14 (as amended) sets out the core principle for setting CIL:

### *Setting rates*

(1) *In setting rates (including differential rates) in a charging schedule, a charging authority must strike an appropriate balance between—*

- (a) *the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and*
- (b) *the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.*

(2) *In setting rates ...*

- 2.10 Viability testing in the context of CIL is to assess the 'effects' on development viability of the imposition of CIL. CIL is not calculated through a predetermined formula, but the financial impact of introducing CIL is an important factor, as is the provision of infrastructure (or lack of it) will also have an impact on the ability of the Council to meet its objectives through development and deliver its Development Plan. The Plan may not be deliverable in the absence of CIL.

- 2.11 The test that will be applied to the proposed rates of CIL are set out in the updated CIL Guidance contained in the PPG, putting greater emphasis on demonstrating how CIL will be used to deliver the infrastructure required to support the Plan.

*The levy is expected to have a positive economic effect on development across a local plan area. When deciding the levy rates, an appropriate balance must be struck between additional investment to support development and the potential effect on the viability of developments.*

*This balance is at the centre of the charge-setting process. In meeting the regulatory requirements (see Regulation 14(1)), charging authorities should be able to show and explain how their proposed levy rate (or rates) will contribute towards the implementation of their relevant plan and support development across their area.*

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<sup>4</sup> **SI 2010 No. 948.** The Community Infrastructure Levy Regulations 2010 *Made 23rd March 2010, Coming into force 6th April 2010.* **SI 2011 No. 987.** The Community Infrastructure Levy (Amendment) Regulations 2011 *Made 28th March 2011, Coming into force 6th April 2011.* **SI 2011 No. 2918.** The Local Authorities (Contracting Out of Community Infrastructure Levy Functions) Order 2011. *Made 6th December 2011, Coming into force 7th December 2011.* **SI 2012 No. 2975.** The Community Infrastructure Levy (Amendment) Regulations 2012. *Made 28th November 2012, Coming into force 29th November 2012.* **SI 2013 No. 982.** The Community Infrastructure Levy (Amendment) Regulations 2013. *Made 24th April 2013, Coming into force 25th April 2013.* **SI 2014 No. 385.** The Community Infrastructure Levy (Amendment) Regulations 2013. *Made 24<sup>th</sup> February 2014, Coming into force 24<sup>th</sup> February 2014.* **SI 2015 No. 836.** COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES, The Community Infrastructure Levy (Amendment) Regulations 2015. *Made 20th March 2015.*

*As set out in the National Planning Policy Framework in England (paragraphs 173 – 177), the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. The same principle applies in Wales.*

PPG ID: 25-009-20140612

2.12 The test is whether the sites and the scale of development identified in the Plan are subject to such a scale of obligations and policy burdens (when considered together) that their ability to be developed viably is threatened by CIL. This is somewhat more cautious than the approach set out in earlier guidance. In the March 2010 CIL Guidance, the test was whether the Plan was put at ‘*serious risk*’, and in the December 2012 / April 2013 CIL Guidance, the test was whether CIL ‘*threatened the development plan as a whole*’ – although it is important to note that the CIL Regulation 14 is clear that the purpose of the viability testing is to establish ‘*the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area*’ rather than specific sites.

2.13 On preparing the evidence base on economic viability, the Guidance says:

*A charging authority must use ‘appropriate available evidence’ (as defined in the Planning Act 2008 section 211(7A)) to inform their draft charging schedule. The Government recognises that the available data is unlikely to be fully comprehensive. Charging authorities need to demonstrate that their proposed levy rate or rates are informed by ‘appropriate available’ evidence and consistent with that evidence across their area as a whole.*

*In addition, a charging authority should directly sample an appropriate range of types of sites across its area, in order to supplement existing data. This will require support from local developers. The exercise should focus on strategic sites on which the relevant Plan (the Local Plan in England, Local Development Plan in Wales, and the London Plan in London )] relies, and those sites where the impact of the levy on economic viability is likely to be most significant (such as brownfield sites).*

*The sampling should reflect a selection of the different types of sites included in the relevant Plan, and should be consistent with viability assessment undertaken as part of plan-making.*

PPG ID: 25-019-20140612

2.14 This review has drawn on the existing available evidence where it is available. The Council will also consider other ‘existing available evidence’, the comments of stakeholders and wider priorities. The NPPF, PPG and the Harman Guidance, as referred to below, recommend that the development and consideration of a CIL rate should be undertaken as part of the same exercise, which is what the Council is doing.

2.15 From April 2015, councils have been restricted in relation to pooling S106 contributions from more than five developments<sup>5</sup> (where the obligation in the s106 agreement is a reason for granting consent). This restriction will encourage councils to adopt CIL – particularly where

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<sup>5</sup> CIL Regulations 123(3)

there are large items of infrastructure to be delivered that relate to multiple sites. This restriction on pooling may have the effect of bringing s106 tariff policies to an end.

2.16 Following the implementation of CIL a Council will still be able to raise additional s106 funds for infrastructure, provided this infrastructure can be directly linked to the site-specific needs associated with the scheme in question, and that it is not for infrastructure specifically identified to be funded by CIL, through the Regulation 123 List<sup>6</sup>. Payments requested under the s106 regime must be (as set out in CIL Regulation 122):

- a. necessary to make the development acceptable in planning terms;
- b. directly related to the development; and
- c. fairly and reasonably related in scale and kind to the development.

2.17 As mentioned above, under CIL Regulation 123, from April 2015, there are restrictions on pooling contributions from five or more sites where the obligation is a reason for granting planning permission. It is important to note that the counting of the 'five or more sites' relates to the 'provision of that project, or type of infrastructure' and is from the date of the CIL Regulations, being April 2010. The Council will need to consider whether the threshold has already been exceeded for some items of infrastructure.

#### *Differential Rates*

2.18 CIL Regulation 13 (as amended) provides scope for CIL to be set at different levels by different area (zones) and type and size of developments.

#### *Differential rates*

(1) A charging authority may set differential rates—

- (a) for different zones in which development would be situated;
- (b) by reference to different intended uses of development,
- (c) by reference to the intended gross internal area of development;
- (d) by reference to the intended number of dwellings or units to be constructed or provided under a planning permission.

(2) In setting differential rates, a charging authority may set supplementary charges, nil rates, increased rates or reductions.

2.19 The PPG expands on this saying:

*Charging authorities that decide to set differential rates may need to undertake more fine-grained sampling, on a higher proportion of total sites, to help them to estimate the boundaries for their*

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<sup>6</sup> This is the list of the items that the Council will spend CIL payments on.

*differential rates. Fine-grained sampling is also likely to be necessary where they wish to differentiate between categories or scales of intended use.*

*The focus should be in particular on strategic sites on which the relevant Plan relies and those sites (such as brownfield sites) where the impact of the levy is likely to be most significant.*

*The outcome of the sampling exercise should be to provide a robust evidence base about the potential effects of the rates proposed, balanced against the need to avoid excessive detail.*

*A charging authority's proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. For example, this might not be appropriate if the evidence pointed to setting a charge right at the margins of viability. There is room for some pragmatism. It would be appropriate to ensure that a 'buffer' or margin is included, so that the levy rate is able to support development when economic circumstances adjust. In all cases, the charging authority should be able to explain its approach clearly.*

PPG ID: 25-019-20140612

*The regulations allow charging authorities to apply differential rates in a flexible way, to help ensure the viability of development is not put at risk. Differences in rates need to be justified by reference to the economic viability of development. Differential rates should not be used as a means to deliver policy objectives.*

*Differential rates may be appropriate in relation to*

- *geographical zones within the charging authority's boundary*
- *types of development; and/or*
- *scales of development.*

*A charging authority that plans to set differential rates should seek to avoid undue complexity. Charging schedules with differential rates should not have a disproportionate impact on particular sectors or specialist forms of development. Charging authorities should consider the views of developers at an early stage.*

*If the evidence shows that the area includes a zone, which could be a strategic site, which has low, very low or zero viability, the charging authority should consider setting a low or zero levy rate in that area. The same principle should apply where the evidence shows similarly low viability for particular types and/or scales of development.*

*In all cases, differential rates must not be set in such a way that they constitute a notifiable state aid under European Commission regulations (see 'State aid' section for further information). One element of state aid is the conferring of a selective advantage to any 'undertaking'. A charging authority which chooses to differentiate between classes of development, or by reference to different areas, should do so only where there is consistent economic viability evidence to justify this approach. It is the responsibility of each charging authority to ensure that their charging schedules are state aid compliant.*

PPG ID: 25-021-20140612

- 2.20 Any differential rates must only be set with regard to viability. It would be contrary to the guidance, for example, to set a high rate to deter a particular type of development, or to set a low rate to encourage it – a consistent approach must be taken across all development types.
- 2.21 CIL, once introduced, is mandatory on all developments (with a very few exceptions) that fall within the categories and areas where the levy applies, unlike other policy requirements to provide affordable housing or to build to a particular environmental standard over which there can be negotiations. This means that CIL must not prejudice the viability of most sites.
- 2.22 When setting CIL it will be necessary for the Council to clearly demonstrate how CIL will fund infrastructure that will enable development to be delivered.

- 2.23 The test is whether the sites and the scale of development identified in the Plan are subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened by CIL. This is somewhat more cautious than the approach set out in earlier guidance. In the March 2010 CIL Guidance, the test was whether the Plan was put at ‘*serious risk*’, and in the April 2013 CIL Guidance, the test was whether the Development Plan is ‘*threatened*’ by CIL.

*Payments in kind*

- 2.24 Under changes to CIL Regulation 73, a local authority (at its discretion and subject to strict rules) can accept CIL ‘in kind’. The changes to this Regulation have extended this provision from the payment of CIL through the transfer of land, to the payment through the transfer of infrastructure as well as land. These changes give the increased flexibility to both the Charging Authority and the developer allowing CIL to be ‘paid’ through the provision of infrastructure.

**Planning Practice Guidance (PPG)**

- 2.25 Viability is a recurring theme through the PPG, and it includes specific sections on viability in both the plan making and the development management processes. As set out above, the NPPF says that plans should be deliverable and that the scale of development identified in the Plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. The PPG says:

*Understanding Local Plan viability is critical to the overall assessment of deliverability. Local Plans should present visions for an area in the context of an understanding of local economic conditions and market realities. This should not undermine ambition for high quality design and wider social and environmental benefit but such ambition should be tested against the realistic likelihood of delivery.*

*.... viability can be important where planning obligations or other costs are being introduced. In these cases decisions must be underpinned by an understanding of viability, ensuring realistic decisions are made to support development and promote economic growth. Where the viability of a development is in question, local planning authorities should look to be flexible in applying policy requirements wherever possible.*

PPG ID: 10-001-20140306

- 2.26 These requirements are not new and are simply stating best practice and are wholly consistent with the approach taken through the preparation of the Plan. An example is the inclusion of viability testing in relation to the Council’s affordable housing policy.

- 2.27 In the section on considering land availability, the PPG says:

*A site is considered achievable for development where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in time. This is essentially a judgement about the economic viability of a site, and the capacity of the developer to complete and sell the development over a certain period.*

PPG ID: 3-021-20140306

- 2.28 The PPG does not prescribe a single approach for assessing viability. The NPPF and the PPG both set out the policy principles relating to viability assessments. The PPG rightly

acknowledges that a ‘range of sector led guidance on viability methodologies in plan making and decision taking is widely available’.

*There is no standard answer to questions of viability, nor is there a single approach for assessing viability. The National Planning Policy Framework, informed by this Guidance, sets out the policy principles relating to viability assessment. A range of sector led guidance on viability methodologies in plan making and decision taking is widely available.*

PPG 10-002-20140306.

2.29 As set out later in this chapter, this review is carried out in the context of the Harman Guidance and in broadly in accordance with the RICS Guidance, it also draws on the Planning Advisory Service resources and was informed by appeal decisions and CIL Examiner’s reports.

2.30 The PPG does not require every site to be tested:

*Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable; site typologies may be used to determine viability at policy level. Assessment of samples of sites may be helpful to support evidence and more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies.*

PPG ID: 10-006-20140306

2.31 This supports the approach where the analysis is based on a set of typologies that represent the expected development to come forward over the plan-period.

2.32 Viability Thresholds are a controversial matter and it is clear that different landowners will take different approaches depending on their personal and corporate priorities. The assessment is based on an informed assumption being made about the ‘uplift’ being the margin above the ‘Existing Use Value’ which would be sufficient to incentivise the landowner to sell. Both the RICS Guidance and the PPG make it clear that when considering land value that this must be done in the context of current and emerging policies:

**Site Value definition** *Site Value either as an input into a scheme specific appraisal or as a benchmark is defined in the guidance note as follows: ‘Site Value should equate to the market value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan.’*

Box 7, Page 12, RICS Guidance

*In all cases, estimated land or site value should: ...reflect emerging policy requirements and planning obligations and, where applicable, any Community Infrastructure Levy charge;...*

PPG ID 10-014-20140306

2.33 The PPG stresses the importance of working from evidence and in collaboration with the development industry:

**Evidence based judgement:** *assessing viability requires judgements which are informed by the relevant available facts. It requires a realistic understanding of the costs and the value of development in the local area and an understanding of the operation of the market.*

*Understanding past performance, such as in relation to build rates and the scale of historic planning obligations can be a useful start. Direct engagement with the development sector may be helpful in accessing evidence.*

**Collaboration:** a collaborative approach involving the local planning authority, business community, developers, landowners and other interested parties will improve understanding of deliverability and viability. Transparency of evidence is encouraged wherever possible. Where communities are preparing a neighbourhood plan (or Neighbourhood Development Order), local planning authorities are encouraged to share evidence to ensure that local viability assumptions are clearly understood.

- 2.34 The meaning of competitive returns is discussed later in this report and is at the core of a viability assessment. The RICS Guidance (see below) includes the following definition:

**Competitive returns** - A term used in paragraph 173 of the NPPF and applied to ‘a willing land owner and willing developer to enable development to be deliverable’. A ‘Competitive Return’ in the context of land and/or premises equates to the Site Value as defined by this guidance, i.e. the Market Value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. A ‘Competitive Return’ in the context of a developer bringing forward development should be in accordance with a ‘market risk adjusted return’ to the developer, as defined in this guidance, in viably delivering a project.

- 2.35 The PPG adds to this saying:

*The National Planning Policy Framework states that viability should consider “competitive returns to a willing landowner and willing developer to enable the development to be deliverable.” This return will vary significantly between projects to reflect the size and risk profile of the development and the risks to the project. A rigid approach to assumed profit levels should be avoided and comparable schemes or data sources reflected wherever possible.*

*A competitive return for the land owner is the price at which a reasonable land owner would be willing to sell their land for the development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. Those options may include the current use value of the land or its value for a realistic alternative use that complies with planning policy.*

PPG ID: 10-015-20140306.

## Viability Guidance

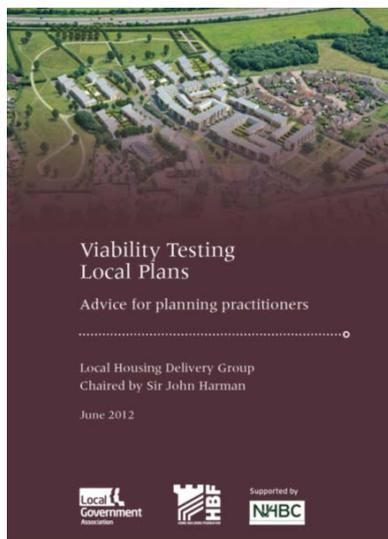
- 2.36 There is no specific technical guidance on how to test the viability in the NPPF, the PPG or the CIL Regulations or Guidance. Paragraph 173 of the NPPF says: ‘..... To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.....’ This seems quite straightforward – although ‘competitive returns’ is not defined.
- 2.37 There are several sources of guidance and appeal decisions<sup>7</sup> that support the methodology we have developed. In this study we have followed the *Viability Testing in Local Plans* –
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<sup>7</sup> Barnet: APP/Q5300/ A/07/2043798/NWF, Bristol: APP/P0119/ A/08/2069226, Beckenham: APP/G5180/ A/08/2084559, Bishops Cleeve: APP/G1630/A/11/2146206 Burgess Farm: APP/U4230/A/11/2157433, CLAY FARM: APP/Q0505/A/09/2103599/NWF, Woodstock: APP/D3125/ A/09/2104658, Shinfield APP/X0360/

*Advice for planning practitioners* (LGA/HBF – Sir John Harman) June 2012<sup>8</sup> (known as the Harman Guidance). This contains the following definition:

*An individual development can be said to be viable if, after taking account of all costs, including central and local government policy and regulatory costs and the cost and availability of development finance, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered.*

- 2.38 The planning appeal decisions, and the HCA good practice publication suggest that the most appropriate test of viability for planning policy purposes is to consider the Residual Value of schemes compared with the Existing Use Value (EUV), plus a premium. The premium over and above the EUV being set at a level to provide the landowner with a competitive return and the inducement to sell. The Harman Guidance and *Financial viability in planning, RICS guidance note, 1st edition* (GN 94/2012) which was published during August 2012 (known as the RICS Guidance) set out the principles of viability testing. Additionally, the Planning Advisory Service (PAS)<sup>9</sup> provide viability guidance and manuals for local authorities.



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A/12/2179141, Oxenholme Road, APP/M0933/A/13/2193338 Vannes: Court of Appeal 22 April 2010, [2010] EWHC 1092 (Admin) 2010 WL 1608437

<sup>8</sup> Viability Testing in Local Plans has been endorsed by the Local Government Association and forms the basis of advice given by the, CLG funded, Planning Advisory Service (PAS).

<sup>9</sup> PAS is funded directly by DCLG to provide consultancy and peer support, learning events and online resources to help local authorities understand and respond to planning reform. (Note: Much of the most recent advice has been co-authored by HDH).

- 2.39 There is considerable common ground between the RICS and the Harman Guidance but they are not consistent. The RICS Guidance recommends against the ‘current/alternative use value plus a margin’ – which is the methodology recommended in the Harman Guidance.

*One approach has been to exclusively adopt current use value (CUV) plus a margin or a variant of this, i.e. existing use value (EUV) plus a premium. The problem with this singular approach is that it does not reflect the workings of the market as land is not released at CUV or CUV plus a margin (EUV plus).....*

*Financial viability in planning, RICS guidance note, 1st edition (GN 94/2012)*

- 2.40 The Harman Guidance advocates an approach based on Threshold Land Value. Viability Testing in Local Plans says:

*Consideration of an appropriate **Threshold Land Value** needs to take account of the fact that future plan policy requirements will have an impact on land values and landowner expectations. Therefore, using a market value approach as the starting point carries the risk of building-in assumptions of current policy costs rather than helping to inform the potential for future policy. Reference to market values can still provide a useful ‘sense check’ on the threshold values that are being used in the model (making use of cost-effective sources of local information), but it is not recommended that these are used as the basis for the input to a model.*

*We recommend that the Threshold Land Value is based on a premium over current use values and credible alternative use values (noting the exceptions below).*

*Viability Testing in Local Plans – Advice for planning practitioners. (June 2012)*

- 2.41 The RICS dismisses a Threshold Land Value approach as follows.

*Threshold land value. A term developed by the Homes and Communities Agency (HCA) being essentially a land value at or above that which it is assumed a landowner would be prepared to sell. It is not a recognised valuation definition or approach.*

- 2.42 On face value these statements are contradictory, so it is necessary to bring these two sources of guidance together. The methodology adopted is to compare the Residual Value generated by the viability appraisals, with the Existing Use Value (EUV) or an Alternative Use Value (AUV) plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the existing use value is central to the assessment of viability. It must be set at a level to provide ‘competitive returns’<sup>10</sup> to the landowner. To inform the judgement as to whether the uplift is set at the appropriate level we make reference to the market value of the land both with and without the benefit of planning.

- 2.43 The Harman Guidance (as endorsed by LGA, PAS) – and also broadly in line with the main thrust of the RICS Guidance of having reference to market value. It is relevant to note that the Harman methodology was endorsed by the Planning Inspector who approved the London

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<sup>10</sup> As required by 173 of the NPPF

Mayoral CIL Charging Schedule in January 2012<sup>11</sup>. In his report, the Inspector dismissed the theory that using historical market value (i.e. as proposed by the RICS) to assess the value of land was a more appropriate methodology than using EUV plus a margin.

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<sup>11</sup> Paragraphs 7 to 9 of REPORT ON THE EXAMINATION OF THE DRAFT MAYORAL COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE by Keith Holland BA (Hons) DipTP MRTPI ARICS an Examiner appointed by the Mayor Date: 27<sup>th</sup> January 2012

### 3. Methodology

#### Viability Testing – Outline Methodology

3.1 There is no statutory technical guidance on how to go about viability testing. We have therefore followed the Harman Guidance. The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation, which has been standard for as long as land has been traded for development is:

**Gross Development Value**  
(The combined value of the complete development)

LESS

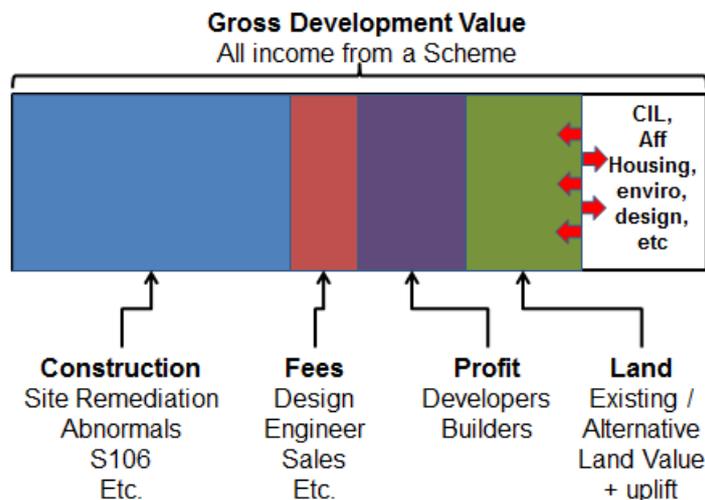
**Cost of creating the asset, including a profit margin**  
(Construction + fees + finance charges)

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**RESIDUAL VALUE**

3.2 The result of the calculation indicates a land value, the Residual Value. The Residual Value is the top limit of what a developer could offer for a site and still make a satisfactory profit margin.

3.3 In the following graphic, the bar illustrates all the income from a scheme. This is set by the market (rather than by the developer or local authority) so is, to a large extent, fixed. The developer has relatively little control over the costs of development (construction and fees) and whilst there is scope to build to different standards and with different levels of efficiency the costs are largely out of the developer’s direct control – they are what they are depending on the development.



- 3.4 It is well recognised in viability testing that the developer should be rewarded for taking the risks of development. The NPPF terms this the ‘competitive return’. The essential balance in viability testing is around the land value and whether or not land will come forward for development. The more policy requirements and developer contributions the planning authority asks for the less the developer can afford to pay for the land. The purpose of this study is to assess the effect and to quantify the costs of the Council’s various policies on development and then make a judgement as to whether or not land prices are squeezed to such an extent that, in the NPPF context, that the Development Plan is put at ‘serious risk’ or, in the context of the CIL Guidance, whether development is ‘threatened’ to such an extent that the Plan is not delivered.
- 3.5 The ‘likely land value’ is a difficult topic since a landowner is unlikely to be entirely frank about the price that would be acceptable, always seeking a higher one. This is one of the areas where an informed assumption has to be made about the ‘uplift’: the margin above the ‘existing use value’ which would make the landowner sell. Both the RICS Guidance and the PPG make it clear that when considering land value that this must be done in the context of current and emerging policies.
- 3.6 It is important to note that this study is not trying to exactly mirror any particular developer’s business model – rather it is making a broad assessment of viability in the context of plan-making and the requirements of the NPPF and CIL Regulations.

#### **Limitations of viability testing in the context of the NPPF**

- 3.7 The high level and broad brush viability testing that is appropriate to be used to assess the cumulative impact of the Council’s policies on the Plan (and the effect of CIL) does have limitations. The assessment of viability is a largely quantitative process based on financial appraisals – there are however types of development where viability is not at the forefront of the developer’s mind and they will proceed even if a ‘loss’ is shown in a conventional appraisal. By way of example, an individual may want to fulfil a dream of building a house and may spend more than the finished home is actually worth, a community may extend a village hall even though the value of the facility in financial terms is not significantly enhanced or the end user of an industrial or logistics building may build a new factory or depot that will improve its operational efficiency even if, as a property development, the resulting building may not seem to be viable.
- 3.8 This sets the Council a challenge when considering its proposals. It needs to determine whether or not the policies in the Plan that impact on a development type that may appear only to be marginally viable, will have any material impact on the rates of development, or will the developments proceed anyway. It is clear that some development in the area is coming forward for operational reasons, rather than property development purposes.

#### **The meaning of ‘competitive return’**

- 3.9 The meaning of ‘competitive return’ is at the core of a viability assessment. The RICS Guidance includes the following definition:

**Competitive returns** - A term used in paragraph 173 of the NPPF and applied to 'a willing land owner and willing developer to enable development to be deliverable'. A 'Competitive Return' in the context of land and/or premises equates to the Site Value as defined by this guidance, i.e. the Market Value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. A 'Competitive Return' in the context of a developer bringing forward development should be in accordance with a 'market risk adjusted return' to the developer, as defined in this guidance, in viably delivering a project.

- 3.10 Whilst this is useful it does not provide guidance as to the size of that return. To date there has been much discussion within the industry as to what may and may not be a competitive return, as yet the term has not been given a firm definition through the appeal, planning examination or legal processes.
- 3.11 Competitive return was considered at the Shinfield Appeal<sup>12</sup>. We have discussed this further in Chapter 6 below. More recently, further clarification has been added in the Oxenholme Road Appeal<sup>13</sup> where the inspector confirmed that the principle set out in Shinfield is very site specific and should only be given limited weight.
- 3.12 It should be noted that this study is about the economics of development. Viability brings in a wider range than just financial factors. The PPG says:

*Understanding Local Plan viability is critical to the overall assessment of deliverability. Local Plans should present visions for an area in the context of an understanding of local economic conditions and market realities. This should not undermine ambition for high quality design and wider social and environmental benefit but such ambition should be tested against the realistic likelihood of delivery.*

- 3.13 The following graphic is taken from the Harman Guidance and illustrates some of the non-financial as well as financial factors that contribute to the assessment process.

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<sup>12</sup> APP/X0360/A/12/2179141 (Land at The Manor, Shinfield, Reading RG2 9BX) January 2013.

<sup>13</sup> APP/M0933/ A/13/ 2193338 (Land to the west of Oxenholme Road, Kendal, Cumbria) October 2013.



3.14 It is important to note that the PPG does make it clear that viability is just one of a range of factors that will be considered when determining a planning application:

*Assessing viability should lead to an understanding of the scale of planning obligations which are appropriate. However, the National Planning Policy Framework is clear that where safeguards are necessary to make a particular development acceptable in planning terms, and these safeguards cannot be secured, planning permission should not be granted for unacceptable development.*

PPG ID: 10-019-20140306

### Existing Available Evidence

3.15 The NPPF and PPG are clear that the assessment of viability should, wherever possible, be based on existing available evidence rather than new evidence. We have reviewed the existing evidence that is available from the Council. This falls into two broad types:

3.16 The first is that which has been prepared for the Council to inform the Local Plan process, being *The Derby HMA Strategic Viability Assessment (PBA)* March 2013. The second is that prepared in connection to CIL being *Derby Housing Market Area CIL Viability Assessment (NCS)* July 2014. Both of these studies cover the three councils of Derby City, Amber Valley and South Derbyshire.

3.17 The initial question was whether the existing viability evidence base is sufficient to be used to make an informed and robust judgement as to whether the development identified in the Local Plan Part 1, is likely to be deliverable. In order to be able to make this judgement, we have considered a number of simple questions:

- a. Is the existing evidence sound and robust?
  - i. Is the existing evidence consistent with the NPPF and PPG?

- ii. Does the passage of time mean that the existing work needs updating?
  - b. Can the viability work that has been done be related to the development set out in the Local Plan Part 1?
- 3.18 The Strategic Viability Assessment was published in March 2013 and the CIL Viability Assessment in July 2014. The NPPF was published on 27<sup>th</sup> March 2012 and the PPG on 6<sup>th</sup> March 2014, although the PPG has been subsequently updated.
- 3.19 As set out above, the requirements of the NPPF and PPG are clear. Together these policy documents set out the core principles of plan-making and viability testing (although not technical guidance). They use some quite specific new language such as ‘competitive return’, ‘serious risk’ and ‘cumulative impact’. Ideally any viability work would be carried out and the test of viability would be in the context of this language.
- 3.20 Having reviewed these studies we concluded that, on the whole the methodology and assumptions used is appropriate, however the work did not recognise the full cumulative impact of the Council’s policies. It is as a result of this initial assessment that the updating in this report has been undertaken.
- 3.21 Secondly, the Council also holds evidence of what is being collected from developers under the s106 regime. This is being collated outside this study but will be drawn on when considering the rates of CIL. We have considered the Council’s policies for developer contributions (including affordable housing) and the amounts that have actually been collected from developers.

### **Viability Process**

- 3.22 The assessment of viability as required under the NPPF and the CIL Regulations is a quantitative and qualitative assessment based on professional judgment, CIL is not calculated by some pre-determined formula. The NPPF requires that *‘the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened<sup>14</sup>’* and whether *‘the cumulative impact of these standards and policies should not put implementation of the plan at serious risk<sup>15</sup>’*. The CIL Regulations require that *‘councils must strike an appropriate balance between (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area,*

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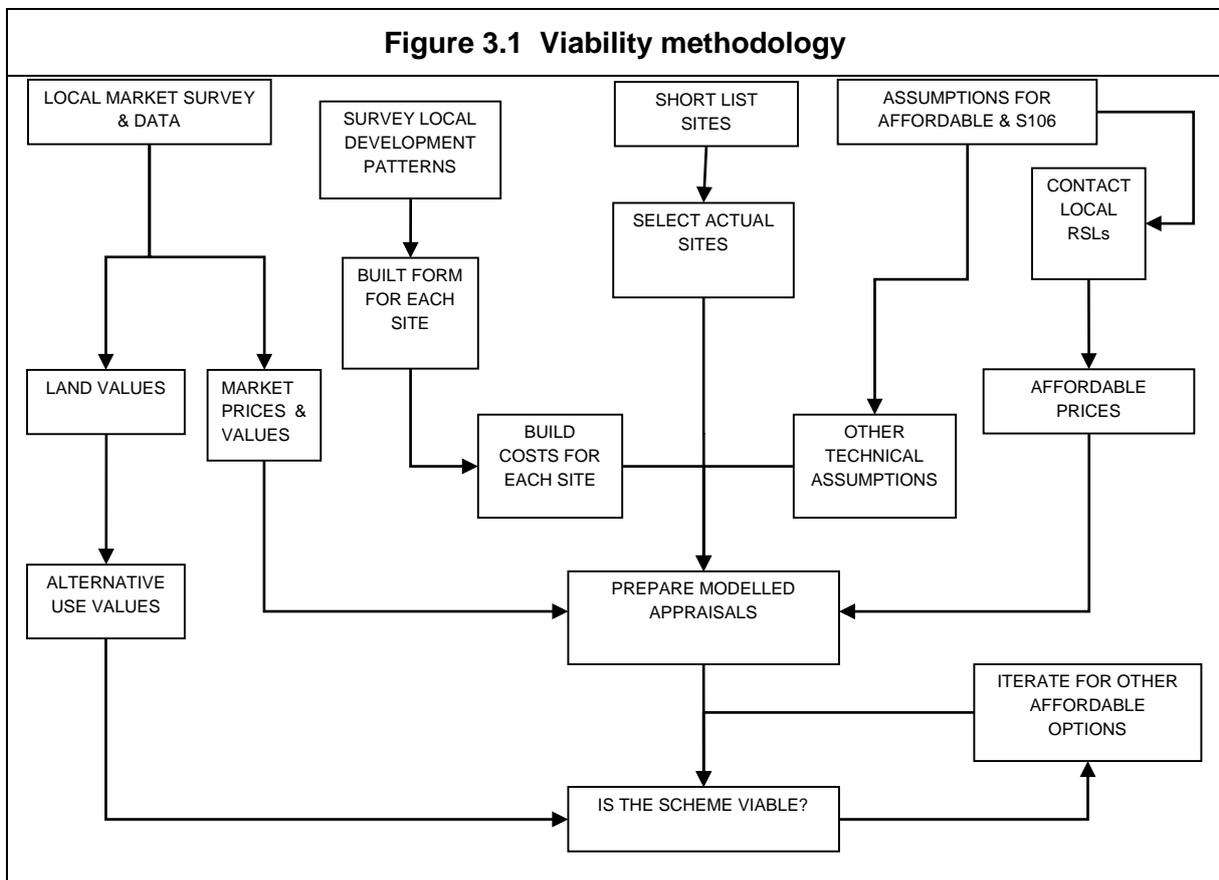
<sup>14</sup> NPPF Paragraph 173

<sup>15</sup> NPPF Paragraph 174

taking into account other actual and expected sources of funding; and (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability<sup>16</sup>.

3.23 The basic viability methodology is summarised in Figure 3.1 below. It involves preparing financial development appraisals for a representative range of sites and actual sites and using these to assess the effect that CIL may have on development viability. Details of the site modelling are set out in Chapter 9.

3.24 The sites were modelled based on discussions with Council officers, the existing available evidence supplied to us by the Council, and on our own experience of development. In particular we drew on the sites in the SHLAA, and the strategic sites and broad locations for development that the Council has identified and / or is considering as part of the plan-making process. This process ensures that the appraisals are representative of typical development.



Source: HDH 2015

<sup>16</sup> CIL Regulation 14

- 3.25 The appraisals are based on the policies set out in the South Derbyshire Local Plan, Part 1 (March 2014). For appropriate sensitivity testing we have assessed a range of scenarios.
- 3.26 We surveyed the local housing and commercial markets, in order to obtain a picture of sales values. We also assessed land values to calibrate the appraisals and to assess alternative use values. Alongside this we considered local development patterns, in order to arrive at appropriate built form assumptions for those sites where information from a current planning permission or application was not available. These in turn informed the appropriate build cost figures. A number of other technical assumptions were required before appraisals could be produced. The appraisal results were in the form of £/ha 'residual' land values, showing the maximum value a developer could pay for the site and still return a target profit level.
- 3.27 The Residual Value was compared to the Existing Use Value (EUV) for each site. Only if the Residual Value exceeded the EUV, and by a satisfactory margin, could the scheme be judged to be viable.
- 3.28 We have used a bespoke viability testing model designed and developed by us specifically for area wide viability testing as required by the NPPF and CIL Regulations<sup>17</sup>. The purpose of the viability model and testing is not to exactly mirror any particular business model used by those companies, organisations and people involved in property development. The purpose is to capture the generality and to provide high level advice to assist the Council in assessing the deliverability of the Detailed Policies and Sites Plan, and to set CIL.

### **Development Types**

- 3.29 The modelling in this study was based on the types of development most likely to come forward on the sites within the Plan. The work in this study is proportionate to allowing a judgement be made as to whether the cumulative impact of the policies put the Plan at serious risk and whether CIL will threaten the development and delivery of the Plan. Inevitably some of the development will be on land that was not included in the Plan.

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<sup>17</sup> This Viability Model has is used as the basis for the Planning Advisory Service (PAS) Viability Workshops. It is made available to Local Authorities, free of charge, by PAS.



## 4. Residential Property Market

- 4.1 This chapter sets out an assessment of the housing market (including sheltered and extracare housing), providing the basis for the assumptions on house prices to be used in the financial appraisals for the sites tested in the study. We are concerned not just with the prices but the differences across different areas.
- 4.2 Although development schemes do have similarities, every scheme is unique, even schemes on neighbouring sites. Market conditions will broadly reflect a combination of national economic circumstances, and local supply and demand factors, however, even within a town there will be particular localities, and ultimately site specific factors, that generate different values and costs.
- 4.3 For practical purposes we have based our research on the settlements referred to in the Plan policy H1 Settlement Hierarchy. This sets out the following Sustainable Settlement Hierarchy:
- i) *Urban Areas - within and adjoining Swadlincote including Woodville and as extensions to the urban areas of the City of Derby and Burton upon Trent.*
  - ii) *Key Service Villages -*

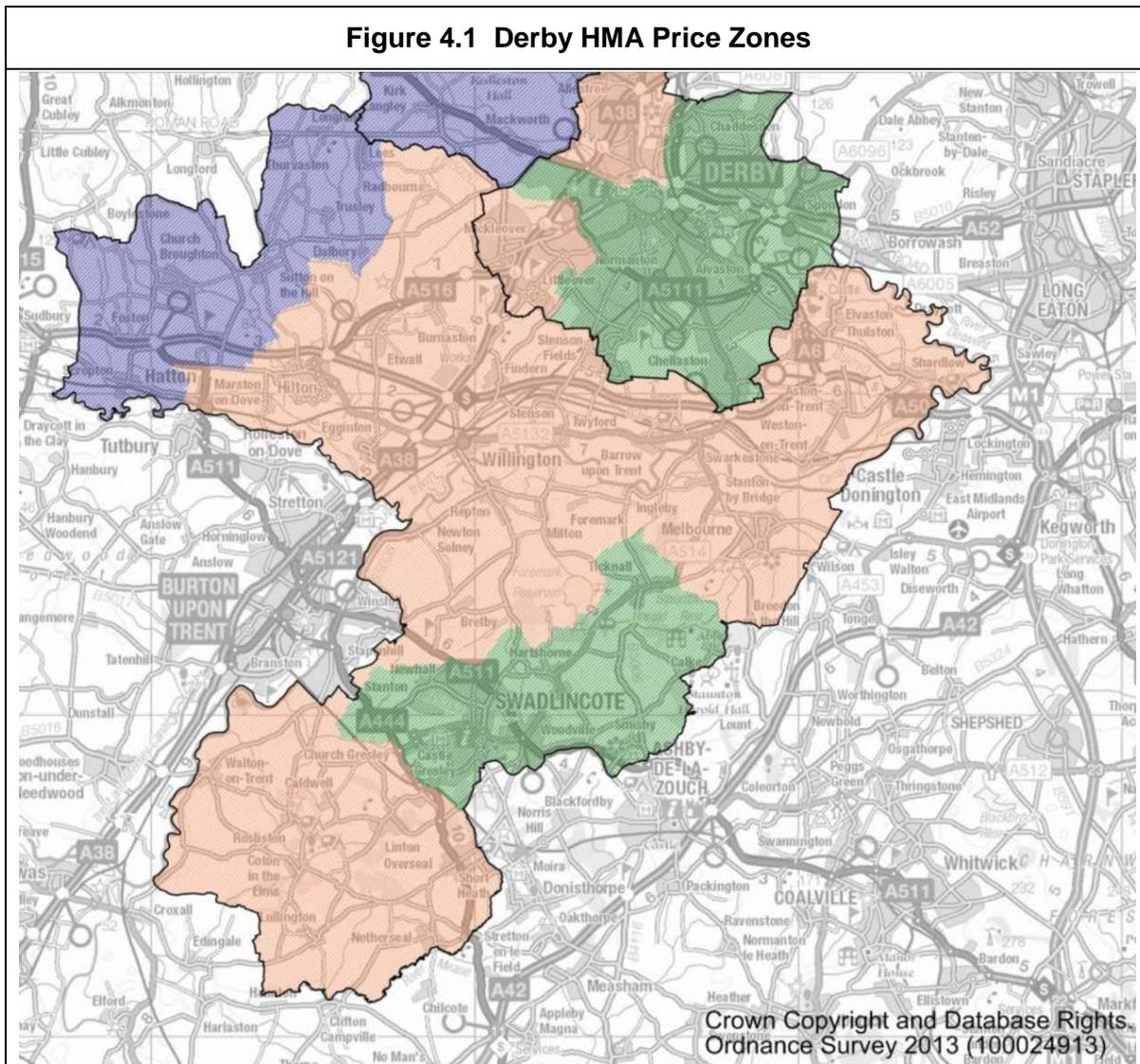
<i>Aston on Trent</i>	<i>Linton</i>	<i>Shardlow</i>
<i>Etwall</i>	<i>Melbourne</i>	<i>Willington</i>
<i>Hatton</i>	<i>Overseal</i>	
<i>Hilton</i>	<i>Repton</i>	
  - iii) *Local Service Villages*

<i>Findern</i>	<i>Ticknall</i>	<i>Stanton</i>
<i>Hartshorne</i>	<i>Netherseal</i>	<i>Weston on Trent</i>
	<i>Newton Solney</i>	
	<i>Rosliston</i>	
  - iv) *Rural Settlements:*

<i>Ambaston</i>	<i>Egginton</i>	<i>Radbourne</i>
<i>Barrow Upon Trent</i>	<i>Elvaston</i>	<i>Scropton</i>
<i>Foremark</i>	<i>Stanton by Bridge</i>	<i>Bretby</i>
<i>Foston</i>	<i>Smisby</i>	<i>Burnaston</i>
<i>Ingleby</i>	<i>Sutton on the Hill</i>	<i>Cauldwell</i>
<i>Kings Newton</i>	<i>Swarkestone</i>	<i>Thulston</i>
<i>Church Broughton</i>	<i>Lees</i>	<i>Trusley</i>
<i>Coton in the Elms</i>	<i>Long Lane</i>	<i>Twyford</i>
<i>Coton Park</i>	<i>Lullington</i>	<i>Milton</i>
<i>Dalbury</i>	<i>Marston on Dove</i>	
<i>Walton on Trent</i>	<i>Drakelow Village</i>	
  - v) *Rural Areas*
- 4.4 It is important to note that most future development will be in the top two layers (i and ii) of the hierarchy so these form the basis of our analysis.
- 4.5 The earlier viability studies both contain detailed assessments of the South Derbyshire residential property markets. The analysis in the CIL Viability is based on evidence set out in the CIL Land and Property Value Appraisal Study by heb Chartered Surveyors dated 5<sup>th</sup> December 2013. This drew on the March 2013 PBA report. The following values were used:
- a. Low Zone      £1,600/m<sup>2</sup>

- b. Medium Zone £1,900/m<sup>2</sup>
- c. High Zone £2,500/m<sup>2</sup>

4.6 These relate to the flowing areas:



Source: Page 18 Derby HMA CIL Viability Assessment July 2014 (NCS)

4.7 We understand that much of the research behind these assumptions was carried out late in 2012. Since then there has been a marked improvement in the housing market with a notable increase in confidence. In the following figure we have set out the mean and median sale prices, taken from Land Registry data for 2012 Q4 and 2014 Q4 (being the most recent data).



	Q4 2012		Q4 2014		Change	
	Mean	Median	Mean	Median	Mean	Median
All	£168,788	£144,000	£187,284	£165,748	10.96%	15.10%
New All	£177,373	£150,000	£202,490	£189,995	14.16%	26.66%
Not New All	£166,642	£140,000	£185,604	£164,950	11.38%	17.82%
New Flats	No Sales					
Not New Flats	£97,833	£100,500	£133,000	£130,000	35.95%	29.35%
New Semi-detached	£140,531	£141,498	£159,184	£164,498	13.27%	16.25%
Not New Semi-detached	£133,158	£120,000	£146,300	£135,200	9.87%	12.67%
New Detached	£248,019	£214,995	£235,470	£238,500	-5.06%	10.93%
Not New Detached	£225,502	£190,000	£245,481	£195,000	8.86%	2.63%

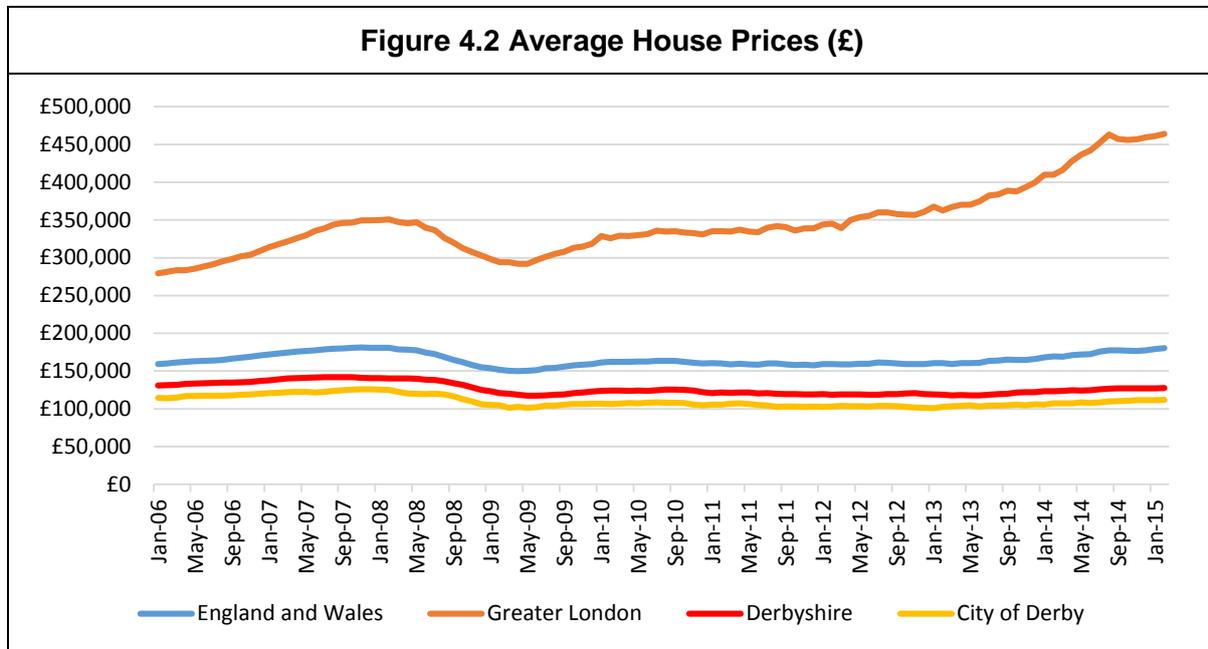
Source: Land Registry Price Paid Data

4.8 Median house prices have increased by about 15% in the District over the last two years. The change in newbuild homes is even greater at over 25%. Based on this information we have revisited the value assumptions.

### The Residential Market

4.9 The current direction and state of the housing market has improved markedly since the earlier viability evidence was prepared. The housing market peaked late in 2007 (see the following graph) and then fell considerably in the 2007/2008 recession during what became known as the 'Credit Crunch'.

- 4.10 Average house prices across England and Wales have recovered to their pre-recession peak, however this is strongly influenced by London. Prices in London are now well in excess of the 2007/2008 peak but as can be seen in the figure below, away from the South East, in areas such as Derbyshire there has been a general recovery, albeit that prices are still marginally below the previous peak.



Source: Land Registry

- 4.11 Up to the pre-recession peak of the market, the long term rise in house prices had, at least in part, been enabled by the ready availability of credit to home buyers. Prior to the increase in prices, mortgages were largely funded by the banks and building societies through deposits taken from savers. During a process that became common in the 1990s, but took off in the early part of the 21<sup>st</sup> century, many financial institutions changed their business model whereby, rather than lending money to mortgagees that they had collected through deposits, they entered into complex financial instruments and engineering through which, amongst other things, they borrowed money in the international markets, to then lend on at a margin or profit. They also ‘sold’ portfolios of mortgages that they had granted. These portfolios also became the basis of complex financial instruments (mortgage backed securities and derivatives etc).
- 4.12 During 2007 and 2008, it became clear that some financial institutions were unsustainable, as the flow of money for them to borrow was not certain. As a result, several failed and had to be rescued. This was an international problem that affected countries across the world – but most particularly in North America and Europe. In the UK the high profile institutions that were rescued included Royal Bank of Scotland, HBOS, Northern Rock, and Bradford and Bingley. The ramifications of the recession were an immediate and significant fall in house prices, and a complete reassessment of mortgage lending with financial organisations becoming averse to taking risks, lending only to borrowers who had the least risk of default and those with large deposits.

4.13 It is important to note that, at the time of this report (early 2015), the housing market is actively supported by the current government with about one third of mortgages being provided through a state backed entity or scheme (a publically controlled financial institution or assisted purchase scheme such as shared ownership).

4.14 There are various commentators talking about a recovery in house prices. As shown in the figure above, average prices in Derbyshire have more or less recovered to the late 2007 peak. There has been considerable coverage in the national press. The BBC News reported on the 5<sup>th</sup> January 2015:

*House prices "bounced back" in January, with the Halifax reporting a quarterly rise of 1.9% across the UK.*

*The measure compares prices in the three months to the end of January with the previous quarter.*

*According to the Halifax prices in January alone increased by 2%, compared with December - the largest January rise for six years.*

*And when measured on an annual basis, house price inflation increased to 8.5% - up from 7.8% in December.*

*For the last few months, house prices had been on a moderating trend.*

*"This bounce-back in house price growth in January coincides with reports of the first rise in mortgage approvals for six months in December," said Martin Ellis, the Halifax's chief housing economist.*

*Last week the Bank of England reported that mortgage approvals rose slightly between November and December.*

*<http://www.bbc.co.uk/news/business-31144935>*

4.15 More recently there has been something of a slowdown, but not a fall in prices. :

*The October 2014 RICS UK Residential Market Survey continues to underscore, at the national level, a modest dip in activity alongside an ongoing deceleration in house price growth. For the time being, surveyors expect the current weakening trend to be temporary; near term expectations indicate a flatter picture but medium term expectations remain fairly positive. The 'temporary slowdown' story also squares with the broader macro backdrop and the flat trend in new instructions, which suggest that for the time being homeowners are not, in aggregate, under any significant pressure to sell.*

*Buyer enquiries and agreed sales continued to decline and at a faster pace than in the previous month. Falling activity is no longer just a London phenomenon; within England and Wales, buyer enquiries fell to varying degrees across all regions included in the survey with the exception of the North, while agreed sales fell in all regions except the South West and Yorkshire and Humberside.*

*The RICS reported in the RICS UK Residential Market Survey (October 2014)*

4.16 This improved sentiment can also be seen in the non-residential sectors:

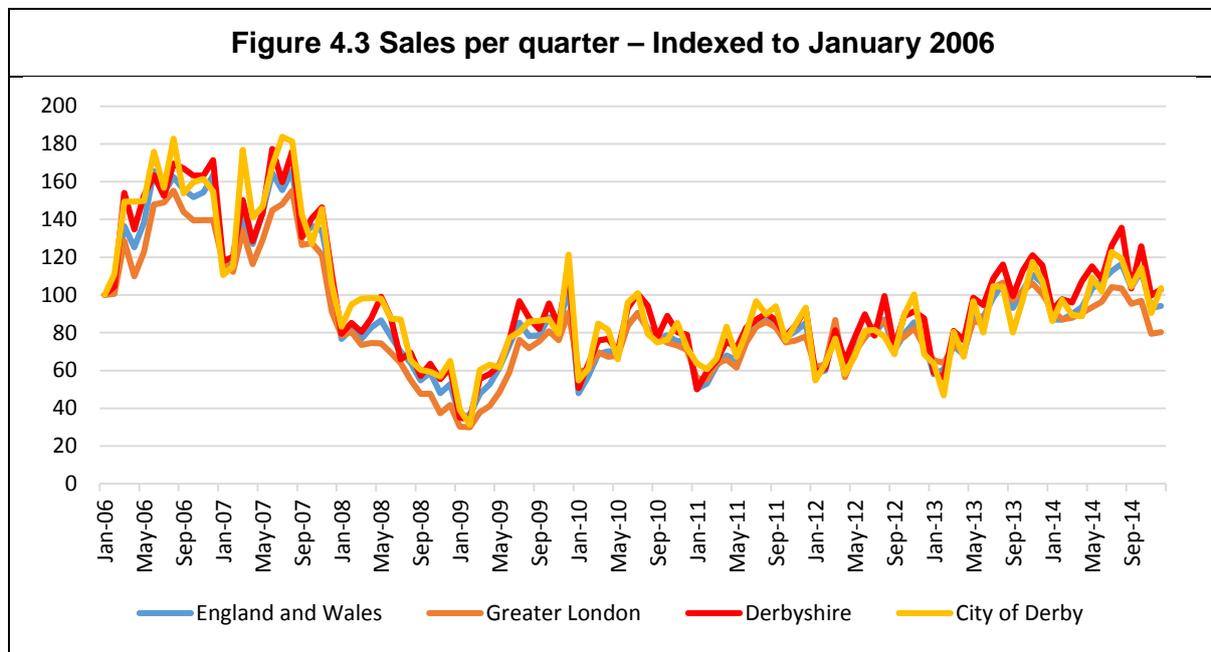
*The Q3 2014 RICS UK Commercial Property Market Survey results show the recovery, in both the occupier and investment sides, retains plenty of momentum. Furthermore, progress continues to be widespread across all sectors and throughout most parts of the country.*

*In the occupier market, growth in tenant demand accelerated across the board, with the industrial sector again demonstrating the strongest results. In keeping with the trend reported over the past twelve months or so, this rise in demand was accompanied by a significant reduction in available space to let. What's more, the gap between fresh demand and supply has widened over the quarter, with the*

*disparity most pronounced in the office and industrial sectors. Indeed, although leasable office space is falling right across the UK, it is becoming a particular issue in London*

*RICS Commercial Market Survey UK Q3 2014*

- 4.17 South Derbyshire has a mixed residential market. When ranked across England, the average house price for the District is 241<sup>st</sup> at just over £163,000<sup>18</sup>. To set this in context, the Council at the middle of the rank (174), Lichfield has an average price of just over £202,000. It is relevant to note that median price in South Derbyshire is lower than the mean at £144,000<sup>19</sup>.
- 4.18 The above figure shows that prices in Derbyshire have seen a recovery since the bottom of the market in mid-2009 and are on an upward trajectory. The rate of sales (i.e. sales per month) in the County has fallen substantially and is still running below that seen at the previous peak of the market – although it is a little better than the wider market and is seeing a firm recovery.



- 4.19 There is clearly uncertainty in the market, and it is not for this study to try to predict how the market may change in the coming years, and whether or not there will be a further increase in house prices. Having said this, it notable that property agents Savills are predicting a 6.5% increase in 2015, and an 18.2% increase over the next 5 years in the mainstream residential

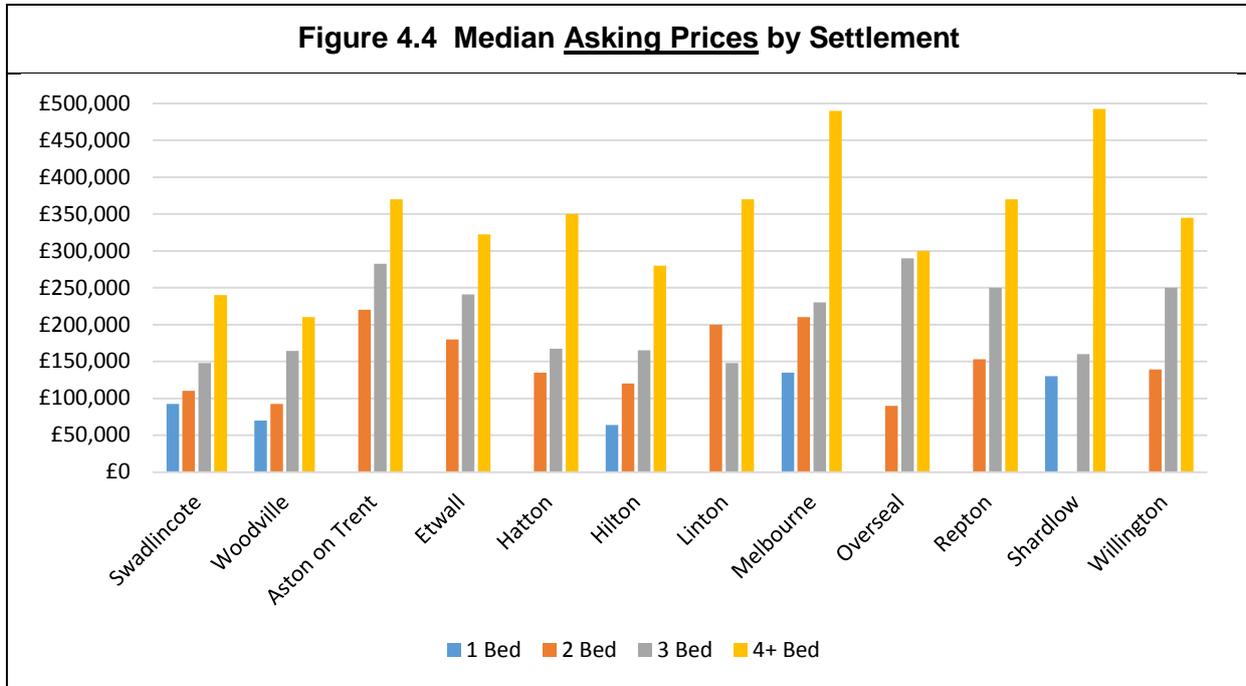
<sup>18</sup> CLG Live Table 581 (Last Update April 2014)

<sup>19</sup> CLG Live Table 582 (Last updated April 2014)



markets<sup>20</sup>. To assist the Council, we have run further sets of appraisals to show the effects of 5% and 10% increases, and of 5% and 10% decreases in house prices.

4.20 We carried out a survey of asking prices by house size by settlement. Through using online tools such as rightmove.com, zoopla.co.uk and other resources we estimated the median asking prices for the main settlements.



4.21 When considering the above, in relation to this study it is important to note that the Council is proposing new housing schemes on the edge of both the Derby City and Burton upon Trent urban areas.

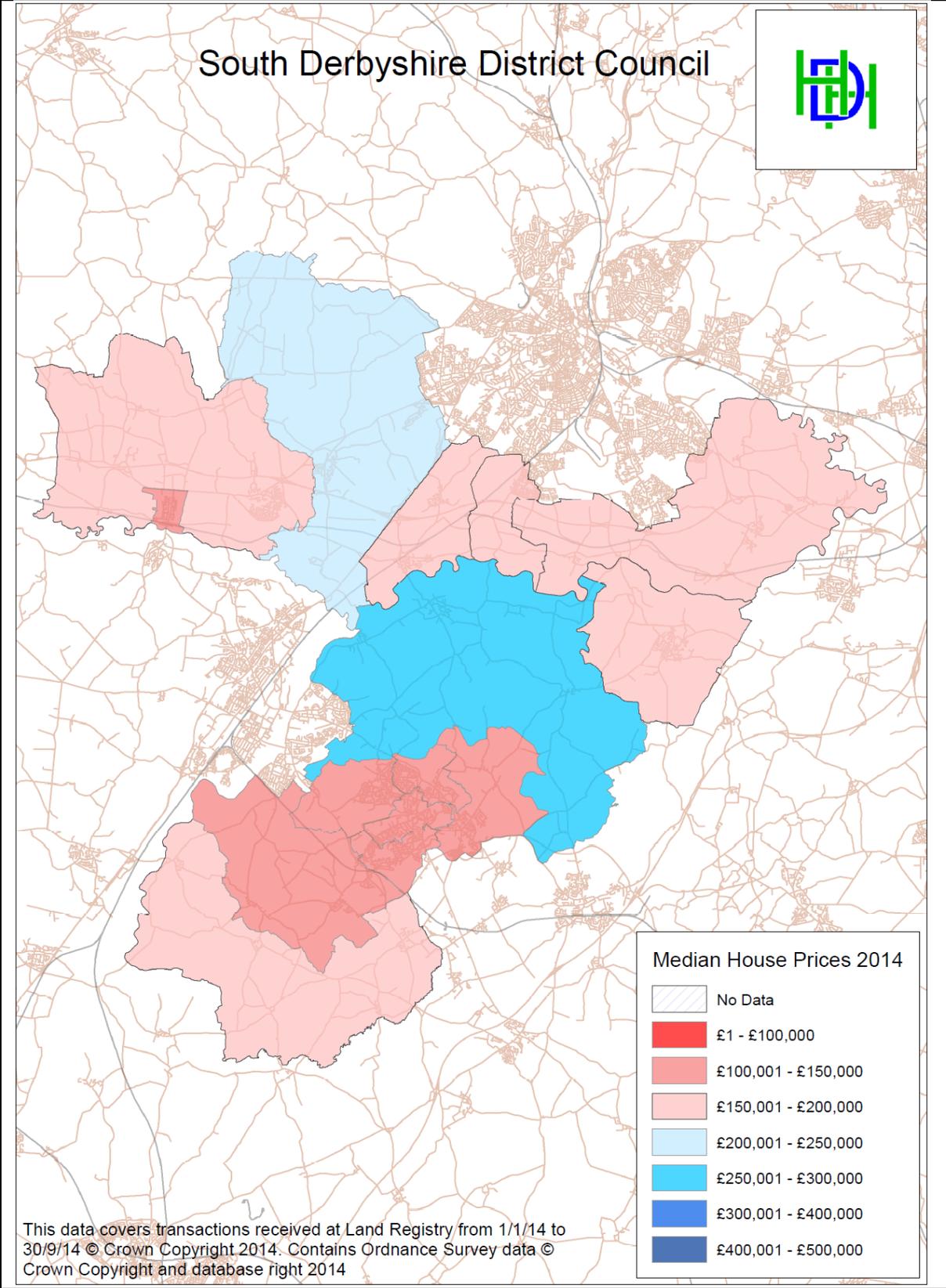
4.22 The geographical difference in prices are illustrated in the following map showing median house prices.

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<sup>20</sup> Residential Property Focus. Savills. Issue 1 2015 - <http://pdf.euro.savills.co.uk/residential-property-focus-uk/residential-property-focus-issue-1-2015.pdf>.



Figure 4.5 Median Prices 2014



## Newbuild Sales Prices

- 4.23 This study is concerned with the viability of newbuild residential property so the key input for the appraisals are the prices of units on new developments.
- 4.24 The Land Registry publishes data of all homes sold. In South Derbyshire there were 183 new homes sold in 2014/15. These transactions are summarised as follows and detailed in **Appendix 1**.

<b>Table 4.2. Newbuild Sales 1/4/2014 to 31/3/15 (£)</b>					
	Detached	Semi-detached	Terrace	Flat	All
Count	106	46	27	4	<b>183</b>
Max	600,000	195,000	189,995	130,000	<b>600,000</b>
Min	114,995	100,000	112,000	60,000	<b>60,000</b>
Mean	235,109	158,583	142,930	87,488	<b>199,046</b>
Median	229,995	165,498	139,950	79,975	<b>185,000</b>

Source: Land Registry (April 2015)

- 4.25 On a £/m<sup>2</sup> basis these approximate as follows. In calculating these we have used the average unit sizes from zoopla.com:

<b>Table 4.3 Newbuild Sales 1/4/2014 to 31/3/15 (£/m<sup>2</sup>)</b>			
	m <sup>2</sup>	Mean	£/m <sup>2</sup>
Detached	121.32	£235,109	£1,937.98
Semi-detached	81.03	£158,583	£1,957.06
Terraced	69.30	£142,930	£2,062.46
Flats	64.54	£87,488	£1,355.64

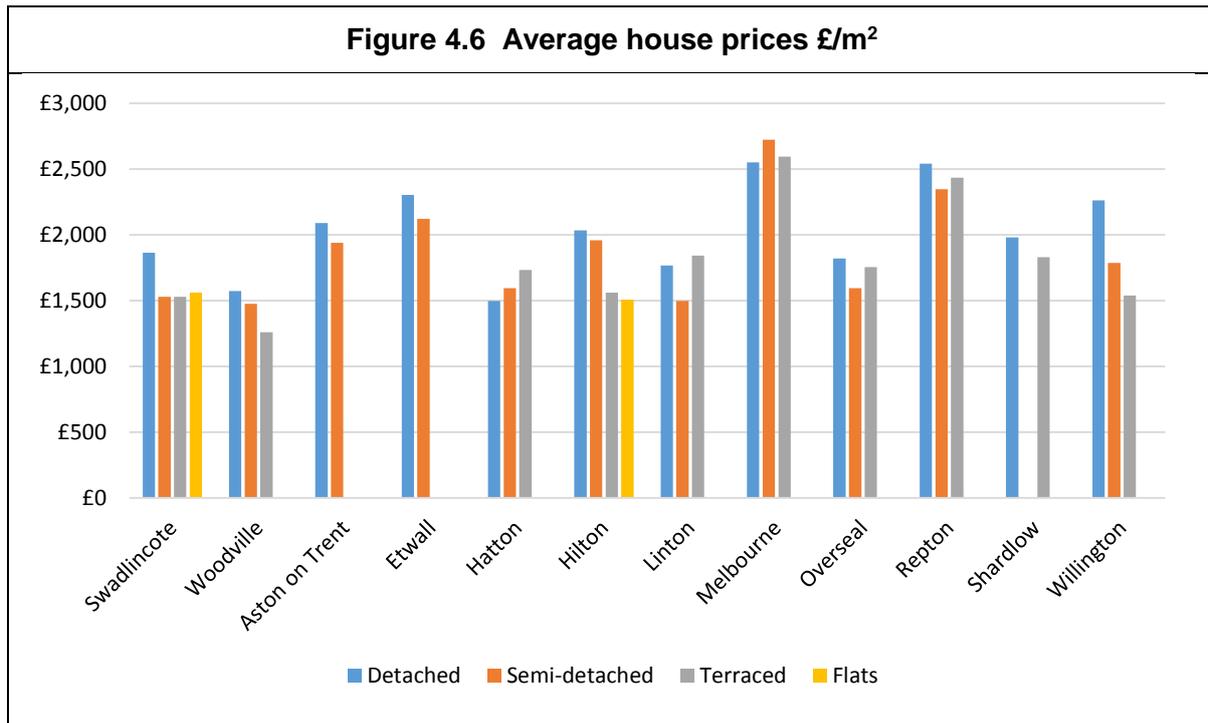
Source: Land Registry (April 2015) and Zoopla.com

- 4.26 We conducted survey of new homes for sale during February 2015. A summary of new developments in the area is provided below. We identified about 50 new homes for sale on about 12 different sites. The prices range from about £100,000 to about £365,000 with an average price of £215,000. For the purpose of this study the information is needed in a £/m<sup>2</sup> basis. This is shown below, however the information collected was not comprehensive as some developers and agents do not make this information available. The analysis of these shows that asking prices for newbuild homes vary, across the area, ranging between about £1,500/m<sup>2</sup> to over £2,500/m<sup>2</sup>. These are summarised in the table below and set out in full in **Appendix 2** – note this table only shows values where £/m<sup>2</sup> were available.

<b>Table 4.4 Newbuild Asking Prices (£/m<sup>2</sup>)</b>				
		Minimum	Norm	Maximum
Castle Heights, Church Gresley	Swadlincote	1,707	2,018	2,417
Ivanhoe Fields	Ashby-de-la-Zouch	2,209	2,381	2,560
Newton Village, Stenson Fields	Derby	2,121	2,317	2,596
Highgrove, Church Gresley	Swadlincote	1,885	2,257	2,507
Saxon Gate	Derby	1,662	1,960	2,231
Treetops, Woodville	Swadlincote	1,440	2,055	2,444
Keepers Grange, Newton Village	Derby	1,962	2,052	2,127
Castle Green	Hatton	1,518		2,366
Oak Close	Swadlincote	1,680		1,718
Ryecroft Rise	Woodville	1,747		1,785
Expression, Chestnut Ave	Swadlincote	1,523	1,834	2,066
Alexandra Rd	Swadlincote	1,552	1,812	1,967

Source: HDH Market Survey (February 2014)

- 4.27 During the course of the research, we contacted several of the sales offices and agents to enquire about the availability of discounts, relative to asking prices, available to buyers. In most cases the feedback was that the units were 'realistically priced', and that as the market was improving large discounts are no longer offered. When pressed, it appeared that the discounts and incentives offered equated to 2% to 3%. It would be prudent to assume that prices achieved, net of incentives offered to buyers, are 3% less than the above asking prices.
- 4.28 It was notable that, in relation to the houses being offered under the Help to Buy scheme that the asking price tends to be the price, with discounts being unavailable to buyers (although in some cases limited incentives in the form of upgraded fitting may be available).
- 4.29 There are various other sources of price information. Zoopla.com produces price reports, including £/m<sup>2</sup> information that is not generally available elsewhere. It is important to note that these prices relate to all sales and not just newbuild sales.



### Price Assumptions for Financial Appraisals

- 4.30 It is necessary to form a view about the appropriate prices for the schemes to be appraised in the study. The preceding analysis does not reveal simple clear patterns with sharp boundaries. On the whole we believe that the variance in prices and values of new units is more strongly influenced by their situation than their general location. The variance in newbuild prices across the District is less than for existing homes. The principle driver of newbuild prices is the specific situation of the site and the quality of the scheme, rather than where it is.
- 4.31 This is particularly important on larger sites and urban extensions. Whilst these may be adjacent to a relatively low value built up area, the units developed are likely to be quite different to those existing adjacent units, as a result the prices of units on the scheme are only loosely related to those nearby by units. The developer on a new urban extension or larger scheme will be able to create a new high quality scheme through the use of open space etc and to deliver schemes with the highest market appeal.
- 4.32 Based on the asking prices from active developments, and informed by the general pattern of all house prices across the study area, we set the prices in the appraisals at the following levels. It is important to note at this stage that this is a broad brush, high level study to inform the plan making process. The values between new developments and within new developments will vary considerably.

<b>Table 4.5 Price Assumptions £/m<sup>2</sup></b>		
	Small Schemes	Estate Housing
Low Zone	£2,050	£2,000
Medium Zone	£2,500	£2,300
High Zone	£2,650	£2,650

Source: HDH April 2015

4.33 These prices are somewhat different to those used in the earlier work. Whilst it is clear that prices are lower in Swadlincote when all homes are considered, this is not carried into the new homes market. Whilst it is not possible to be precise about the reason for this, it is likely that the relatively high proportion of housing built in post war to 1970s period is perceived to be less attractive to home buyers. The new homes being built by developers are more tailored to the current demands of buyers so command a higher price.

### **Affordable Housing**

4.34 The Council has a policy for the provision of affordable housing (the requirements are summarised in Chapter 8). In this study we have assumed that such housing is constructed by the site developer and then sold to a Registered Provider (RP). This is a simplification of reality as there are many ways in which affordable housing is delivered, including the transfer of free land to RPs for them to build on, or the retention of the units by the scheme's overall developer. There are three main types of affordable housing: Social Rent, Affordable Rent and Intermediate Housing Products for Sale.

4.35 The value assumptions for affordable housing used in the Derby HMA CIL Viability Assessment (NCS, July 2014) it was assumed that Social Rent has a value of 40% of market value, Affordable Rent housing has a value of 50% of market housing and Intermediate Housing has a value of 60% of market housing.

4.36 In the Derby HMA Economic Viability Assessment (PBA, March 2013) it was assumed that Affordable Rent housing has a value of 55% of market housing and Intermediate Housing has a value of 65% of market housing:

<b>Table 4.6 Affordable Housing Price Assumptions used in 2013 (£/m<sup>2</sup>)</b>		
	Affordable Rent	Intermediate Rent
Low Zone	880	1,040
Medium Zone	1,045	1,235
High Zone	1,403	1,658

Source: Table 2.3 Derby HMA Economic Viability Assessment (PBA, March 2013)

4.37 These are broadly in line with our expectations so we have carried these forward into this review.

## Older People's Housing

- 4.38 Housing for older people is generally a growing sector due to the demographic changes and aging population. The sector brings forward two main types of product.
- 4.39 Sheltered or retirement housing is self-contained housing, normally developed as flats and other relatively small units. Where these schemes are brought forward by the private sector there are normally warden services and occasionally non-care support services (laundry, cleaning etc) but not care services.
- 4.40 Extracare housing is sometimes referred to as very sheltered housing or housing with care. It is self-contained housing that has been specifically designed to suit people with long-term conditions or disabilities that make living in their own home difficult, but who do not want to move into a residential care home. Schemes can be brought forward in the open market or in the social sector (normally with the help of subsidy). Most residents are older people, but this type of housing is becoming popular with people with disabilities regardless of their age. Usually, it is seen as a long-term housing solution. Extracare housing residents still have access to means-tested local authority services.
- 4.41 The Council's SHMA has identified the need for both market and affordable older people's housing. The Council therefore asked that this study should test the viability of providing affordable housing within this sector.
- 4.42 We have considered the representations of the Retirement Housing Group (RHG) being a trade group representing private sector developers and operators of retirement, care and extracare homes. These were prepared by Three Dragons, in relation to CIL and on a national basis. They set out a case that sheltered housing and extracare housing should be tested separately. In line with the representations, we have assumed the price of a 1 bed sheltered property is about 75% of the price of existing 3 bed semi-detached house, and a 2 bed sheltered property is about equal to the price of an existing 3 bed semi-detached house. In addition we have assumed extracare housing is 25% more expensive than sheltered.
- 4.43 We have assumed a typical price of a 3 bed semi-detached home of £140,000 in Swadincote, and £165,000 in the remainder. On this basis we have assumed sheltered and extracare housing have the following worth:

<b>Table 4.7 Worth of Sheltered and Extracare</b>			
<b>Swadlincote</b>	Area (m <sup>2</sup> )	£	£/m <sup>2</sup>
3 bed semi-detached		<b>140,000</b>	
1 bed Sheltered	50	105,000	2,100
2 bed Sheltered	75	140,000	1,867
1 bed Extracare	65	131,250	2,019
2 bed Extracare	80	175,000	2,188
<b>Elsewhere</b>			
3 bed semi-detached		<b>165,000</b>	
1 bed Sheltered	50	123,750	2,475
2 bed Sheltered	75	165,000	2,200
1 bed Extracare	65	154,688	2,380
2 bed Extracare	80	206,250	2,578

Source: HDH 2015

- 4.44 We have been unable to cross check these with units currently being offered for sale in the area as no such units are being marketed.
- 4.45 We have considered the value of the units where provided as affordable housing. We have not been able to find any direct comparables where housing associations have purchased social units in a market led extracare scheme. We have consulted private sector developers of extracare housing. They have indicated that whilst they have never disposed of any units in this way, they would expect the value to be in line with other affordable housing – however they stressed that the buyer (be that the local authority or housing association) would need to undertake to meet the full service and care charges.
- 4.46 In practice we believe that it is unlikely that a private sector developer would develop extracare housing where some of it is affordable housing. It is more likely that a scheme will be developed by or for a Registered Provider. We have assumed that in such a case the affordable extracare housing would be valued, as for affordable rent, at 55% of the market value.

## 5. Non-Residential Property Market

- 5.1 This chapter considers the markets for non-residential property, providing a basis for the assumptions of prices to be used in financial appraisals for the sites tested in the study.
- 5.2 This study is concerned with the delivery of the Plan, which is different to the purpose of work carried out in relation to CIL. We have only considered the main employment uses.
- 5.3 The NPPF, PPG and CIL Regulations require the use of existing available evidence and for the viability testing to be proportionate. There is no need to consider all types of development in all situations – and certainly no point in testing the types of scheme that are unlikely to come forward – or which are unlikely to be viable.
- 5.4 Although development schemes do have similarities, every scheme is unique, even schemes on neighbouring sites. Market conditions will broadly reflect a combination of national economic circumstances and local supply and demand factors, however even within a town there will be particular localities, and ultimately site specific factors, that generate different values and costs.
- 5.5 Both the Derby HMA CIL Viability Assessment (NCS, July 2014) and the Derby HMA Economic Viability Assessment (PBA, March 2013) include an assessment of the non-residential markets. These are summarised below:

<b>Table 5.1 Non-Residential Values used CIL Viability Assessment</b>	
Industrial	700
Office	1,292
Food Retail	2,500
Other Retail	1,700
Residential Institution	1,200
Hotels	2,500
Community	1,077
Leisure	1,350
Agricultural	400
Sui Generis – Car Sales	1,500
Sui Generis – Vehicle Repairs	700

Source: Page 41 CIL Land and Property Value Appraisal Study (heb December 2013)

- 5.6 It is not necessary to review these in detail at this stage of the plan-making process however should the Council wish to take CIL forward we would recommend that these are revisited.



## 6. Land Prices

- 6.1 In Chapters 2 and 3 we set out the methodology used in this study to assess viability. An important element of the assessment, under both sets of guidance, is the value of the land. Under the method recommended in the Harman Guidance, the worth of the land before consideration of any increase in value, from a use that may be permitted through a planning consent, is the Existing Land Value (ELV) or Alternative Land Value (ALV). We use this as the starting point for the assessment as this is one of the key variables in the financial development appraisals.
- 6.2 In this chapter we have considered the values of different types of land. The value of land relates closely to the use to which it can be put and will range considerably from site to site. However, as this is a high level study, we have looked at the three main uses, being agricultural, residential and industrial. We have then considered the amount of uplift that may be required to ensure that land will come forward and be released for development.

### Existing and Alternative Use Values

- 6.3 In order to assess development viability, it is necessary to analyse existing and alternative use values. Current or Existing Use Values (EUV) refer to the value of the land in its current use before planning consent is granted, for example, as agricultural land. Alternative Use Values (AUV) refer to any other potential use for the site. For example, a brownfield site may have an alternative use as industrial land.
- 6.4 The PPG includes a definition of land value as follows:

#### **Land Value**

*Central to the consideration of viability is the assessment of land or site value. The most appropriate way to assess land or site value will vary but there are common principles which should be reflected.*

*In all cases, estimated land or site value should:*

- *reflect emerging policy requirements and planning obligations and, where applicable, any Community Infrastructure Levy charge;*
- *provide a competitive return to willing developers and land owners (including equity resulting from those building their own homes); and*
- *be informed by comparable, market-based evidence wherever possible. Where transacted bids are significantly above the market norm, they should not be used as part of this exercise.*

PPG ID: 10-014-20140306

- 6.5 It is important to fully appreciate that land value should reflect emerging policy requirements and planning obligations. When considering comparable sites, the value will need to be adjusted to reflect this requirement.
- 6.6 To assess viability, the value of the land for the particular scheme needs to be compared with the AUV, to determine if there is another use which would derive more revenue for the landowner. If the Residual Value does not exceed the AUV, then the development is not

viable; if there is a surplus (i.e. profit) over and above the ‘normal’ developer’s profit having paid for the land, then there is scope to pay CIL.

6.7 For the purpose of the present study, it is necessary to take a comparatively simplistic approach to determining the Alternative Use Value. In practice, a wide range of considerations could influence the precise value that should apply in each case, and at the end of extensive analysis the outcome might still be contentious.

6.8 Our ‘model’ approach is outlined below:

- i. For sites previously in agricultural use, then agricultural land represents the Existing Use Value. We have assumed that the sites of 0.5ha or more fall into this category.
- ii. For paddock and garden land on the edge of or in a smaller settlement we have adopted a ‘paddock’ value. We have assumed the sites of less than 0.5ha fall in this category.
- iii. Where the development is on brownfield land we have assumed an industrial value.

**Residential Land**

6.9 We have considered general figures from the Valuation Office Agency (VOA) relating to residential land values. Land values vary dramatically depending upon the development characteristics (size and nature of the site, density permitted etc.) and any affordable or other development contribution.

6.10 Historically, the VOA published figures for residential land in the Property Market Report. These covered areas which generate sufficient activity to discern a market pattern. That means locally we had figures for Leicester to the south, and Stoke to the west, Nottingham to the east and Sheffield to the north. These values can only provide broad guidance, they can therefore be only indicative, and it is likely that values for ‘oven ready’ land (i.e. land with planning consent and ready for immediate building) with no affordable provision or other contribution, or servicing requirement, are in fact higher.

<b>Table 6.1 Residential Land Values at January 2011 Bulk Land</b>	
<b>£/ha (£/acre)</b>	
Leicester	1,235,000 (500,000)
Stoke	775,000 (315,000)
Nottingham	1,200,000 (485,000)
Sheffield	1,330,000 (540,000)

Source: VOA Property Market Report 2011



- 6.11 The values in the Property Market Report are based on the assumption that land is situated in a typically average greenfield edge of centre/suburban location for the area and it has been assumed that services are available to the edge of the site and that it is ripe for development with planning permission being available. The values provided assume a maximum of a two storey construction with density, S106 provision and affordable housing ratios to be based on market expectations for the locality. The report cautions that the values should be regarded as illustrative rather than definitive and represent typical levels of value for sites with no abnormal site constraints and with a residential planning permission of a type generally found in the area. It is important to note that these values are net – that is to say they relate to the net developable area and do not take into account open space that may form part of the scheme.
- 6.12 It should be noted that the above values will assume that grant was available to assist the delivery of affordable housing. This grant is now very restricted so these figures should be given limited weight. Further due to the date of the VOA report, these values are before the introduction of CIL, so do not reflect this new charge on development. As acknowledged by the RICS Guidance, a new charge such as CIL will inevitably have an impact (a negative one) on land values.
- 6.13 More recently (February 2014) DCLG published *Land value estimates for policy appraisal*<sup>21</sup>. This sets out land values as at January 2014 and was prepared by the VOA. The South Derbyshire figure is £485,000/ha. It is important to note this figure assumes nil affordable housing. As stressed in the paper this is hypothetical situation and *‘the figures on this basis, therefore, may be significantly higher than could be reasonably obtained in the actual market*<sup>22</sup>.
- 6.14 The Valuation Office Agency assumed that each site is 1 hectare in area, of regular shape, with services provided up to the boundary, without contamination or abnormal development costs, not in an underground mining area, with road frontage, without risk of flooding, with planning permission granted and that no grant funding is available; the site will have a net developable area equal to 80% of the gross area. For those local authorities outside London, the hypothetical scheme is for a development of 35 two storey, 2/3/4 bed dwellings with a total floor area of 3,150 square metres.
- 6.15 Derby HMA CIL Viability Assessment (NCS, July 2014) and the Derby HMA Economic Viability Assessment (PBA, March 2013) use the same assumptions with regard to land values:
- a. Low Zone      £470,000 to £980,000 /ha
- 

<sup>21</sup> Land value estimates for policy appraisal. Department for Communities and Local Government, February 2015

<sup>22</sup> Point 2, Page 14, Land value estimates for policy appraisal. DCLG, February 2015

- b. Medium Zone £1.23m to £1.48m /ha
- c. High Zone £1.72m to £1.975m /ha

6.16 We also sought information about values from residential land currently on sale in the District. Little is being publicly marketed at the moment – and that that there is, is in relation to smaller sites. It is necessary to make an assumption about the value of residential land. We assumed a value of £500,000/ha (net) for residential land. This amount is on a net basis so does not include the areas of open space. It is inevitable that CIL will depress land prices somewhat (as recognised by the Greater Norwich CIL Inspector).

**Industrial Land**

6.17 The VOA’s typical industrial land values for the nearby locations are set out in the table below.

<b>Table 6.2 Industrial land values £/ha (/acre)</b>	
Leicester	400,000 (160,000)
Stoke	300,000 (120,000)
Nottingham	500,000 (200,000)
Sheffield	495,000 (200,000)

Source: VOA Property Market Report 2011

- 6.18 The figures in the above table reflect the downturn in values from 2008.
- 6.19 We have undertaken a market survey and there is a considerable variation in prices. Based on this, we have assumed figures of £400,000/ha (£160,000/acre) for the study area.

**Agricultural and Paddocks**

- 6.20 Agricultural values rose for a time several years ago after a long historic period of stability. Values are around £15,000-£25,000/ha depending upon the specific use. A benchmark of £20,000/ha is assumed to apply here.
- 6.21 Sites on the edge of a town or village may be used for an agricultural or grazing use, but have a value over and above that of agricultural land due to their amenity use. They are attractive to neighbouring households for pony paddocks or simply to own to provide some protection and privacy. We have assumed a higher value of £50,000/ha for village and town edge paddocks.



## Use of alternative use benchmarks

- 6.22 The results from appraisals are compared with the Alternative Use Values set out above in order to form a view about each of the sites' viability. This is a controversial part of the viability process and the area of conflicting guidance (the Harman Guidance verses the RICS Guidance). In the context of this report, it is important to note that it does not automatically follow that, if the Residual Value produces a surplus over the Existing Use Value (EUV) or Alternative Use Value (AUV) benchmark, the site is viable. The land market is more complex than this and as recognised by paragraph 173 of the NPPF, the landowner and developer must receive a 'competitive return'. The phrase *competitive return* is not defined in the NPPF, nor in the Guidance.
- 6.23 Competitive return has not been fully defined through planning appeals and the court system<sup>23</sup>. The RICS Guidance includes the following definition:

**Competitive returns** - A term used in paragraph 173 of the NPPF and applied to 'a willing land owner and willing developer to enable development to be deliverable'. A 'Competitive Return' in the context of land and/or premises equates to the Site Value as defined by this guidance, i.e. the Market Value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. A 'Competitive Return' in the context of a developer bringing forward development should be in accordance with a 'market risk adjusted return' to the developer, as defined in this guidance, in viably delivering a project.

- 6.24 The PPG includes the following section:

### **Competitive return to developers and land owners**

*The National Planning Policy Framework states that viability should consider "competitive returns to a willing landowner and willing developer to enable the development to be deliverable." This return will vary significantly between projects to reflect the size and risk profile of the development and the risks to the project. A rigid approach to assumed profit levels should be avoided and comparable schemes or data sources reflected wherever possible.*

*A competitive return for the land owner is the price at which a reasonable land owner would be willing to sell their land for the development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. Those options may include the current use value of the land or its value for a realistic alternative use that complies with planning policy.*

*PPG ID: 10-015-20140306.*

- 6.25 Whilst this is useful it does not provide any guidance as to the size of that return. To date there has been much discussion within the industry and amongst planners as to what may and may not be a competitive return, as yet the term has not been given a firm definition

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<sup>23</sup> In this context the following CIL Examination are relevant. Mid Devon District Council by David Hogger BA MSc MRTPI MCiHT, Date: 20 February 2013 and Greater Norwich Development Partnership – for Broadland District Council, Norwich City Council and South Norfolk Council. by Keith Holland BA (Hons) Dip TP, MRTPI ARICS Date: 4 December 2012

through the appeal, planning examination or legal processes. The Shinfield Appeal (January 2013) does shed some light in this. We have copied a number of key paragraphs below as, whilst these do not provide a strict definition of competitive return, the inspector does set out his analysis clearly. The following paragraphs are necessarily rather long, however as they are the only current steer in this regard we have included all that are relevant.

*38. Paragraph 173 of the Framework advises that to ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable. The Framework provides no advice as to what constitutes a competitive return; the interpretation of that term lies at the heart of a fundamental difference between the parties in this case. The glossary of terms appended to the very recent RICS guidance note Financial viability in planning (RICS GN) says that a competitive return in the context of land and/ or premises equates to the Site Value (SV), that is to say the Market Value subject to the assumption that the value has regard to development plan policies and all other material considerations and disregards that which is contrary to the development plan. It is also the case that despite much negotiated agreement, in respect of calculating the viability of the development, other significant areas of disagreement remain.*

#### **Viability amount of Affordable Housing**

*66. The RICS GN says that any planning obligations imposed on a development will need to be paid out of the uplift in the value of the land but it cannot use up the whole of the difference, other than in exceptional circumstances, as that would remove the likelihood of land being released for development. That is exactly what is at issue here in that the Council's valuation witness, in cross examination, stated that a landowner should be content to receive what the land is worth, that is to say the SV. In his opinion this stands at £1.865m. I accept that, if this figure was agreed (and it is not), it would mean that the development would be viable. However, it would not result in the land being released for development. Not only is this SV well below that calculated by the appellants, there is no incentive to sell. In short, the appellants would not be willing landowners. If a site is not willingly delivered, development will not take place. The appellants, rightly in my opinion, say that this would not represent a competitive return. They argue that the uplift in value should be split 50:50 between the landowner and the Council. This would, in this instance, represent the identified s106 requirements being paid as well as a contribution of 2% of the dwellings as affordable housing.*

*70. I conclude on this issue that, allowing the landowner a competitive return of 50% of the uplift in value, the calculations in the development appraisal allowing for 2% affordable housing are reasonable and demonstrate that at this level of affordable housing the development would be viable (Document 26). The only alterations to these calculations are the relatively minor change to the s106 contribution to allow for a contribution to country parks and additions to the contributions to support sustainable modes of travel. These changes would have only a limited impact on the return to the landowner. The development would remain viable and I am satisfied that the return would remain sufficiently competitive to enable the land to come forward for development. Overall, therefore I conclude that the proposed amount of affordable housing (2%) would be appropriate in the context of the viability of the development, the Framework, development plan policy and all other material planning considerations.*

- 6.26 More recently, further clarification has been added in the Oxenholme Road Appeal (October 2013). The inspector confirmed that the principle set out in Shinfield is very site specific and should only be given limited weight. At Oxenholme Road the inspector said:

*47. The parties refer to an appeal decision for land at Shinfield, Berkshire, which is quoted in the LADPD Viability Study. However, little weight can be given to that decision in the present case, as the nature of the site was quite different, being partly previously developed, and the positions taken by the parties on the proportion of uplift in site value that should be directed to the provision of affordable*

*housing were at odds with those now proposed. There is no reason in the present case to assume that either 100% or 50% of the uplift in site value is the correct proportion to fund community benefits.*

*48. Both the RICS Guidance Note and the Harman report comment on the danger of reliance on historic market land values, which do not take adequate account of future policy demands.....*

- 6.27 It is clear that for land to be released for development, the uplift over the Existing Use Value needs to be sufficiently large to provide an incentive to the landowner to release the site and cover any other appropriate costs required to bring the site forward for development. It is therefore appropriate, and an important part of this assessment to have regard to the market value of land as it stands. However the Shinfield Appeal was determined on the specific circumstances that were put forward to the inspector. Whilst it sets out an approach it does not form a binding precedent, appeals will continue to be determined on the facts that relate to the particular site in question. At Shinfield the inspector only considered the two approaches put to him and did not consider the landowners' competitive return in any other way. The appellant's method and approach was preferred to the Council's – but it should not be considered to be the only acceptable approach.
- 6.28 The RICS Guidance recognises that the value of land will be influenced by the requirements imposed by planning authorities. It recognises that the cost to the developer of providing affordable housing, building to increased environmental standards, and paying CIL, all have a cumulative effect on viability and are reflected in the ultimate price of the land. A central question for this study is at what point do the requirements imposed by the planning authorities make the price payable for land so unattractive that it does not provide a competitive return to the land owner, and so does not induce the owner to make the land available for development?
- 6.29 The reality of the market is that each and every land owner has different requirements and different needs and will judge whether or not to sell by their own criteria. We therefore have to consider how large such an 'uplift' or 'cushion' should be for each type of site to broadly provide a competitive return. The assumptions must be a generalisation as, in practice, the size of the uplift will vary from case to case depending on how many landowners are involved, each landowner's attitude and their degree of involvement in the current property market, the location of the site and so on. An 'uplift' of, say, 5% or £25,000/ha might be sufficient in some cases, whilst in a particular case it might need to be five times that figure, or even more.
- 6.30 We have assumed, that the Viability Threshold (being the amount that the Residual Value must exceed for a site to be viable) be the EUV / AUV plus a 20% uplift on all sites. This is supported both by work we have done elsewhere and by appeal decisions (see Chapter 2). Based on our knowledge of rural development, and from working with farmers, landowners and their agents, we made a further assumption for those sites coming forward on greenfield land. We added a further £300,000/ha (£120,000/acre) to reflect this premium. We also added this amount to sites that were modelled on land that was previously paddock. We fully accept that this is a simplification of the market, however in a high level study of this type that is based on modelled sites, simplifications and general assumptions need to be made.

- 6.31 This methodology does reflect a very considerable uplift for a landowner selling a greenfield site with consent for development<sup>24</sup>. In the event of the grant of planning consent they would receive over ten times the value compared with before consent was granted. This approach is the one suggested in the Harman Guidance (see Chapter 2 above) and by the Planning Advisory Service (PAS). The approach was endorsed by the Planning Inspector who approved the London Mayoral CIL Charging Schedule in January 2012<sup>25</sup>.
- 6.32 We have considered how these amounts relate to prices for land in the market (see above), with a view to providing competitive returns to the landowner. Whilst there are certainly land transactions at higher values than these, we do believe that these are appropriate for a study of this type.
- 6.33 It is useful to consider the assumptions used in other studies in other parts of England. We have reviewed viability thresholds used by other councils in England in development plans approved during the first half of 2014. These are set out in the table below.

<b>Table 6.3 Viability thresholds used elsewhere</b>	
<b>Local Authority</b>	<b>Threshold Land Value</b>
Babergh	£370,000/ha
Cannock Chase	£100,000-£400,000/ha
Christchurch & East Dorset	£308,000/ha (un-serviced)
	£1,235,000/ha (serviced)
East Hampshire	£450,000/ha
Erewash	£300,000/ha
Fenland	£1-2m/ha (serviced)
GNDP	£370,000-£430,000/ha
Reigate & Banstead	£500,000/ha
Staffordshire Moorlands	£1.26-£1.41m/ha (serviced)
Warrington	£100,000-£300,000/ha

Source: Planning Advisory Service (collated by URS) July 2014

<sup>24</sup> See Chapter 2 for further details and debate around EUV plus v Market Value methodologies.

<sup>25</sup> Paragraphs 7 to 9 of REPORT ON THE EXAMINATION OF THE DRAFT MAYORAL COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE by Keith Holland BA (Hons) DipTP MRTPI ARICS an Examiner appointed by the Mayor Date: 27<sup>th</sup> January 2012

- 6.34 Care has to be taken drawing on such general figures without understanding the wider context and other assumptions in the studies, but generally the assumption used in this work are within the range.
- 6.35 There is no doubt that CIL will be an additional cost on some development sites, and that some sites may not be able to bear the costs of all the requirements a planning authority makes – such as delivering affordable homes and higher environmental standards. This is noted in the RICS Guidance which recognises that there may well be a period of adjustment in the price of land following the introduction of CIL.
- 6.36 In this study, we have assumed alternative land prices of:
- |      |                   |                   |
|------|-------------------|-------------------|
| i.   | Agricultural Land | £20,000/ha        |
| ii.  | Paddock Land      | £50,000/ha        |
| iii. | Industrial Land   | £400,000/ha       |
| iv.  | Residential Land  | £500,000 /net ha. |
- 6.37 In the case of non-residential uses, we have taken a similar approach to that taken with residential land except in cases where there is no change of use. Where industrial land is being developed for industrial purposes we have assumed a viability threshold of the value of industrial land.
- 6.38 The approach taken in this review is different to that taken in the CIL Viability Assessment where the 'Shinfield approach' was adopted.



## 7. Appraisal Assumptions – Development Costs

- 7.1 This chapter considers the costs and other assumptions required to produce financial appraisals for the development sites and typologies.

### **Development Costs**

#### *Construction costs: baseline costs*

- 7.2 We have based the cost assumptions on the Building Cost Information Service (BCIS) data – using the figures re-based for South Derbyshire. There has been an increase in construction costs since the earlier viability work and this is an important area of change.
- 7.3 The cost figure for ‘Estate Housing – Generally’ is £1,025/m<sup>2</sup> at the time of this study<sup>26</sup>. It is necessary to take a relatively simplistic approach in a high level study of this type. On sites of 100 units or fewer we have used the £1025/m<sup>2</sup> general BCIS figure for all house types.
- 7.4 On larger sites – being those most likely to be developed by national and regional housebuilders we have used the lower quartile BCIS cost for estate housing of £902/m<sup>2</sup>. Volume builders build at less than BCIS<sup>27</sup>.
- 7.5 This is a notable increase since the earlier studies were undertaken.

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<sup>26</sup> 4<sup>th</sup> April 2015

7.1 <sup>27</sup> Whilst it has not been published we understand that when the national housebuilders submitted to the Homes and Communities (HCA) competitively to obtain a place on the HCA Delivery Partner Panel (DPP) that the average build cost per sq. m submitted by regional and national housebuilders to the HCA was £754.00/m<sup>2</sup> for the Midlands. The DPP was undertaken in October 2013 and therefore it is necessary to take into account build costs inflation. This therefore equates to £796.00/m<sup>2</sup> base construction costs.

	Q4 2012	Q4 2013		Apr-15	
	£/m <sup>2</sup>	£/m <sup>2</sup>	% increase	£/m <sup>2</sup>	% increase
Estate Housing Generally	£879	£938	6.71%	£1,025	16.61%
Terraced	£888	£947	6.64%	£1,034	16.44%
Semi-detached	£878	£937	6.72%	£1,024	16.63%
Detached	£997	£1,064	6.72%	£1,162	16.55%
Flats	£1,040	£1,109	6.63%	£1,212	16.54%
Office	£1,225	£1,307	6.69%	£1,427	16.49%
Industrial	£728	£788	8.24%	£860	18.13%
Supermarkets	£1,183	£1,263	6.76%	£1,379	16.57%

The line graph illustrates the median construction costs per square meter for various property types across three time points: Q4 2012, Q4 2013, and April 2015. The Y-axis represents the cost in £/m², ranging from £0 to £1,600. The X-axis shows the progression of time. All property types show a consistent increase in costs over the period. The Office category shows the highest costs, starting at £1,225 in Q4 2012 and rising to £1,427 by April 2015. Industrial property shows the lowest costs, starting at £728 and rising to £860. The Supermarkets category shows a significant increase from £1,183 to £1,379. The Estate Housing Generally category shows a steady increase from £879 to £1,025. The other categories (Terraced, Semi-detached, Detached, Flats) also show similar upward trends.

Source: BCIS

- 7.6 The Council has not developed policies relating to the construction standards and environmental performance of new buildings. The current policy requirement is that homes are built to the basic Building Regulation Part L 2010 Standards. The national policies in relation to climate change and overall national minimum building standards have been clarified and not all the requirements of CfSH Level 4 will become mandatory (and are not a requirement of the Local Plan). Having said this environmental standards are increasing.
- 7.7 Based on the best currently available information, the costs of building to the now clarified, enhanced building standards is estimated to be between 1% and 2% of the BCIS costs. In this viability assessment, we have used the median BCIS costs. For residential property this has been increased by 1.5% to reflect the increases in environmental standards contained in the Building Regulations. No adjustment has been made for non-residential property.

*Construction costs: site specific adjustments*

- 7.8 It is necessary to consider whether any site specific factors would suggest adjustments to these baseline cost figures. During the mid-1990s, planning guidance on affordable housing was based on the view that construction costs were appreciably higher for smaller sites with the consequence that, as site size declined, an unchanging affordable percentage requirement would eventually render the development uneconomic. Hence the need for a 'site size threshold', below which the requirement would not be sought.
- 7.9 It is not clear to us that this view is completely justified. Whilst, other things being held equal, build costs would increase for smaller sites, other things are not normally equal and there are other factors which may offset the increase. The nature of the development will change. The nature of the developer will also change as small local firms with lower central overheads replace the regional and national house builders. Furthermore, very small sites may be able to secure a 'non-estate' price premium.

*Construction costs: affordable housing*

- 7.10 The procurement route for affordable housing is assumed to be through construction by the developer and then disposal to a housing association on completion. In the past, when considering the build cost of affordable housing provided through this route, we took the view that it should be possible to make a saving on the market housing cost figure, on the basis that one might expect the affordable housing to be built to a slightly different specification than market housing. However, the pressures of increasingly demanding standards for housing association properties have meant that, for conventional schemes of houses at least, it is no longer appropriate to use a reduced build cost; the assumption is of parity.

*Other normal development costs*

- 7.11 In addition to the BCIS £/m<sup>2</sup> build cost figures described above, allowance needs to be made for a range of site costs (roads, drainage and services within the site, parking, footpaths, landscaping and other external costs). Many of these items will depend on individual site circumstances and can only properly be estimated following a detailed assessment of each site. This is not practical within this broad brush study and the approach taken is in line with the PPG and the Harman Guidance.
- 7.12 Nevertheless, it is possible to generalise. Drawing on experience it is possible to determine an allowance related to total build costs. This is normally lower for higher density than for lower density schemes since there is a smaller area of external works, and services can be used more efficiently. Large greenfield sites would also be more likely to require substantial expenditure on bringing mains services to the site.
- 7.13 In the light of these considerations we have developed a scale of allowances for the residential sites, ranging from 10% of build costs for the smallest sites, to 20% for the larger greenfield schemes. This is a more nuanced approach than that taken in the Derby HMA Economic Viability Assessment (PBA, March 2013) Strategic Viability Assessment (PBA 2013) where a standard 15% uplift was used.

### *Abnormal development costs*

7.14 In this regard the PPG says:

*For an area wide viability assessment, a broad assessment of costs is required. This should be based on robust evidence which is reflective of local market conditions. All development costs should be taken into account including:*

- *build costs based on appropriate data, for example that of the Building Cost Information Service;*
- *known abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or historic costs associated with brownfield, phased or complex sites;*

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7.15 Abnormal development costs might include demolition of substantial existing structures, flood prevention measures at waterside locations, remediation of any land contamination, remodelling of land levels, and so on.

7.16 In the case of brownfield sites we have made an additional allowance of 5% of the BCIS costs.

7.17 For the non-residential property, we have run a scenario where the site is on previously developed land. With this variable we have increased the costs by an additional 5% cost.

### *Fees*

7.18 For residential development we have assumed professional fees amount to 8% of build costs in each case. This is in line with the assumption used in both the Derby HMA CIL Viability Assessment (NCS, July 2014) and the Derby HMA Economic Viability Assessment (PBA, March 2013).

7.19 This amount is exclusive of acquisition, sales and finance fees that are treated separately.

7.20 For non-residential development we have also assumed 8%.

### *Contingencies*

7.21 For previously undeveloped and otherwise straightforward sites, we would normally allow a contingency of 2.5%, with a higher figure of 5% on more risky types of development, previously developed land, and on central locations. So the 5% figure was used on the brownfield sites and the 2.5% figure on the remainder.

7.22 In the Derby HMA CIL Viability Assessment (NCS, July 2014) a 5% allowance was made in relation to all sites, and in the Derby HMA Economic Viability Assessment (PBA, March 2013) a 3% allowance was made in relation to all sites .

### *S106 Contributions and the costs of infrastructure*

7.23 For many years SDDC has sought payments from developers to mitigate the impact of the development through improvements to the local infrastructure. The Council has a number of 'calculators' to work out the contributions per development. The Council is likely to introduce

CIL, and it is inevitable that this will alter the current practice – although not necessarily the total quantum of contribution sought by the Council.

- 7.24 In the Derby HMA CIL Viability Assessment (NCS, July 2014), a £1,000/unit s106 allowance was made in relation to all residential sites, and £20/m<sup>2</sup> s106 allowance on non-residential sites. No s106 allowance was made in the Derby HMA Economic Viability Assessment (PBA, March 2013).
- 7.25 We have assumed that all the modelled sites will contribute £2,000 per unit towards infrastructure – either site specific or more general. The introduction of CIL would result in changes to this area of policy. We understand that historically much of the contributions from smaller sites either relate to very local matters (such as improvements to the highway close to or adjacent to the site) or more usually to more general contributions to off-site education and highways that will in future be limited though the restrictions on pooling s106 payments from five or more sites that come into effect from April 2015 (see Chapter 2 above).
- 7.26 The Plan includes a number of specific allocations. These are very significant sites, and are important to the delivery of the Plan. Rather than make broad assumptions as to their costs, the most up to date information has been consolidated and used. Details of these are set out in Chapter 8 below. We have tested a range of costs.
- 7.27 In this study we have incorporated the site specific s106 costs into the appraisals. These are the costs that would meet the post April 2015 restrictions on pooling s106 contributions. These sites do put significant further pressure on the infrastructure, and improvements will be required that will not be sufficiently site specific to pass the tests for payments to be required through s106. These items will be funded through a range of other sources including CIL.

### **Financial and Other Appraisal Assumptions**

#### *VAT*

- 7.28 For simplicity it has been assumed throughout, that either VAT does not arise, or that it can be recovered in full.

#### *Interest rate*

- 7.29 In our appraisals we assumed a 7% pa for total debit balances, we have made no allowance for any equity provided by the developer. This does not reflect the current working of the market nor the actual business models used by developers. In most cases the smaller (non-plc) developers are required to provide between 30% and 40% of the funds themselves, from their own resources, so as to reduce the risk to which the lender is exposed. The larger plc developers tend to be funded through longer term rolling arrangements across multiple sites.
- 7.30 The 7% assumption may seem high given the very low base rate figure (0.5% April 2015). Developers that have a strong balance sheet, and good track record, can undoubtedly borrow less expensively than this, but this reflects the banks' view of risk for housing developers in the present situation. In the residential appraisals we have prepared a simple cashflow to

calculate interest. This includes allowance for appropriate arrangement fees (about 1% of the peak borrowing requirement).

- 7.31 For the non-residential appraisals, and in line with the 'high level' nature of this study, we have used the developer's rule of thumb to calculate the interest – being the amount due over one year on half the total cost. We accept that is a simplification, however, due to the high level and broad brush nature of this analysis, we believe that it is proportionate bearing in mind the requirements of the NPPF and CIL Regulations.
- 7.32 The relatively high assumption of the 7% interest rate, and the assumption that interest is chargeable on all the funds employed, has the effect of overstating the total cost of interest as most developers are required to put some equity into most projects. In this study a cautious approach is being taken, so we believe this is a sound assumption.

#### *Developer's profit*

- 7.33 An allowance needs to be made for developer's profit / return and to reflect the risk of development. Neither the NPPF, nor the CIL Regulations, nor the CIL Guidance provide useful guidance in this regard so, in reaching this decision, we have considered the RICS's 'Financial Viability in Planning' (August 2012), the Harman Guidance *Viability Testing Local Plans, Advice for planning practitioners* (June 2012), and referred to the HCA's Economic Appraisal Tool. None of these documents are prescriptive, but they do set out some different approaches.
- 7.34 RICS's 'Financial Viability in Planning' (August 2012) says:

*3.3.2 The benchmark return, which is reflected in a developer's profit allowance, should be at a level reflective of the market at the time of the assessment being undertaken. It will include the risks attached to the specific scheme. This will include both property-specific risk, i.e. the direct development risks within the scheme being considered, and also broader market risk issues, such as the strength of the economy and occupational demand, the level of rents and capital values, the level of interest rates and availability of finance. The level of profit required will vary from scheme to scheme, given different risk profiles as well as the stage in the economic cycle. For example, a small scheme constructed over a shorter timeframe may be considered relatively less risky and therefore attract a lower profit margin, given the exit position is more certain, than a large redevelopment spanning a number of years where the outturn is considerably more uncertain. ....*

- 7.35 The Harman Guidance says:

#### **Return on development and overhead**

*The viability assessment will require assumptions to be made about the average level of developer overhead and profit (before interest and tax).*

*The level of overhead will differ according to the size of developer and the nature and scale of the development. A 'normal' level of developer's profit margin, adjusted for development risk, can be determined from market evidence and having regard to the profit requirements of the providers of development finance. The return on capital employed (ROCE) is a measure of the level of profit relative to level of capital required to deliver a project, including build costs, land purchase, infrastructure, etc.*

*As with other elements of the assessment, the figures used for developer return should also be considered in light of the type of sites likely to come forward within the plan period. This is because the*

required developer return varies with the risk associated with a given development and the level of capital employed.

Smaller scale, urban infill sites will generally be regarded as lower risk investments when compared with complex urban regeneration schemes or large scale urban extensions.

Appraisal methodologies frequently apply a standard assumed developer margin based upon either a percentage of Gross Development Value (GDV) or a percentage of development cost. The great majority of housing developers base their business models on a return expressed as a percentage of anticipated gross development value, together with an assessment of anticipated return on capital employed. Schemes with high upfront capital costs generally require a higher gross margin in order to improve the return on capital employed. Conversely, small scale schemes with low infrastructure and servicing costs provide a better return on capital employed and are generally lower risk investments. Accordingly, lower gross margins may be acceptable.

This sort of modelling – with residential developer margin expressed as a percentage of GDV – should be the default methodology, with alternative modelling techniques used as the exception. Such an exception might be, for example, a complex mixed use development with only small scale specialist housing such as affordable rent, sheltered housing or student accommodation.

- 7.36 The HCA's Economic Appraisal Tool – the accompanying guidance for the tool kit says:

**Developer's Return for Risk and Profit (including developer's overheads)**

**Open Market Housing**

The developer 'profit' (before taxation) on the open market housing as a percentage of the value of the open market housing. A typical figure currently may be in the region of 17.5-20% and overheads being deducted, but this is only a guide as it will depend on the state of the market and the size and complexity of the scheme. Flatted schemes may carry a higher risk due to the high capital employed before income is received.

**Affordable Housing**

The developer 'profit' (before taxation) on the affordable housing as a percentage of the value of the affordable housing (excluding SHG). A typical figure may be in the region of 6% (the profit is less than that for the open market element of the scheme, as risks are reduced), but this is only a guide.

- 7.37 It is unfortunate that the above are not consistent, but it is clear that the purpose of including a developers' profit figure is not to mirror a particular business model, but to reflect the risk a developer is taking in buying a piece of land, and then expending the costs of construction before selling the property. The use of developers' profit in the context of area wide viability testing of the type required by the NPPF and CIL Regulation 14, is to reflect that level of risk.

- 7.38 At the Shinfield Appeal<sup>28</sup> (January 2013) the inspector considered this specifically saying:

**Developer's profit**

43. The parties were agreed that costs<sup>29</sup> should be assessed at 25% of costs or 20% of gross development value (GDV). The parties disagreed in respect of the profit required in respect of the

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<sup>28</sup> APP/X0360/A/12/2179141 (Land at The Manor, Shinfield, Reading RG2 9BX)

<sup>29</sup> i.e. the developers profit / competitive return.

*affordable housing element of the development with the Council suggesting that the figure for this should be reduced to 6%. This does not greatly affect the appellants' costs, as the affordable housing element is 2%, but it does impact rather more upon the Council's calculations.*

*44. The appellants supported their calculations by providing letters and emails from six national housebuilders who set out their net profit margin targets for residential developments. The figures ranged from a minimum of 17% to 28%, with the usual target being in the range 20-25%. Those that differentiated between market and affordable housing in their correspondence did not set different profit margins. Due to the level and nature of the supporting evidence, I give great weight [to] it. I conclude that the national housebuilders' figures are to be preferred and that a figure of 20% of GDV, which is at the lower end of the range, is reasonable.*

7.39 Generally we do not agree that linking the developer's profit to GDV is reflective of risk, as the risk relates to the cost of a scheme – the cost being the money put at risk as the scheme is developed. As an example (albeit an extreme one to illustrate the point) we can take two schemes, A and B, each with a GDV £1,000,000, but scheme A has a development cost of £750,000 and scheme B a lesser cost of £500,000. All other things being equal, in A the developer stands to lose £750,000 (and make a profit of £250,000), but in B 'only' £500,000 (and make a profit of £500,000). Scheme A is therefore more risky, and it therefore follows that the developer will wish (and need) a higher return. By calculating profit on costs, the developer's return in scheme A would be £150,000 and in scheme B would be £100,000 and so reflect the risk – whereas if calculated on GDV the profits would be £200,000 in both.

7.40 Broadly there are four different approaches that could be taken:

- a) To set a different rate of return on each site to reflect the risk associated with the development of that site. This would result in a lower rate on the smaller and simpler sites – such as the greenfield sites, and a higher rate on the brownfield sites.
- b) To set a rate for the different types of unit produced – say 20% for market housing and 6% for affordable housing, as suggested by the HCA.
- c) To set the rate relative to costs – and thus reflect the risks of development.
- d) To set the rate relative to the gross development value.

7.41 In deciding which option to adopt, it is important to note that we are not trying to re-create any particular developer's business model. Different developers will always adopt different models and have different approaches to risk.

7.42 The argument is sometimes made that financial institutions require a 20% return on development value and if that is not shown they will not provide development funding. In the pre-Credit Crunch era there were some lenders who did take a relatively simplistic view to risk analysis but that is no longer the case. Most financial institutions now base their decisions behind providing development finance on sophisticated financial modelling that it is not possible to replicate in a study of this type. They require the developer to demonstrate a sufficient margin, to protect them in the case of changes in prices or development costs, but they will also consider a wide range of other factors, including the amount of equity the developer is contributing – both on a loan to value and loan to cost basis, the nature of development and the development risks that may arise due to demolition works or similar, the

warranties offered by the professional team, whether or not the directors will provide personal guarantees, and the number of pre-sold units.

- 7.43 This is a high level study where it is necessary and proportionate to take a relatively simplistic approach, so, rather than apply a differential return (either site by site or split between market and affordable housing) it is appropriate to make some broad assumptions.
- 7.44 We have calculated the profit to reflect risk from development as 20% of Gross Development Cost. This assumption should be considered with the assumption about interest rates in the previous section, where a cautious approach was taken with a relatively high interest rate, and the assumption that interest is charged on the whole of the development cost. Further consideration should also be given to the contingency sum in the appraisals which is also reflective of the risks.
- 7.45 It is useful to consider the assumptions used in other studies in other parts of England. We have reviewed viability thresholds used by other councils in England in development plans approved during the first half of 2014. These are set out in the table below.

<b>Table 7.2 Developers Return assumptions used elsewhere</b>	
<b>Local Authority</b>	<b>Developer's Profit</b>
Babergh	17%
Cannock Chase	20% on GDV
Christchurch & East Dorset	20% on GDC
East Hampshire	20% market/6% Affordable
Erewash	17%
Fenland	15-20%
GNDP	20% market/17.5% large sites/6% Affordable
Reigate & Banstead	17.5% market/6% Affordable
Staffordshire Moorlands	17.5% market/6% Affordable
Warrington	17.5%

Source: Planning Advisory Service (collated by URS) July 2014

- 7.46 In the Derby HMA CIL Viability Assessment (NCS, July 2014) assumptions 20% of GDV of Market Housing, 6% of the value of affordable housing and 17.5% of GDV of non-residential development were used. In the Derby HMA Economic Viability Assessment (PBA, March 2013) an assumption of 20% of total development costs was made in relation to all sites.

*Voids*

- 7.47 On a scheme comprising mainly individual houses, one would normally assume only a nominal void period as the housing would not be progressed if there was no demand. In the case of apartments in blocks this flexibility is reduced. Whilst these may provide scope for early marketing, the ability to tailor construction pace to market demand is more limited.



- 7.48 For the purpose of the present study, a three month void period is assumed for all residential and non-residential developments. We have given careful consideration to this assumption in connection to the commercial developments. There is very little speculative commercial development taking place so we believe that this is the appropriate assumption to make.

*Phasing and timetable*

- 7.49 A pre-construction period of six months is assumed for all of the sites. Each dwelling is assumed to be built over a nine month period. The phasing programme for an individual site will reflect market take-up and would, in practice, be carefully estimated taking into account the site characteristics and, in particular, the size and the expected level of market demand. We have developed a suite of modelled assumptions to reflect site size and development type.
- 7.50 The rate of delivery will be an important factor when the Council is considering the release of sites so as to manage the delivery of housing and infrastructure. We have considered two aspects, the first is the number of outlets that a development site may have, and secondly the number of units that an outlet can deliver.
- 7.51 Generally we have assumed a maximum completion rate of 40 units per year comprised of both market and affordable housing. On a policy compliant site this would equate to 2 market units per month on sites with 40% affordable housing, and 2.3 units per month on the sites with 30% affordable housing. On the smaller sites we have assumed much slower rates to reflect the nature of the developer that is likely to be bringing smaller sites forward.
- 7.52 We believe that these are conservative and do, properly, reflect current practice. This is the appropriate assumption to make to be in line with the PPG and Harman Guidance.
- 7.53 There is little research in this field, but in 2008 research was published by CLG & University of Glasgow<sup>30</sup>. This study, based on research undertaken in the immediate pre-recessionary period, presented the results of a literature review, survey work amongst 18 national housebuilders and an examination of one large site developed by ten separate companies. The study considered build-out rates setting out optimal build out rates for both greenfield and brownfield sites:

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<sup>30</sup> DCLG & University of Glasgow, *Factors Affecting Housing Build Out Rates*, February 2008

<b>Table 7.3 Optimal Average Sales Rate: Greenfield</b>				
Typical 200 unit Greenfield Development comprising mainly 2, 3 & 4 Bedroom Houses				
<b>Sales rate</b>	<b>All respondents</b>	<i>Volume developers</i>	<i>Medium-sized developers</i>	<i>Smaller developers</i>
1 per 2/3 days	2	0	0	2
1 per week	8	2	5	1
1 per 10 days	5	1	2	2
1 per fortnight	0	0	0	0

**Note:** Not all respondents answered this question but all who did not offered a written response to an open-ended question element. Table.4 considers all 18 responses.

Table 2 DCLG & University of Glasgow, Factors Affecting Housing Build Out Rates, February 2008

<b>Table 7.4 Optimal Average Sales Rate: Brownfield</b>				
Typical 200 unit Brownfield Development comprising mainly 2, 3 & 4 Bedroom Apartments				
<b>Sales rate</b>	<i>All respondents</i>	<i>Volume developers</i>	<i>Medium-sized developers</i>	<i>Smaller developers</i>
1 per 2/3 days	1	0	0	1
1 per week	7	2	3	2
1 per 10 days	3	0	2	1
1 per fortnight	0	0	0	0

**Note:** Not all respondents answered this question but all who did not offered a written response to an open-ended question element. Table 4 considers all 18 responses.

Table 3 DCLG & University of Glasgow, Factors Affecting Housing Build Out Rates, February 2008

<b>Table 7.5 Imputed Annual Optimal Sales Rates</b>				
<b>Optimal annual rate</b>	<i>All respondents</i>	<i>Volume developers</i>	<i>Medium-sized developers</i>	<i>Smaller developers</i>
Greenfield housing	58.61	55.83	45.71	80.00
Brownfield apartments	67.18	81.33	54.14	68.75

Table 4 DCLG & University of Glasgow, Factors Affecting Housing Build Out Rates, February 2008

7.54 Whilst it is important to recognise that the date of this research, it is still relevant to note that<sup>31</sup>:

*Most builders generally appear to set a target of between 40 and 80 units built and sold from each outlet annually.*

<sup>31</sup> p.8.

## Site Acquisition and Disposal Costs

### *Site holding costs and receipts*

- 7.55 Each site is assumed to proceed immediately (following a 6 month mobilisation period) and so, other than interest on the site cost during construction, there is no allowance for holding costs, or indeed income, arising from ownership of the site.

### *Acquisition costs*

- 7.56 We have taken a simplistic approach and assumed an allowance 1.5% for acquisition agents' and legal fees. Stamp duty is calculated at the prevailing rates.

### *Disposal costs*

- 7.57 For the market and the affordable housing, sales and promotion costs are assumed to amount to some 3.0% of receipts, with additional legal fees of 0.5%. For disposals of affordable housing, these figures can be reduced significantly depending on the category, so in fact the marketing and disposal of the affordable element is probably less expensive than this.

## 8. Policy Requirements

- 8.1 The purpose of this review is to assess the deliverability of development as set out in the Local Plan Part 1. In this chapter we have reviewed the policies in **South Derbyshire Local Plan, Part 1** (March 2014) to consider those policies that may have an impact on development viability.
- 8.2 In this assessment we considered each of the development management policies. In each case we have considered whether or not they add to the costs of development over and above the normal costs.
- 8.3 In the following sections we have made selective quotations from the Council's policies to highlight those parts of the policy that are costly to the developer and for the purpose of assessing the cumulative impact of the policies. The policies are often wider than the selected quotations.

### *Policy H19 Housing Balance*

- A. *The Council will seek to provide a balance of housing that includes a mix of dwelling type, tenure, size and density. The overall mix of housing will take account of the Strategic Housing Market Assessment (SHMA) and Local Housing Needs Study.*
  - B. *The density of any site will be considered individually as there is no evidence to support a set density across all sites.*
  - C. *Any housing development would be expected to make the most efficient use of the land whilst taking into account what is appropriate for the surrounding local built and natural environment.*
  - D. *The viability of a development will be considered through determining a schemes housing mix.*
  - E. *The Council will also promote a mix of housing that is suitable and adaptable for different groups of people such as single occupiers, people with disabilities, people wanting to build their own homes and the ageing population of the District. Further detailed information on this will be in the Design SPD.*
- 8.4 The Council's most recent Strategic Housing Market Assessment is the Derby HMA Strategic Housing Market Assessment Update Final Report, GL Hearn Limited, July 2013. The proportion of affordable housing required is set out in Policy H20. The SHMA identifies the mix of housing, by size, required to balance the housing market.

<b>Table 8.1 Estimated dwelling requirement by Bed Size (2012 to 2028)</b>						
<b>Number of bedrooms</b>	<b>Market</b>			<b>Affordable</b>		
	Households	Dwellings	% of dwellings	Households	Dwellings	% of dwellings
1 bedroom	193	198	3.1%	450	463	21.6%
2 bedrooms	1,442	1,485	23.1%	779	802	37.4%
3 bedrooms	3,265	3,363	52.3%	765	788	36.8%
4+ bedrooms	1,339	1,379	21.5%	86	88	4.1%
<b>Total</b>	<b>6,238</b>	<b>6,425</b>	<b>100.0%</b>	<b>2,079</b>	<b>2,142</b>	<b>100.0%</b>

Source: Figure 134 Derby HMA Strategic Housing Market Assessment Update Final Report, GL Hearn Limited, July 2013

- 8.5 The wording of this policy is quite loose, using the words ‘seek’ and ‘take account of’ however the presumptions is that new development should reflect this mix.
- 8.6 The mix modelled in the CIL Viability Assessment was the same across all tenures:

<b>Table 8.2 Mix of housing used in CIL Viability Study</b>	
Apartment's	10%
2 Bed House	20%
3 Bed House	40%
4 Bed House	20%
5 Bed House	10%

Source: Page 19 CIL Viability Assessment (NCS, July 2014)

- 8.7 The modelling in the PBA Derby HMA Economic Viability Assessment (March 2013) is somewhat different where a simple assumption of an average unit size of 100m<sup>2</sup> was used<sup>32</sup>.
- 8.8 The Council is seeking to balance the market over the plan-period and over the housing market area but does not seek these proportions on a site by site basis. We understand, and it is important to note, that the above proportions are based on the space standards used in the SHMA process. This is derived from the Housing, Health and Safety Rating System (HHSRS) that was introduced by the Housing Act 2004 and is based on absolute minimum standards about same sex and different sex people sharing bedrooms depending on their age. It does not make allowance for households to have any spare bedrooms and assumes households will always reside in the smallest house that meets their requirements under the space standards. No allowance is made for changes in family circumstances or for aspirations for children to have their own bedrooms.
- 8.9 We have not followed the mix set out in the SHMA when modelling the sites. The Council is seeking to balance the whole housing market and whilst the predominance of smaller units as identified in the need would be appropriate on a dense urban site developed with flats it would not be appropriate on a larger greenfield site where larger family units will predominate.
- 8.10 On the urban schemes, it is assumed that the size of affordable housing follows the mix of market housing. This is unusual and in most areas the demand is generally for smaller affordable units when considered against the size of market units. On the large greenfield site we have assumed that affordable units are smaller than the market units.

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<sup>32</sup> Paragraph 2.56, Derby HMA Economic Viability Assessment. Peter Brett Associates (March 2013)

### *Policy H20 Affordable Housing*

- A *The Council will seek to secure up to 30% of new housing development as affordable housing as defined in the NPPF on sites of over 15 dwellings or 0.5 hectares.*
- B. *Consideration will also be given to the:*
- i) *The local housing market;*
  - ii) *The viability of any proposed scheme which will be assessed through independent viability assessments;*
  - iii) *The tenure mix and dwelling type on the site will be agreed by the Council in consultation with the Council's Strategic Housing team having regard to the SHMA;*
  - iv) *The phases of development that are being proposed.*

8.11 In the CIL Viability study the base analysis was based on 30% Intermediate Housing, 65% Social Rent and 5% Affordable Rent, and sensitivity testing was carried out at 30% Intermediate Housing, 35% Social Rent and 35% Affordable Rent.

8.12 The Council's SHMA sets out a breakdown of affordable housing (in Figure 3) of 30% Intermediate Housing, 5% Affordable Rent, 65% Social Rent. This has formed the base mix in this review. Affordable housing is the principle costs to the developer. In this review we have modelled a range of levels of affordable housing.

8.13 We understand that through the development management process that generally the affordable housing for rent is delivered as affordable rent rather than social rent. We have tested this scenario.

### *Policy SD2 Flood Risk & Policy SD3 Sustainable Water Supply, Drainage and Sewerage Infrastructure*

#### *Policy SD2 Flood Risk*

- A *When considering development proposals in South Derbyshire, the Council will follow a sequential approach to flood risk management, giving priority to the development of sites with the lowest risk of flooding. The development of sites with a higher risk of flooding will only be considered where essential for regeneration or where development provides wider sustainability benefits to the community that outweigh flood risk.*
- B *Development in areas that are identified as being at risk of flooding will be expected to:*
- i) *Be resilient to flooding through design and layout;*
  - ii) *Incorporate appropriate mitigation measures, such as on-site flood defence works and/or a contribution towards or a commitment to undertake and/or maintain off-site measures;*
  - iii) *Not increase flood risk to other properties or surrounding areas; and*
  - iv) *Not affect the integrity or continuity of existing flood defences*
- C *Suitable measures to deal with surface water will be required on all sites in order to minimise the likelihood of new development increasing flood risk locally. Any developments that could lead to changes in surface water flows or increase flood risk should be managed through the incorporation of Sustainable Drainage Systems (SUDS), which mimic natural drainage patterns, unless this is not technically feasible, or where it can be demonstrated that ground conditions are unsuitable for such measures.*

- D The Council may require developers to restore culverted watercourses within regeneration or development sites to a natural state (i.e. break the channel out of culvert, remove redundant structures, replace/ improve existing structures to a restored watercourse profile) in order to reduce flood risk and provide local amenity and/or ecological benefits.*
- E To contribute to the enhancement of watercourses in accordance with the objectives of the Water Framework Directive, developers will be expected to work with the regulating authorities to develop watercourse restoration schemes.*
- F Proposals for flood management or other infrastructure offering improvements that lower the risk of flooding will be supported, subject to the proposal having no other adverse effects on local amenity and/or flood risk elsewhere. Where new flood related infrastructure is proposed opportunities for delivering environmental improvements including biodiversity gain and green infrastructure delivery should be fully considered by those delivering the project.*

*Policy SD3 Sustainable Water Supply, Drainage and Sewerage Infrastructure*

- A The Council will work with Derbyshire County Council, Water Companies, Developers, and other Authorities and relevant stakeholders to ensure that South Derbyshire's future water resource needs, wastewater treatment and drainage infrastructure are managed effectively in a coordinated manner by:
  - i) Ensuring that adequate water supply, sewerage and drainage infrastructure needed to service new development is delivered in tandem with identified growth;*
  - ii) Supporting activities by the Water Companies to reduce demand for water and in turn suppress sewerage and discharge effluent volumes by ensuring that water consumption is no more than 110 litres per person per day (including external water use) as estimated using the Water Calculator methodology<sup>1</sup> or all water fittings do not exceed the performance set out in table XX below;*
  - iii) Working with the County Council (as lead Local Flood Authority and SUDS Approval Body) to ensure new developments incorporate sustainable drainage schemes that reduce the demand for potable water supplies and mimic natural drainage, wherever practicable. In bringing forward SUDS, as a means of managing surface water run-off, developers will be expected to design schemes to improve river water quality and reducing pressure on local drainage infrastructure and deliver biodiversity gain on sites;*
  - iv) Ensuring that all relevant developments within the catchment of the River Mease, support the delivery of the River Mease Water Quality (Phosphate) Management Plan, by means of financial contribution, in order that the unmitigated addition of phosphorous does not lead to deterioration of the Mease Special Area of Conservation.**
- B Foul flows generated by new development will be expected to connect to the mains sewer. Only where a connection to the mains sewer is not technically feasible (given the nature and scale of proposals) will discharges to package treatment works, septic tanks or cess pits be permitted. Developments that utilise non-mains drainage will only be permitted where proposals do not give rise to unacceptable environmental impacts.*
- C Surface water from new development will be expected to be managed using SUDS; discharge to watercourse; or connection to surface water mains sewer. Only where these options are not technically feasible and in consultation with Water Companies, will surface water discharges to a combined sewer be permitted.*

8.14 The requirements of these policies are in line with the normal requirements of development. All other things being equal, to a large extent a site that is subject to flooding will have a lower value than one that is not. It is however necessary to ensure that the costs of SUDS are fully reflected in the viability assessment.

8.15 The requirements for Sustainable Urban Drainage Systems (SUDS) and the like can add to the costs of a scheme – although in larger projects and those with open space these can be incorporated into public open space. The requirement for SUDS is not modelled in the CIL

Viability Study. In the Strategic Viability Assessment allowance had been made in the modelling but it is not clear whether allowance has been made in terms of cost.

- 8.16 Generally we would assume that the costs of SUDS add to the costs of construction on brownfield sites, however on the larger greenfield sites we would assume that SUDS will be incorporated into the green spaces and be delivered through soft landscaping within the wider site costs. In this review we have assumed an addition costs of 5% on brownfield sites to reflect the costs of SUDS.

### *Policy BNE1 Design Excellence & Policy BNL4 Landscape Character and Local Distinctiveness*

#### *Policy BNE1 Design Excellence*

A *All new development will be expected to be well designed, embrace the principles of sustainable development, encourage healthy lifestyles and enhance people's quality of life by adhering to the Design Principles below.*

i) *Design Principles*

a) *Community safety:*

*New development should be designed to ensure that people feel comfortable and safe by minimising opportunities for crime and anti-social behaviour, providing good natural surveillance and appropriate demarcations between public and private areas;*

b) *Street design, movement and legibility:*

*Streets should be designed to relate to their context, with a balance being struck between place-making needs and vehicle movement needs. Streets should be attractive, pedestrian and cycle friendly and meet the needs of all users. New development should be easy to find your way around, have a clear hierarchy of streets and take advantage of available opportunities for connections to local services, including public transport;*

c) *Diversity and community cohesion:*

*New development should be designed to be diverse, vibrant, possess a sense of place and encourage social interaction.*

d) *Ease of use:*

*New development should be accessible to all user groups, well managed and should be able to adapt to changing social, environmental, technological and economic conditions, including the needs of an ageing society;*

e) *Local character and pride:*

*New development should create places with a locally inspired character that respond to their context and have regard to valued landscape, townscape and heritage characteristics;*

f) *National Forest:*

*Within The National Forest, new development should be encouraged to follow National Forest Design Charter<sup>1</sup> and Planting Guidance<sup>2</sup> and fully reflect the forest context;*

g) *Visual attractiveness:*

*New development should be visually attractive, appropriate, respect important landscape/townscape views and vistas, contribute to achieving continuity and enclosure within the street scene and possess a high standard of architectural quality;*

- h) *Neighbouring uses and amenity:*  
*New development should not have an undue adverse affect on the privacy and amenity of existing nearby occupiers. Similarly, the occupiers of new development should not be unduly affected by neighbouring land uses;*
- i) *Cross boundary collaboration:*  
*New areas of growth that span administrative, land ownership, developer parcel or phase boundaries shall be considered and designed as a whole through a collaborative working approach;*
- j) *Healthy Lifestyles:*  
*New development should address social sustainability issues, by supporting healthy lifestyles, including through the promotion of active travel, the provision of public open space, sports and other leisure facilities.*
- k) *Resource Use:*  
*New development shall be designed to facilitate the efficient use of resources and support the reuse and recycling of waste throughout the lifecycle of all developments from design, construction, use and after use. New development shall provide adequate space for the storage of waste and where appropriate the treatment or collection of waste.*
- ii) *All proposals for major development should perform highly when assessed against the Council's Design SPD;*
- iii) *The council will decide which development proposals should be*

*Policy BNL4 Landscape Character and Local Distinctiveness*

- A. *The character, local distinctiveness, and quality of South Derbyshire's landscape and soilscape will be protected and enhanced through the careful design and sensitive implementation of new development.*
- B. *Developers will be expected to retain key valued landscape components such as mature trees, established hedgerows and topographical features within development sites unless it can be demonstrated that the loss of features will not give rise to unacceptable effects on local landscape character. Development that will have an unacceptable impact on landscape character (including historic character), visual amenity and sensitivity and can not be satisfactorily mitigated will not be permitted.*
- C. *In bringing forward proposals developers will be expected to demonstrate that close regard has been paid to the landscape types and landscape character areas identified in The Landscape Character of Derbyshire. Proposals should have regard to the woodland and tree planting, landscape management and habitat guidance set out in this document and demonstrates that mitigation proposals are appropriate to the character of the landscape.*
- D. *Within the National Forest Area developers will be expected to demonstrate that close regard has been paid to the landscape types and landscape character areas identified in the National Forest Landscape Character Assessment both within the design of the scheme and in the incorporation of woodland planting and landscaping.*
- E. *The Council will seek to protect soils that are 'Best and Most Versatile', (Grades 1, 2 and 3a in the Agricultural Land Classification) and wherever possible direct development to areas with lower quality soils.*

8.17 The requirements of these policy are broad but do not go beyond the norm. They are reflected in the general modelling and the requirements can be met through good design (of the buildings and layout) rather than through additional and expensive features. On the whole the

provisions of this policy do not add to the overall cost of the project over and above those modelled elsewhere.

### *Policy INF1 Infrastructure and Developer Contributions & Policy INF2 Sustainable Transport*

#### *Policy INF1 Infrastructure and Developer Contributions*

- A *New development that is otherwise in conformity with the Local Plan but generates a requirement for infrastructure will normally be permitted if the necessary on and off-site infrastructure required to support and mitigate the impact of that development is either:*
- i) Already in place, or*
  - ii) There is a reliable mechanism in place to ensure that it will be delivered in the right place, at the right time and to the standard required by the Council and its partners.*
- B *The Council will prepare a new Planning Obligations SPD to cover infrastructure and service requirements, including site-specific infrastructure, to be delivered through S106 Planning Obligations.*
- C *Furthermore, should a Community Infrastructure Levy be adopted, the Council will also operate a Community Infrastructure Levy Charging Schedule, to secure funding from new development towards infrastructure provision, including strategic projects.*
- D *Where appropriate, the Council will permit developers to provide the necessary infrastructure themselves as part of their development proposals, rather than making financial contributions.*
- E *Whilst it is expected that development is appropriately supported and its effects mitigated, in the interests of sustainability, the viability of developments will also be considered when determining the extent and priority of development*

#### *Policy INF2 Sustainable Transport*

- A. *Planning permission will be granted for development where:*
- i. travel generated by development, including goods vehicle movement, should have no undue detrimental impact upon local amenity, the environment, highway safety, the efficiency of transport infrastructure and the efficiency and availability of public transport services; and*
  - ii. appropriate provision is made for safe and convenient access to and within the development for pedestrians, cyclists, public transport users and the private car; and*
  - iii. car travel generated by the development is minimised relative to the needs of the development.*
- B. *In order to achieve this, the Council will secure, through negotiation, the provision by developers of contributions towards off-site works where needed.*
- C. *In implementing this policy account will be taken of the fact that in more remote rural areas there is often less scope to minimise journey lengths and for the use of non-car modes.*
- D. *Planning applications for development with significant transport implications should be accompanied by a Transport Assessment and Travel Plan identifying the transport impacts of the proposal and measures needed to meet the criteria set out in Part 1 of this policy. Travel Plan measures should be funded by developer contributions appropriate to the impacts on the transport network caused by the development. For development that is expected to have less significant transport implications, planning applications shall be accompanied by a Transport Statement.*

#### *Walking and Cycling*

- A. *The Council will work in partnership with County Councils, neighbouring local authorities, the National Forest Company, charitable organisations, landowners and developers to secure the expansion, improvement and protection of walking and cycling networks, including public rights*

*of way, cycle routes, greenways and supporting infrastructure. Routes should be coherent, direct, continuous, safe, secure and attractive and should contribute to the wider green infrastructure network wherever possible.*

- B. Where a need is identified in Part 1 of this policy, the Council will seek to negotiate the provision by developers of contributions toward new, or the enhancement of existing, walking and cycling routes and supporting infrastructure.*
- C. Development that is likely to prejudice the use of disused railway lines or canals for walking, cycling or horse riding will only be permitted, where it can be demonstrated that there would be no practical prospect of implementation in the future.*
- D. Cycling and greenway network proposals will be identified in Supplementary Planning Documents.*

#### *Public Transport*

- A. The Council will work in partnership with County Councils, neighbouring local authorities, public transport operators and community transport operators to improve public transport services, infrastructure and information provision in the district.*
- B. Development should be designed and laid out in such a way as to ensure that, wherever possible, public transport services are within convenient walking distance of all site residents, staff and visitors.*
- C. Where a need is identified under Part 1 of this policy, the Council will seek to negotiate the provision by developers of measures to encourage the use of public transport. These may include:
  - i. bus shelters and laybys*
  - ii. railway stations and public transport interchanges*
  - iii. initial financial contributions toward the cost of running public transport services**
- D. Land is protected for a potential new park and ride facility at the junction of the A6 and London Road, Boulton Moor.*
- E. Land is protected for against development that would prejudice the establishment of a new passenger railway stations at Castle Gresley, Drakelow and Stenson Fields. Development likely to impair the continuity of the Burton to Leicester railway line or otherwise compromise the potential establishment of a passenger rail service on this route will not be permitted.*

#### *Road & Rail Freight*

- A. Where appropriate development should make adequate provision for service vehicle access, manoeuvring and off-street parking.*
- B. In order to ensure that nearby occupiers are not unduly adversely affected by the transfer of goods generated by development, the Council will give consideration to the need for the control of hours of delivery and collection.*
- C. Land at Tetron Point and the associated rail siding connecting to the Burton to Leicester railway line, is protected from development that would compromise its capacity to be used for rail freight purposes.*
- D. Land at the junction of the A50 and A511, Foston is protected for the development of a roadside lorry park including lorry parking, refuelling and driver facilities.*

#### *Parking*

- A. Development should include appropriate car parking provision having regard to:
  - i) parking standards, to be published as a Supplementary Planning Document;*
  - ii) the need to ensure that development would not have an undue detrimental impact on pedestrian and cyclist movement and highway safety;*
  - iii) the need to encourage travel on foot, by cycle and by public transport in preference to the private car by minimising parking provision;**

- iv) *the need to provide sufficient conveniently located spaces to meet the needs of people with impaired mobility;*
- v) *the conclusions of any Transport Assessment undertaken in accordance with Part 2 of this policy;*
- vi) *the need to encourage the use of low emission vehicles.*

8.18 These are comprehensive policies that seeks to ensure that the impact of development is fully mitigated as well as incorporating various design standards.

8.19 The Local Plan Part 1 includes 17 allocations. It is timely to note that about half these have been approved and of the remainder, about half of those are subject to planning applications. The Council has identified the costs of mitigation associated with these sites:

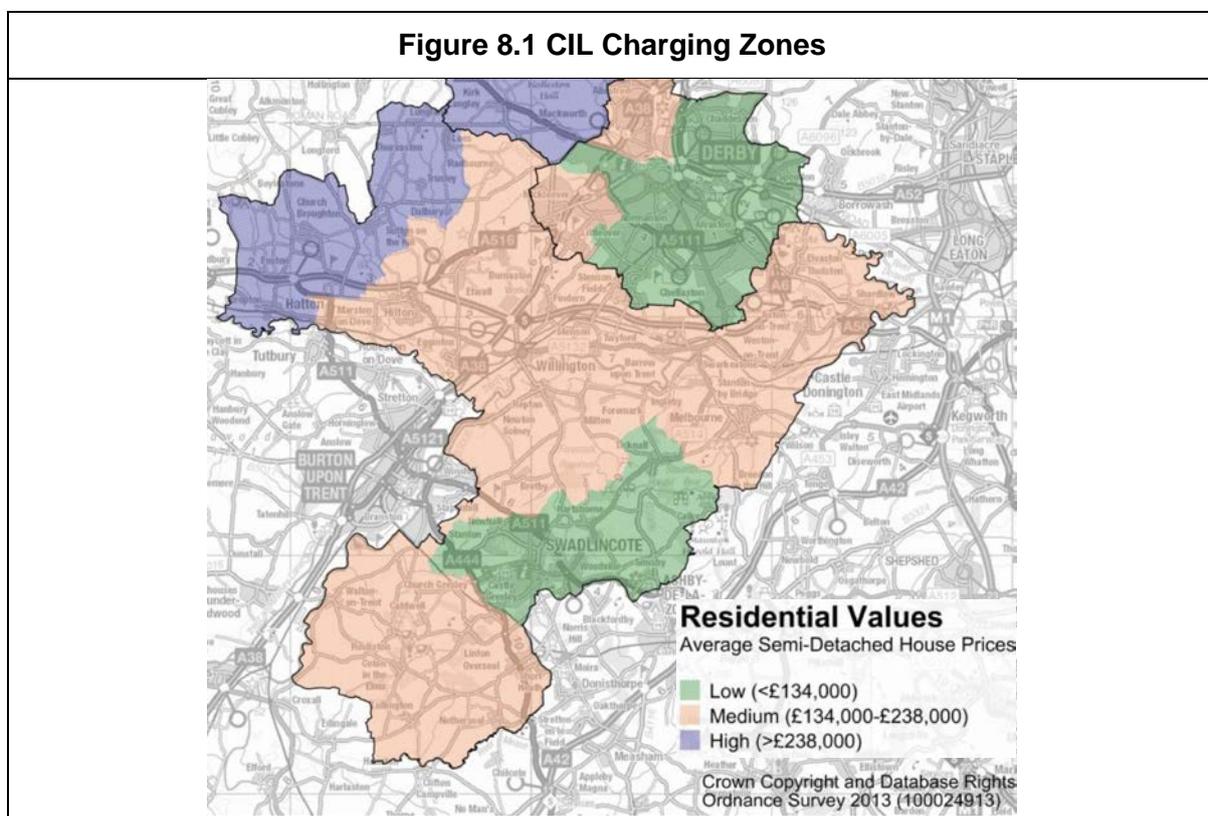
**Table 8.3 Known Site Infrastructure Costs**

Site Name	Existing Use	Area (ha)		Units	Infrastructure	£/Unit
		Gross	Net			
Land north of William Nadin Way	Swadlincote	29.51	15.08	600	£4,273,337	£7,122
Land at Church Street/Bridge Street/Football Club Site	Swadlincote	16.19	10.87	350	£2,816,393	£8,047
Land at Broomy Farm	Swadlincote	33.7	17.18	400	£5,575,891	£13,940
Council Depot	Swadlincote	6.81	4.9	158	£230,535	£1,459
Drakelow	Village	100.18	45.25	2,239	£20,340,419	£9,085
Land at Hilton Depot, Hilton	Village	37.16	14.02	485	£5,270,753	£10,868
Former Aston Hall Hospital, Aston on Trent	Village	12.4	5.3	150	£394,461	£2,630
Land at Longlands, Repton	Village	4.44	2.09	80	£333,400	£4,168
Land south of Willington Road, Etwall	Village	9.6	5.11	114	£705,260	£6,186
Land north east of Hatton	Village	16.02	6.39	400	£3,675,891	£9,190
Highfields Farm	Edge of Derby	54.14	29.7	1,200	£18,704,852	£15,587
Boulton Moor	Edge of Derby	86.12	49.73	1,948	£20,848,430	£10,702
Chellaston Fields	Edge of Derby	22	13.72	450	£4,642,996	£10,318
Wragley Way	Edge of Derby	82.03	36.09	1,950	£14,098,430	£7,230
Primula Way	Edge of Derby	27.84	11.8	500	£4,444,114	£8,888
Holmleigh Way	Edge of Derby	6.4	3.71	119	£4,133,689	£34,737
Hackwood Farm	Edge of Derby	16.12	7.43	290	£3,372,448	£11,629
				<b>11,433</b>	<b>£113,861,298</b>	<b>£9,959</b>

Source: SDDC March 2015



- 8.20 No allowance has been made for these costs in the Economic Viability Assessment<sup>33</sup>. In the CIL Viability Study (paragraphs 4.22 and 4.23) an allowance of £1,000 per unit was made in respect of housing and £20/m<sup>2</sup> in respect of non-residential development.
- 8.21 At this stage it not necessary to consider considered whether developer contributions are best paid as CIL or under the s106 regime, but it is necessary to take developer contributions into account. There are several policies requiring contributions of this type. It is inevitable that the policy will change in this regard, with the introduction of CIL and as a consequence of CIL Regulations 122 and 123. In this study we have assumed a s106 payment of £2,000 per unit (market and affordable) in the base appraisals, and tested a range of other contributions.
- 8.22 The CIL Viability Study recommends rates of CIL in South Derbyshire of £0/m<sup>2</sup>, £35/m<sup>2</sup> and £150/m<sup>2</sup> in the Low, Medium and High Zones respectively. These areas are shown on the Map on page 18 of the CIL Viability Assessment:



Source: From Page 18, CIL Viability Study (NCS 2014)

<sup>33</sup> Table 2.7 of the Economic Viability Assessment says: *For this assessment we have been asked not to factor any S106 or developer contribution into the appraisals. Decision on this will be determined later. Contributions to infrastructure costs such as education, open space and transportation etc. will need to be factored into this and decisions on strategic infrastructure cost contributions that may be via a CIL will need to be factored in.*

8.23 Very approximately CIL at these levels would equate to about £3,500 per market house in the medium value area and £15,000 per market house in the higher value area.

8.24 At the time of this review CIL is not in place. We have modelled a range of developer contributions.

#### *Policy INF6 Community Facilities*

A *South Derbyshire District Council will:*

i) *Require that development that increases the demand for community facilities and services either:*

a) *provides the required community facilities as part of the development, or:*

b) *makes appropriate contributions towards providing new facilities or improving existing facilities.*

ii) *Facilitate the efficient use of community facilities and the provision and upkeep of multi-purpose community facilities that can provide a range of services to the community at a single, accessible location.*

B *Existing community facilities will be protected, unless it is clear that there is no longer a need to retain the use or where a suitable alternative is made.*

C *Community facilities should be accessible to all members of the community and be located where there is a choice of travel options.*

8.25 As set out above, there are several policies requiring contributions of this type. It is inevitable that the policy will change in this regard, with the introduction of CIL and as a consequence of CIL Regulations 122 and 123. It is therefore necessary for a range of developer contributions to be tested.

#### *Policy INF7 Green Infrastructure*

C *All proposals for development within the catchment for the River Mease will need to demonstrate that they will have no adverse effects on the integrity of the Special Area of Conservation (SAC) either alone or in combination with other proposals and will contribute to long-term objectives to improve the condition of the site.*

8.26 The scope of this policy is limited, only applying to Overseal, Netherseal, Smisby and Lullington, and only to developments that connect to the existing sewage network and discharge foul and surface water to Severn Trent's Network.5

8.27 The cost of discharging waste water flows vary by property size and whether they are water efficient, and are currently set as follows

Table 8.4 SAC Contributions				
Size of dwelling	Average Occupancy	DSC Contribution (£)		
		Level 1/2 (120 l/h/d)	Level 3/4 (105 l/h/d)	Level 5/6 (80 l/h/d)
1 Bed	1.17	127	112	86
2 Bed	1.72	187	165	126
3 Bed	2.32	253	222	169
4 Bed	3.24	354	309	236

Source: SDDC

- 8.28 These costs are not reflected in either of the existing viability studies, however in this review we have tested a range of developer contributions.

*Policy INF8 The National Forest*

*B Within the National Forest all residential schemes over 0.5ha and industrial commercial and leisure developments over 1ha will be expected to incorporate tree planting and landscaping in accordance with National Forest Planting Guidelines. Landscaping will generally involve woodland planting, but can also include the creation and management of other appropriate habitats, open space provision associated with woodland and the provision of new recreational facilities with a woodland character. The appropriate mix of landscaping features will depend upon the setting characteristics, opportunities and constraints that individual sites present.*

- 8.29 This is abnormal part of landscaping on a well-designed scheme and will not add to the overall costs of development.

*Policy INF9 Open Space, Sport and Recreation*

- A. Current provision of open space and sports and recreation facilities in South Derbyshire is not sufficient to meet local need.*
- B. To address this, the Council will work with partners to provide sufficient high quality green space and recreation facilities including sports pitches and built facilities, allotments, woodland creation, cemeteries and publicly accessible natural green space to meet the needs of new residential development and, where possible, to meet the needs of the existing population.*
- C. Opportunities for creating new or enhanced facilities will be sought particularly where there are quantitative or qualitative deficiencies identified in the Council's most up to date Open Space, Sport and Recreation Assessment.*
- D. The loss of open space, sport and recreational facilities will only be permitted in exceptional circumstances where an assessment shows that existing open space and facilities exceed the required level of provision, the loss would be compensated for through equivalent or better provision or the development would involve the provision of alternative sport or recreation facilities for which there is a greater need.*
- E. Wherever possible the Council will expect new open spaces to connect to existing Green Infrastructure in order to improve accessibility across and between sites and enhance the biodiversity.*

- 8.30 It is not a requirement for new development to contribute towards open space under this policy on all sites, however the Council have confirmed that this is often a requirement.



## 9. Modelling

- 9.1 In the previous chapters we have set out the general assumptions to be inputted into the development appraisals. In this chapter we have set out the modelling. We stress that this is a high level study that is seeking to capture the generality rather than the specific. The purpose is to establish the cumulative impact of the Council's policies on development viability. This information will be used with the other information gathered by the Council to assess whether or not the sites are actually deliverable.
- 9.2 In considering the most appropriate modelling, we have had particular regard to the Local Plan Inspector's letter to the Council dated 12<sup>th</sup> May 2014 in which he raised some concerns about the Council's 5 year Land Supply, in part these concerns were around the viability and deliverability of some sites.
- 9.3 Our approach is to model 16 residential development sites that are broadly representative of the type of development that is likely to come forward in the District. In addition, we have modelled the key non-residential development types that are important to the delivery of the Plan.
- 9.4 The Plan includes 17 residential allocations as summarised in the following table. It is beyond the scope of this review to model these individually, however we have included sites that representative of these in the modelling.

**Table 9.1 Strategic Sites**

Site Name	Existing Use	Units	Area (ha)		Net/Gross	Density (units/ha)	
			Gross	Net		Gross	Net
Land north of William Nadin Way	Swadlincote	600	29.51	15.08	51%	20	40
Land at Church Street/Bridge Street/Football Club Site	Swadlincote	350	16.19	10.87	67%	22	32
Land at Broomy Farm	Swadlincote	400	33.7	17.18	51%	12	23
Council Depot	Swadlincote	158	6.81	4.9	72%	23	32
Drakelow	Village	2,239	100.18	45.25	45%	22	49
Land at Hilton Depot, Hilton	Village	485	37.16	14.02	38%	13	35
Former Aston Hall Hospital, Aston on Trent	Village	150	12.4	5.3	43%	12	28
Land at Longlands, Repton	Village	80	4.44	2.09	47%	18	38
Land south of Willington Road, Etwall	Village	114	9.6	5.11	53%	12	22
Land north east of Hatton	Village	400	16.02	6.39	40%	25	63
Highfields Farm	Edge of Derby	1,200	54.14	29.7	55%	22	40
Boulton Moor	Edge of Derby	1,948	86.12	49.73	58%	23	39
Chellaston Fields	Edge of Derby	450	22	13.72	62%	20	33
Wragley Way	Edge of Derby	1,950	82.03	36.09	44%	24	54
Primula Way	Edge of Derby	500	27.84	11.8	42%	18	42
Holmleigh Way	Edge of Derby	119	6.4	3.71	58%	19	32
Hackwood Farm	Edge of Derby	290	16.12	7.43	46%	18	39
		<b>11,433</b>	<b>561</b>	<b>278</b>		<b>20</b>	<b>41</b>

Source: SDDC (March 2015)

## Residential Development Sites

- 9.5 In discussion with the Council it was decided that a total of 16 representative sites would be modelled across the District, 7 being representative of the strategic allocations and the remainder being representative of the smaller sites likely to come forward.
- 9.6 We acknowledge that modelling cannot be totally representative, however the aim of this work is to test the deliverability of the Plan and to make an assessment as to whether sites are likely to come forward over the plan-period. The work is high level, so there are likely to be sites that will not be able to deliver the affordable housing target and CIL, indeed as set out at the start of this report, there are some sites that will be unviable even without any policy requirements (for example brownfield sites with high remediation costs), but there will also be sites that can afford more. If CIL is adopted, there is little scope for exemptions to be granted, however, where the affordable housing target and other policy requirements cannot be met, the developer will continue to be able to negotiate with the planning authority. The planning authority will have to weigh up the factors for and against a scheme, and the ability to deliver affordable housing will be an important factor. The modelled sites are reflective of development sites in the study area that are likely to come forward during the plan-period.

### *Development assumptions*

- 9.7 In arriving at appropriate assumptions for residential development on each site we have ensured that the built form used in our appraisals is appropriate to the current development practices. We have developed a typology which responds to the variety of development situations and densities typical in South Derbyshire, and this is used to inform development assumptions for sites. The typology enables us to form a view about floorspace density, based on the amount of development, measured in net floorspace per hectare, to be accommodated upon the site. This is a key variable because the amount of floorspace which can be accommodated on a site relates directly to the Residual Value, and is an amount which developers will normally seek to maximise (within the constraints set by the market).
- 9.8 The typology uses as a base or benchmark a typical post- PPS3 built form which would provide development at between 3,000m<sup>2</sup>/ha to 3,550m<sup>2</sup>/ha on a substantial site, or sensibly shaped smaller site. A representative housing density might be around 35/net ha. This has become a common development format. It provides for a majority of houses but with a small element of flats, in a mixture of two storey and two and a half to three storey form, with some rectangular emphasis to the layout.
- 9.9 There could be some schemes of appreciably higher density development providing largely or wholly apartments, in blocks of three storeys or higher, with development densities of 6,900 m<sup>2</sup>/ha and dwelling densities of 100 units/ha upwards; and schemes of lower density, in the rural edge situations.
- 9.10 The density, in terms of units and floorspace, has been used to ensure appropriate development assumptions for a majority of the sites.

- 9.11 We have based the densities used in the site modelling on the expected density that is likely to come forward in current market conditions. The analysis in the Council’s SHLAA is based on a density of 20 units/gross ha<sup>34</sup>. This is at the lower end of our expectations, but is in line with the densities included in the table above for the Strategic Sites.
- 9.12 The Local Plan does not include a specific density policy. Policy H19, Housing Balance simply asks the ‘*Council will seek to provide a balance of housing that includes a mix of dwelling type, tenure, size and density. The overall mix of housing will take account of the Strategic Housing Market Assessment (SHMA) and Local Housing Needs Study. used in the SHLAA, including the open space assumptions*’.
- 9.13 Similarly the Plan is not prescriptive with regard to open space provision. Policy INF9, Open Space, Sport and Recreation acknowledges there is a shortfall of provision and at paragraph 9.62 sets out overall requirements. We understand that these are applied site by site, having regard to the local levels of provision.
- 9.14 It is necessary to make some broad assumptions in this regard. We have therefore assumed the following net / gross development areas:

<b>Table 9.2 Net / Gross assumptions</b>	
Site Size (ha)	Development Ratio (Net Developable Area)
< 0.4 ha	100%
0.4 – 4 ha	70%
>4 ha	60%

Source: HDH 2015

- 9.15 We have set out the main characteristics of the modelled sites in the tables below. It is important to note that these are modelled sites and not actual sites. These modelled typologies have been informed by the sites included in the Plan and SHLAA, both in terms of scale and location. A proportion of the housing to come forward over the plan-period will be on smaller sites, therefore several smaller sites have been included. Single plots have not been included as these will, predominantly, be brought forward by ‘self-builders’ so would be exempt of CIL.
- 9.16 It is important to note that the majority of sites included in the 5 year land supply are greenfield sites so these predominate in the modelling.

<sup>34</sup> Paragraph 5.31, Derby HMA SHLAA Refresh, Revised Methodology. January 2012



<b>Table 9.3a Summary of modelled sites</b>			
<b>UE Greenfield</b> Edge of Derby 1	Units	1,500	Larger urban edge, greenfield site. 50% open space, 37 net developable ha. Mix of family housing.
	Area (Gross ha)	74	
	Density /ha	42	
<b>V Large Greenfield</b> Edge of Derby 2	Units	500	Greenfield site. 40% open space, 15 net developable ha. Mix of family housing.
	Area (Gross ha)	25	
	Density /ha	33	
<b>Large Greenfield</b> Edge of Derby 3	Units	200	Medium greenfield site. 40% open space, 6 net developable ha. Mix of family housing.
	Area (Gross ha)	10	
	Density /ha	33	
<b>V Large Greenfield</b> Swadlincote 4	Units	500	Greenfield site. 50% open space, 12.5 net developable ha. Mix of family housing.
	Area (Gross ha)	25	
	Density /ha	40	
<b>Large Greenfield</b> Swadlincote 5	Units	200	Medium greenfield site. 50% open space, 5 net developable ha. Mix of family housing.
	Area (Gross ha)	10	
	Density /ha	40	
<b>UE Brownfield</b> Edge of Burton 6	Units	2,200	Very large site, 60% brownfield / 40% greenfield site. 50% open space, 45 net developable ha. Mix of family housing.
	Area (Gross ha)	100	
	Density /ha	50	
<b>V Large Brownfield</b> Villages 7	Units	300	Large brownfield site. 40% open space, 9 net developable ha. Mix of family housing.
	Area (Gross ha)	15	
	Density /ha	33	
<b>Medium Greenfield</b> Medium Zone 8	Units	100	Larger urban edge, greenfield site. 40% open space, 2.86 net developable ha. Mix of family housing.
	Area (Gross ha)	4.76	
	Density /ha	35	
<b>Medium Greenfield</b> Higher Zone 9	Units	100	Larger urban edge, greenfield site. 40% open space, 2.86 net developable ha. Mix of family housing.
	Area (Gross ha)	4.76	
	Density /ha	35	
<b>Smaller Greenfield</b> Medium Zone 10	Units	30	Greenfield site. 30% open space, 0.95 ha net developable ha.
	Area (Gross ha)	1.34	
	Density /ha	32	
<b>Medium Urban</b> Medium Zone 11	Units	30	Brownfield site. 30% open space, 0.85 ha net developable ha.
	Area (Gross ha)	1.25	
	Density /ha	32	
<b>Medium Urban</b> Higher Zone 12	Units	30	Brownfield site. 30% open space, 0.85 ha net developable ha.
	Area (Gross ha)	1.25	
	Density /ha	35	

<b>Table 9.3b Summary of modelled sites</b>				
13	<b>Sub-threshold, Green</b>	Units	9	Greenfield site. No open space. Mix of semi-detached and detached.
		Area (Gross ha)	0.45	
		Density /ha	20	
14	<b>Sub-threshold, Green</b>	Units	3	Small greenfield site. No open space. Three detached.
		Area (Gross ha)	0.2	
		Density /ha	15	
15	<b>Sub-threshold, Brown</b>	Units	9	Brownfield site. No open space. Mix of semi-detached and terraced.
		Area (Gross ha)	0.3	
		Density /ha	30	
16	<b>Sub-threshold, Brown</b>	Units	3	Small brownfield site. No open space. Three terraced.
		Area (Gross ha)	0.08	
		Density /ha	38	

Source: HDH 2015

9.17 The gross and net areas and the site densities are summarised below.

**Table 9.4 Modelled Site development assumptions**

		Green/ Brown	Current Use	Units	Area Ha		Density Units/ha		Average Unit Size	Density m2/ha
					Gross	Net	Gross	Net		
1	UE Greenfield	Green	Agricultural	1,500	74.00	37.00	20.27	40.54	m2	3,612
2	V Large Greenfield	Green	Agricultural	500	25.00	15.00	20.00	33.33	89.16	2,972
3	Large Greenfield	Green	Agricultural	200	10.00	6.00	20.00	33.33	89.29	2,976
4	V Large Greenfield	Green	Agricultural	500	25.00	12.50	20.00	40.00	89.16	3,566
5	Large Greenfield	Green	Agricultural	200	10.00	5.00	20.00	40.00	89.29	3,571
6	UE Brownfield	60% Brown	Industrial	2,200	100.00	45.00	22.00	48.89	89.21	4,361
7	V Large Brownfield	Brown	Industrial	300	15.00	9.00	20.00	33.33	89.26	2,975
8	Medium Greenfield	Green	Agricultural	100	4.75	2.86	21.05	34.97	88.90	3,108
9	Larger Housing	Green	Agricultural	100	4.76	2.86	21.01	34.97	88.90	3,108
10	Smaller Greenfield	Green	Agricultural	30	1.34	0.95	22.39	31.58	89.93	2,840
11	Medium Urban	Brown	Industrial	30	1.25	0.85	24.00	35.29	89.93	3,174
12	Medium Urban	Brown	Industrial	30	1.25	0.85	24.00	35.29	89.93	3,174
13	Sub Threshold, Green	Green	Paddock	9	0.45	0.45	20.00	20.00	116.00	2,320
14	Sub Threshold, Green	Green	Paddock	3	0.20	0.20	15.00	15.00	133.33	2,000
15	Sub Threshold, Brown	Brown	PDL	9	0.30	0.30	30.00	30.00	116.00	3,480
16	Sub Threshold, Brown	Brown	PDL	3	0.08	0.08	37.50	37.50	133.33	5,000
				<b>5,714</b>	<b>273.38</b>	<b>138.90</b>	<b>20.90</b>	<b>41.14</b>		<b>3,674</b>

Source: HDH 2015. Note: Floorspace density figures are rounded

- 9.18 The modelling does not exactly follow the density assumptions used in the SHLAA or the policy as the modelling has been informed by the actual characteristics of the sites on the ground. In order to tailor the appraisals to the local circumstances we have applied the geographical appropriate prices.
- 9.19 The price of units is one of the most significant inputs into the appraisals. This applies not just to the market homes but also the affordable uses (intermediate, social rented and affordable rented). Informed by the findings set out in Chapter 4, we have used the prices set out towards the end of that chapter.

### **Older People's Housing**

- 9.20 We have modelled a private sheltered/retirement and an extracare scheme, each on a 0.5ha site as follows.
- 9.21 A private sheltered/retirement scheme of 20 x 1 bed units of 50m<sup>2</sup> and 25 2 bed units of 75m<sup>2</sup> to give a net saleable area (GIA) of 2,875m<sup>2</sup>. We have assumed a further 20% non-saleable service and common areas to give a scheme GIA of 3,450m<sup>2</sup>.
- 9.22 An extracare scheme of 24 x 1 bed units of 65m<sup>2</sup> and 16 x 2 bed units of 80m<sup>2</sup> to give a net saleable area (GIA) of 2,840m<sup>2</sup>. We have assumed a further 35% non-saleable service and common areas to give a scheme GIA of 3,834m<sup>2</sup>.

### **Non-Residential Sites**

- 9.23 For the purpose of this study we have assessed a number of development types. We have based our modelling on the following development types:
- i. **Large offices.** These are more than 250 m<sup>2</sup>, will be of steel frame construction, be over several floors and will be located on larger business parks. Typical units in the District are around 500 m<sup>2</sup> – we will use this as the basis of our modelling.
  - ii. **Large industrial.** Modern industrial units of over 500 m<sup>2</sup>. There is little new space being constructed. Typical units in the District are around 1,000 m<sup>2</sup> – we will use this as the basis of our modelling.
- 9.24 In developing these typologies, we have made assumptions about the site coverage and density of development on the sites. We have assumed 66% coverage on the industrial sites, 60% coverage on the offices.

## 10. Residential Appraisal Results

- 10.1 At the start of this chapter it is important to stress that the results of the appraisals do not, in themselves, determine the deliverability of the Plan. The results of this study are one of a number of factors that the Council will consider, including the need for infrastructure, other available evidence, such as the Council's track record in delivering affordable housing and collecting payments under s106. The purpose of the appraisals is to provide an indication of the viability in different areas under different scenarios.
- 10.2 The appraisals use the residual valuation approach – that is, they are designed to assess the value of the site after taking into account the costs of development, the likely income from sales and/or rents and an appropriate amount of developer's profit. The Residual Value represents the maximum bid for the site where the payment is made in a single tranche on the acquisition of a site. In order for the proposed development to be described as viable, it is necessary for this value to exceed the Existing Use Value (EUV) by a satisfactory margin. We have discussed this in Chapter 6.
- 10.3 The appraisals are based on the assumptions provided in the previous chapters of this report, including the affordable housing requirement.
- 10.4 Development appraisals are sensitive to changes in price so appraisals have been run with various changes in the cost of construction and an increase and decrease in prices. We have then considered a number of different price levels informed by our discussion with the Council.
- 10.5 As set out above, for each development type we have calculated the Residual Value. In the tables in this chapter we have colour coded the results using a simple traffic light system:
- a. **Green Viable** – where the Residual Value per hectare exceeds the indicative Viability Threshold Value per hectare (being the Existing Use Value plus the appropriate uplift to provide a competitive return for the landowner).
  - b. **Amber Marginal** – where the Residual Value per hectare exceeds the Existing Use Value or Alternative Use Value, but not the Viability Threshold Value per hectare. These sites should not be considered as viable when measured against the test set out – however, depending on the nature of the site and the owner, they may come forward.
  - c. **Red Non-viable** – where the Residual Value does not exceed the Existing Use Value or Alternative Use Value.
- 10.6 The results are set out and presented for each site and per gross hectare to allow comparison between sites.
- 10.7 It is important to note that a report of this type applies relatively simple assumptions that are broadly reflective of an area to make an assessment of viability. The fact that a site is shown as viable does not necessarily mean that it will come forward and vice versa. An important

part of any final consideration of viability will be relating the results of this study to what is actually happening on the ground in terms of development and what planning applications are being determined – and on what basis.

### Financial appraisal approach and assumptions

10.8 On the basis of the assumptions set out in the earlier chapters, we prepared financial appraisals for each of the modelled residential sites, and the two unconsented strategic sites, using a bespoke spreadsheet-based financial analysis package. We produced financial appraisals based on the build costs, and infrastructure costs and financial assumptions for the different options.

#### *Base Appraisals – full current policy requirements*

10.9 The financial appraisals for each of the modelled typologies uses a bespoke spreadsheet-based financial analysis package. These appraisals are based on the full policy requirements of the Local Plan, but with a range of affordable housing and developer contribution assumptions base options:

- a) Affordable Housing                      30% – on sites of 15 or more, as 30% Intermediate Housing, 5% Affordable Rent, 65% Social Rent
- b) Environmental Standards      Enhanced Building Regulations (Part L) (BCIS +1.5%).
- c) CIL and s106                              £2,000 per unit (market and affordable).

10.10 The full appraisal are set out for this base option in **Appendix 3**.

**Table 10.1 Residual Values**  
Development Plan Policy Requirements

						Area (ha)		Units	Residual Value (£)		
						Gross	Net		Gross ha	Net ha	Site
1	UE Greenfield	Edge of Derby	Green			74.00	37.00	1,500	411,532	823,064	30,453,382
2	V Large Greenfield	Edge of Derby	Green			25.00	15.00	500	482,053	803,421	12,051,319
3	Large Greenfield	Edge of Derby	Green			10.00	6.00	200	483,805	806,341	4,838,047
4	V Large Greenfield	Swadincote	Green			25.00	12.50	500	482,053	964,106	12,051,319
5	Large Greenfield	Swadincote	Green			10.00	5.00	200	485,692	971,383	4,856,915
6	UE Brownfield	Edge of Burton	60% Brown			100.00	45.00	2,200	297,027	660,060	29,702,699
7	V Large Brownfield	Villages	Brown			15.00	9.00	300	302,467	504,112	4,537,009
8	Medium Greenfield	Medium Zone	Green			4.75	2.86	100	301,795	501,233	1,433,527
9	Larger Housing	Higher Zone	Green			4.76	2.86	100	655,316	1,090,666	3,119,305
10	Smaller Greenfield	Medium Zone	Green			1.34	0.95	30	646,631	912,090	866,485
11	Medium Urban	Medium Zone	Brown			1.25	0.85	30	405,615	596,493	507,019
12	Medium Urban	Higher Zone	Brown			1.25	0.85	30	606,392	891,753	757,990
13	Sub Threshold, Green	Sub-Threshold	Green			0.45	0.45	9	1,292,397	1,292,397	581,579
14	Sub Threshold, Green	Sub-Threshold	Green			0.20	0.20	3	1,122,891	1,122,891	224,578
15	Sub Threshold, Brown	Sub-Threshold	Brown			0.30	0.30	9	1,360,583	1,360,583	408,175
16	Sub Threshold, Brown	Sub-Threshold	Brown			0.08	0.08	3	1,628,594	1,628,594	130,288

Source: SDDC Plan-wide Viability Review, HDH May 2015

- 10.11 The results vary across the modelled sites. Within the price areas this is largely due to the different assumptions around density. The additional costs associated with brownfield sites also results in significantly lower values.
- 10.12 The Residual Value is not a good indication of viability by itself, being the maximum price a developer may bid for a parcel of land and still make an adequate return (competitive return).
- 10.13 In the following tables we have compared the Residual Value with the Viability Threshold. The Viability Threshold being an amount by which the amount over and above the existing use value that is sufficient to provide the willing landowner with a competitive return and induce them to sell the land for development as set out in Chapter 6 above.

<b>Table 10.2 Residual Value compared to Viability Threshold</b>						
Development Plan Policy Requirements						
				Alternative Use Value	Viability Threshold	Residual Value
				£/ha	£/ha	£/ha
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	411,532
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	482,053
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	483,805
4	V Large Greenfield	Swadlincote	Green	20,000	324,000	482,053
5	Large Greenfield	Swadlincote	Green	20,000	324,000	485,692
6	UE Brownfield	Edge of Burton	60% Brown	248,000	297,600	297,027
7	V Large Brownfield	Villages	Brown	400,000	480,000	302,467
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	301,795
9	Larger Housing	Higher Zone	Green	20,000	324,000	655,316
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	646,631
11	Medium Urban	Medium Zone	Brown	20,000	324,000	405,615
12	Medium Urban	Higher Zone	Brown	20,000	324,000	606,392
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,292,397
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,122,891
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,360,583
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,628,594

Source: SDDC Plan-wide Viability Review, HDH May 2015

- 10.14 Overall the results are broadly consistent with those in the earlier viability work, confirming that the vast majority of development can bear the Council's policy requirements, although some sites, particularly the larger brownfield sites cannot.
- 10.15 The Council has two principle policy requirements. The first is affordable housing and the second is in relation to developer contributions / impact mitigation. To inform the policy

refinement process, and in line with the requirements of the NPPF, we have considered the impact of the Council's discretionary policy requirements separately before considering the cumulative impact.

10.16 First we have considered development viability with no contributions at all.

<b>Table 10.3 Residual Value compared to Viability Threshold</b>						
<b>No Policy Requirements</b>						
				Alternative Use Value	Viability Threshold	Residual Value
				£/ha	£/ha	£/ha
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	767,437
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	897,122
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	918,937
4	V Large Greenfield	Swadlincote	Green	20,000	324,000	897,122
5	Large Greenfield	Swadlincote	Green	20,000	324,000	920,824
6	UE Brownfield	Edge of Burton	Brown	248,000	297,600	637,234
7	V Large Brownfield	Villages	Brown	400,000	480,000	717,568
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	739,452
9	Larger Housing	Higher Zone	Green	20,000	324,000	1,174,487
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	1,196,548
11	Medium Urban	Medium Zone	Brown	20,000	324,000	976,202
12	Medium Urban	Higher Zone	Brown	20,000	324,000	1,218,884
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,329,931
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,151,961
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,417,425
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,701,270

Source: SDDC Plan-wide Viability Review, HDH May 2015

10.17 Without the policy requirements, all sites are shown as viable, which to a large extent is to be expected.

*Impact of affordable housing*

10.18 In the following table we have compared the Residual Values without any developer contributions, but with affordable housing from zero to 40%.

**Table 10.4 Residual Values**  
**Affordable Housing to 40% (no Developer Contributions)**

				Alternative Use Value	Viability Threshold	Residual Value	0%	5%	10%	15%	20%	25%	30%	35%	40%
1	UE Greenfield	Green	Edge of Derby	20,000	324,000	767,437	713,026	658,615	604,204	549,538	494,478	439,418	384,358	329,298	
2	V Large Greenfield	Green	Edge of Derby	20,000	324,000	897,122	833,323	769,524	705,725	641,926	578,127	514,327	450,528	386,729	
3	Large Greenfield	Green	Edge of Derby	20,000	324,000	918,937	852,231	785,525	718,820	652,114	585,408	518,702	451,996	385,290	
4	V Large Greenfield	Green	Swadlincote	20,000	324,000	897,122	833,323	769,524	705,725	641,926	578,127	514,327	450,528	386,729	
5	Large Greenfield	Green	Swadlincote	20,000	324,000	920,824	854,118	787,412	720,706	654,001	587,295	520,589	453,883	387,177	
6	UE Brownfield	60% Brown	Edge of Burton	248,000	297,600	637,234	585,500	533,767	481,874	429,473	377,072	324,662	271,363	218,064	
7	V Large Brownfield	Brown	Villages	400,000	480,000	717,568	654,325	591,081	527,837	464,593	400,455	336,072	271,688	207,304	
8	Medium Greenfield	Green	Medium Zone	20,000	324,000	739,452	672,585	605,717	538,850	471,982	405,115	338,247	271,379	206,460	
9	Larger Housing	Green	Higher Zone	20,000	324,000	1,174,487	1,094,021	1,013,555	933,089	852,623	772,157	691,691	611,225	530,760	
10	Smaller Greenfield	Green	Medium Zone	20,000	324,000	1,196,548	1,110,788	1,025,028	939,268	853,508	767,748	688,483	601,906	515,330	
11	Medium Urban	Brown	Medium Zone	20,000	324,000	976,202	887,874	800,000	717,990	628,820	539,651	450,481	364,785	274,758	
12	Medium Urban	Brown	Higher Zone	20,000	324,000	1,218,884	1,123,256	1,027,628	931,999	836,371	747,797	651,258	554,719	458,180	
13	Sub Threshold, Green	Green	Sub-Threshold	50,000	360,000	1,329,931	1,329,931	1,329,931	1,329,931	1,329,931	1,329,931	1,329,931	1,329,931	1,329,931	
14	Sub Threshold, Green	Green	Sub-Threshold	50,000	360,000	1,151,961	1,151,961	1,151,961	1,151,961	1,151,961	1,151,961	1,151,961	1,151,961	1,151,961	
15	Sub Threshold, Brown	Brown	Sub-Threshold	400,000	480,000	1,417,425	1,417,425	1,417,425	1,417,425	1,417,425	1,417,425	1,417,425	1,417,425	1,417,425	
16	Sub Threshold, Brown	Brown	Sub-Threshold	400,000	480,000	1,701,270	1,701,270	1,701,270	1,701,270	1,701,270	1,701,270	1,701,270	1,701,270	1,701,270	

Source: SDDC Plan-wide Viability Review, HDH May 2015

*Impact of developer contributions*

10.19 In the following table we have compared the Residual Values without any affordable housing but with developer contributions from zero to £20,000 per unit.





Generally both affordable housing and developer contributions will be required. In the following section we have considered how these relate.

*Combined impact of developer contributions and affordable housing.*

10.21 In the following tables we have set out the results of appraisals with affordable housing from 15% to 30% and from £0 per unit to £20,000 per unit. All other policy requirements are assumed to apply.

10.22 When considering these results, it is necessary to do so in the context of the known site infrastructure and mitigation costs for the large allocations, copied below from Table 8.3 above:

<b>Table 10.6 Known Site Infrastructure Costs</b>							
Site Name		Existing Use	Area (ha)		Units	Infrastructure	£/Unit
			Gross	Net			
Land north of William Nadin Way	Swadlincote	Farmland	29.51	15.08	600	£4,273,337	£7,122
Land at Church Street/Bridge Street/Football Club Site	Swadlincote	Farmland	16.19	10.87	350	£2,816,393	£8,047
Land at Broomy Farm	Swadlincote	Farmland	33.7	17.18	400	£5,575,891	£13,940
Council Depot	Swadlincote		6.81	4.9	158	£230,535	£1,459
Drakelow	Village	Employment / former power station	100.18	45.25	2,239	£20,340,419	£9,085
Land at Hilton Depot, Hilton	Village	Former MOD land / employment	37.16	14.02	485	£5,270,753	£10,868
Former Aston Hall Hospital, Aston on Trent	Village	Former Hospital / GF	12.4	5.3	150	£394,461	£2,630
Land at Longlands, Repton	Village	Farmland	4.44	2.09	80	£333,400	£4,168
Land south of Willington Road, Etwall	Village	Farmland	9.6	5.11	114	£705,260	£6,186
Land north east of Hatton	Village	Farmland	16.02	6.39	400	£3,675,891	£9,190
Highfields Farm	Edge of Derby	Farmland	54.14	29.7	1,200	£18,704,852	£15,587
Boulton Moor	Edge of Derby	Farmland	86.12	49.73	1,948	£20,848,430	£10,702
Chellaston Fields	Edge of Derby	Farmland	22	13.72	450	£4,642,996	£10,318
Wragley Way	Edge of Derby	Farmland	82.03	36.09	1,950	£14,098,430	£7,230
Primula Way	Edge of Derby	Farmland	27.84	11.8	500	£4,444,114	£8,888
Holmleigh Way	Edge of Derby	Farmland	6.4	3.71	119	£4,133,689	£34,737
Hackwood Farm	Edge of Derby	Farmland	16.12	7.43	290	£3,372,448	£11,629
					<b>11,433</b>	<b>£113,861,298</b>	<b>£9,959</b>

Source: SDDC March 2015

10.23 The costs vary very considerably from as low as £1,460 per unit on the Council Depot site at Swadlincote, to over £34,000 at the Holmleigh Way site near Derby.

**Table 10.7 Residual Values,  
varied Developer Contributions and Affordable Housing**

15% Affordable Housing			Alternative Use Value	Viability Threshold	Residual Value									
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	604,204	569,741	534,884	500,026	465,169	430,311	395,454	360,280	324,592
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	705,725	665,382	625,038	584,695	544,352	504,008	463,665	423,322	382,978
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	718,820	675,198	631,576	587,955	544,333	500,712	457,090	413,469	369,847
4	V Large Greenfield	Swadincote	Green	20,000	324,000	705,725	665,382	625,038	584,695	544,352	504,008	463,665	423,322	382,978
5	Large Greenfield	Swadincote	Green	20,000	324,000	720,706	677,085	633,463	589,842	546,220	502,598	458,977	415,355	371,734
6	UE Brownfield	Edge of Burton	60% Brown	248,000	297,600	481,874	448,093	414,312	380,531	346,383	311,839	277,295	242,306	206,859
7	V Large Brownfield	Villages	Brown	400,000	480,000	527,837	486,828	445,212	403,206	361,201	319,195	277,190	235,184	193,179
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	538,850	493,285	447,720	402,156	356,591	311,026	265,461	219,897	175,992
9	Larger Housing	Higher Zone	Green	20,000	324,000	933,089	887,620	842,151	796,682	751,213	705,744	660,275	614,806	569,337
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	939,268	887,446	835,624	783,801	738,951	686,635	634,319	582,003	529,688
11	Medium Urban	Medium Zone	Brown	20,000	324,000	717,990	661,908	605,825	549,743	493,660	437,578	385,164	328,542	271,920
12	Medium Urban	Higher Zone	Brown	20,000	324,000	931,999	876,446	820,892	772,628	716,546	660,463	604,381	548,298	492,216
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161

20% Affordable Housing			Alternative Use Value	Viability Threshold	Residual Value									
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	549,538	514,681	479,824	444,966	410,109	375,251	339,907	304,219	268,531
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	641,926	601,582	561,239	520,896	480,552	440,209	399,866	359,522	318,932
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	652,114	608,492	564,871	521,249	477,627	434,006	390,384	346,763	303,141
4	V Large Greenfield	Swadincote	Green	20,000	324,000	641,926	601,582	561,239	520,896	480,552	440,209	399,866	359,522	318,932
5	Large Greenfield	Swadincote	Green	20,000	324,000	654,001	610,379	566,757	523,136	479,514	435,893	392,271	348,649	305,028
6	UE Brownfield	Edge of Burton	60% Brown	248,000	297,600	429,473	395,692	361,911	327,628	293,084	258,540	223,300	187,853	151,955
7	V Large Brownfield	Villages	Brown	400,000	480,000	464,593	422,833	380,828	338,822	296,817	254,812	212,806	170,461	127,083
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	471,982	426,417	380,853	335,288	289,723	244,158	200,485	154,486	108,488
9	Larger Housing	Higher Zone	Green	20,000	324,000	852,623	807,154	761,685	716,216	670,747	625,278	579,809	534,340	488,871
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	853,508	801,686	749,864	704,690	652,374	600,058	547,742	495,427	443,111
11	Medium Urban	Medium Zone	Brown	20,000	324,000	628,820	572,738	516,656	460,573	404,491	351,758	295,137	238,515	185,460
12	Medium Urban	Higher Zone	Brown	20,000	324,000	836,371	788,254	732,171	676,089	620,006	563,924	507,842	451,759	399,481
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161

25% Affordable Housing			Alternative Use Value	Viability Threshold	Residual Value									
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	494,478	459,621	424,763	389,906	355,049	319,534	283,846	248,158	212,470
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	578,127	537,783	497,440	457,097	416,753	376,410	336,067	295,160	253,712
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	585,408	541,786	498,165	454,543	410,922	367,300	323,678	280,057	236,435
4	V Large Greenfield	Swadincote	Green	20,000	324,000	578,127	537,783	497,440	457,097	416,753	376,410	336,067	295,160	253,712
5	Large Greenfield	Swadincote	Green	20,000	324,000	587,295	543,673	500,051	456,430	412,808	369,187	325,565	281,944	238,322
6	UE Brownfield	Edge of Burton	60% Brown	248,000	297,600	377,072	343,291	308,873	274,329	239,742	204,294	168,847	132,570	96,066
7	V Large Brownfield	Villages	Brown	400,000	480,000	400,455	358,450	316,444	274,439	232,433	190,428	147,574	104,195	61,397
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	405,115	359,550	313,985	268,420	222,856	178,979	132,961	87,818	42,189
9	Larger Housing	Higher Zone	Green	20,000	324,000	772,157	726,688	681,219	636,750	590,281	544,812	499,343	453,874	408,405
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	767,748	722,744	670,429	618,113	565,797	513,481	461,166	408,850	359,963
11	Medium Urban	Medium Zone	Brown	20,000	324,000	539,651	483,568	427,486	374,975	318,353	261,731	205,109	151,399	94,595
12	Medium Urban	Higher Zone	Brown	20,000	324,000	747,797	691,715	635,632	579,550	523,467	467,385	411,302	358,636	302,014
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161

30% Affordable Housing			Alternative Use Value	Viability Threshold	Residual Value									
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	439,418	404,561	369,703	334,846	299,161	263,473	227,785	191,896	155,176
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	514,327	473,984	433,641	393,297	352,954	312,611	271,389	229,940	188,492
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	518,702	475,080	431,459	387,837	344,216	300,594	256,973	213,351	169,729
4	V Large Greenfield	Swadincote	Green	20,000	324,000	514,327	473,984	433,641	393,297	352,954	312,611	271,389	229,940	188,492
5	Large Greenfield	Swadincote	Green	20,000	324,000	520,589	476,967	433,346	389,724	346,102	302,481	258,859	215,238	171,616
6	UE Brownfield	Edge of Burton	60% Brown	248,000	297,600	324,662	290,118	255,574	220,736	185,288	149,688	113,184	76,267	38,539
7	V Large Brownfield	Villages	Brown	400,000	480,000	336,072	294,066	252,061	210,055	168,050	124,686	81,308	38,291	-6,144
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	338,247	292,682	247,118	203,472	157,474	111,475	66,106	20,249	-27,571
9	Larger Housing	Higher Zone	Green	20,000	324,000	691,691	646,222	600,753	555,284	509,815	464,346	418,877	373,408	327,939
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	688,483	636,168	583,852	531,536	479,220	426,905	374,589	325,372	272,553
11	Medium Urban	Medium Zone	Brown	20,000	324,000	450,481	398,191	341,569	284,947	228,326	175,071	117,339	60,197	1,894
12	Medium Urban	Higher Zone	Brown	20,000	324,000	651,258	595,175	539,093	483,011	426,928	374,412	317,790	261,168	204,547
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161

Source: SDDC Plan-wide Viability Review, HDH May 2015



- 10.24 In all the above analysis the Affordable Housing is assumed to be delivered as 30% Intermediate Housing, 5% Affordable Rent, 65% Social Rent. We understand from the Council that they take a more nuanced approach, tailoring the mix of housing to the more local needs. In addition we understand that there is a general preference amongst Registered Providers for affordable housing under the Affordable rent tenure.
- 10.25 In the following table we have set out the results of the appraisals where the affordable housing is provided as 30% Intermediate Housing, 70% Affordable Rent but no Social Rent.
- 10.26 The results in with the 30% Intermediate Housing, 5% Affordable Rent, 65% Social Rent mix are as for the last group of results in the table above, but are compared to allow easy comparison.

**Table 10.8 Residual Values  
with 30% Affordable Housing as alternative mixes**

30% Affordable Housing (30% Intermediate Housing, 5% Affordable Rent, 65% Social Rent)		Alternative Use Value	Viability Threshold	Residual Value	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000
1	UE Greenfield	20,000	324,000	439,418	404,561	369,703	334,846	299,161	263,473	227,785	191,896	155,176
2	V Large Greenfield	20,000	324,000	514,327	473,984	433,641	393,297	352,954	312,611	271,389	229,940	188,492
3	Large Greenfield	20,000	324,000	518,702	475,080	431,459	387,837	344,216	300,594	256,973	213,351	169,729
4	V Large Greenfield	20,000	324,000	514,327	473,984	433,641	393,297	352,954	312,611	271,389	229,940	188,492
5	Large Greenfield	20,000	324,000	520,589	476,967	433,346	389,724	346,102	302,481	258,859	215,238	171,616
6	UE Brownfield	248,000	297,600	324,662	290,118	255,574	220,736	185,288	149,688	113,184	76,267	38,539
7	V Large Brownfield	400,000	480,000	336,072	294,066	252,061	210,055	168,050	124,686	81,308	38,291	-6,144
8	Medium Greenfield	20,000	324,000	338,247	292,682	247,118	203,472	157,474	111,475	66,106	20,249	-27,571
9	Larger Housing	20,000	324,000	691,691	646,222	600,753	555,284	509,815	464,346	418,877	373,408	327,939
10	Smaller Greenfield	20,000	324,000	688,483	636,168	583,852	531,536	479,220	426,905	374,589	325,372	272,553
11	Medium Urban	20,000	324,000	450,481	398,191	341,569	284,947	228,326	175,071	117,339	60,197	1,894
12	Medium Urban	20,000	324,000	651,258	595,175	539,093	483,011	426,928	374,412	317,790	261,168	204,547
13	Sub Threshold, Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161
30% Affordable Housing (30% Intermediate Housing, 70% Affordable Rent, 0% Social Rent)		Alternative Use Value	Viability Threshold	Residual Value	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000
1	UE Greenfield	20,000	324,000	492,838	457,981	423,123	388,266	353,409	317,929	282,241	246,553	210,865
2	V Large Greenfield	20,000	324,000	575,984	535,640	495,297	454,954	414,610	374,267	333,924	293,038	251,590
3	Large Greenfield	20,000	324,000	583,593	539,972	496,350	452,729	409,107	365,486	321,864	278,242	234,621
4	V Large Greenfield	20,000	324,000	575,984	535,640	495,297	454,954	414,610	374,267	333,924	293,038	251,590
5	Large Greenfield	20,000	324,000	585,480	541,859	498,237	454,615	410,994	367,372	323,751	280,129	236,508
6	UE Brownfield	248,000	297,600	376,719	342,938	308,579	274,034	239,490	204,047	168,600	132,358	95,854
7	V Large Brownfield	400,000	480,000	400,456	358,451	316,445	274,440	232,434	190,429	147,628	104,250	61,451
8	Medium Greenfield	20,000	324,000	404,426	358,862	313,297	267,732	222,167	178,285	132,286	87,117	41,474
9	Larger Housing	20,000	324,000	767,781	722,312	676,843	631,374	585,905	540,436	494,967	449,498	404,029
10	Smaller Greenfield	20,000	324,000	762,443	717,389	665,073	612,757	560,442	508,126	455,810	403,495	354,556
11	Medium Urban	20,000	324,000	537,550	481,468	425,385	372,854	316,232	259,611	202,989	149,237	92,411
12	Medium Urban	20,000	324,000	743,551	687,489	631,386	575,304	519,222	463,139	407,057	354,349	297,721
13	Sub Threshold, Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161

Source: SDDC Plan-wide Viability Review, HDH May 2015

10.27 The results are notably better with the affordable housing provided as the higher value Affordable Rent rather than the lower value Social Rent. This indicates that where viability is tight on a site, there is likely to be scope to alter the mix of affordable housing rather than to simply reduce the requirements to achieve delivery.



## Impact of Price and Cost Change

- 10.28 It is important that, whatever policies are adopted, the Plan is not unduly sensitive to future changes in prices and costs. We have therefore tested various variables in this regard. We have followed the time horizons set out in the NPPF and in the methodology in the Harman Guidance.
- 10.29 In this report we have used the build costs produced by BCIS. As well as producing estimates of build costs, BCIS also produce various indices and forecasts to track and predict how build costs may change over time. The BCIS forecasts an increase of just over 15% in prices over the next 5 years<sup>35</sup>. We have tested a scenario with this increase in build costs.
- 10.30 As set out in Chapter 4, we are in a current period of uncertainty in the property market. It is not the purpose of this report to predict the future of the market. We have therefore tested four price change scenarios, minus 10% and 5%, and plus 10% and 5%. In this analysis we have assumed all other matters in the base appraisals remain unchanged.
- 10.31 It is important to note that in the following table only the costs of construction and the value of the market housing are altered.
- 10.32 In this analysis it is necessary to make an assumption about developer contributions. Elsewhere in this report we have set out that, in addition to a 30% affordable housing requirement, that there is scope for developer contributions. At the time of this report no decision has been made by the Council, as to the level of CIL that may be introduced or whether differential rates would be used. In the following tables, we have assumed a payment of £2,500 per unit (market and affordable) is applied to housing. In due course the Council will weigh up the viability evidence and other factors before settling on rates of CIL.

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<sup>35</sup> See Table 1.1 (Page 6) of in *Quarterly Review of Building Prices* (Issue No 136 – February 2015)



- 10.33 The analysis demonstrates that a relatively small fall in prices will adversely impact on the deliverability of the smaller brownfield sites. The vast majority of land allocated for housing is greenfield land so the impact on the delivery of the overall Plan would be minimal.
- 10.34 It is clear, across all sites, that the relatively small changes in price and costs can have a significant impact on the Residual Value and that there is sensitivity to changes in prices and costs. This is particularly important when it comes to considering larger sites that will be delivered over many years through multiple phases. In situations on larger sites, where developers make a case for a lower affordable housing requirement on the grounds of viability, we would recommend that a review mechanism is incorporated to allow the affordable housing requirements be adjusted over the life of the project.

### **Older People's Housing**

- 10.35 As well as mainstream housing, we have considered the sheltered and extracare sectors separately. Appraisals were run for a range of affordable housing requirements. The results of these are summarised as follows. In each case allowance has been made for a s106 developer contribution of £50,000. The full appraisals are set out in **Appendix 4** below.

**Table 10.10 Older People's Housing, Appraisal Results**

Swadlincote		Greenfield		Sheltered		10%		20%		30%		40%		Extra Care		0%		10%		20%		30%		40%	
	AFFORDABLE %																								
	<b>Residual Land Worth</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>												
	Existing Use Value	20,000	-1,880,281	20,000	-2,121,176	20,000	-2,362,071	20,000	-2,602,966	20,000	-2,843,861	20,000	-3,084,756	20,000	-3,325,651	20,000	-3,566,546	20,000	-3,807,441	20,000	-4,048,336	20,000	-4,289,231	20,000	-4,530,126
	Viability Threshold	324,000	-3,278,771	324,000	-4,242,351	324,000	-4,724,142	324,000	-5,205,932	324,000	-5,687,723	324,000	-6,169,514	324,000	-6,651,305	324,000	-7,133,096	324,000	-7,614,887	324,000	-8,096,678	324,000	-8,578,469	324,000	-9,060,260
	<b>Residual Value</b>	<b>£/ha</b>	<b>-3,760,561</b>	<b>£/ha</b>	<b>-4,242,351</b>	<b>£/ha</b>	<b>-4,724,142</b>	<b>£/ha</b>	<b>-5,205,932</b>	<b>£/ha</b>	<b>-5,687,723</b>	<b>£/ha</b>	<b>-6,169,514</b>	<b>£/ha</b>	<b>-6,651,305</b>	<b>£/ha</b>	<b>-7,133,096</b>	<b>£/ha</b>	<b>-7,614,887</b>	<b>£/ha</b>	<b>-8,096,678</b>	<b>£/ha</b>	<b>-8,578,469</b>	<b>£/ha</b>	<b>-9,060,260</b>
	Brownfield																								
	AFFORDABLE %		0%		10%		20%		30%		40%		40%		Extra Care		0%		10%		20%		30%		40%
	<b>Residual Land Worth</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>												
	Existing Use Value	400,000	-1,756,161	400,000	-1,997,056	400,000	-2,237,951	400,000	-2,478,846	400,000	-2,719,741	400,000	-2,960,636	400,000	-3,201,531	400,000	-3,442,426	400,000	-3,683,321	400,000	-3,924,216	400,000	-4,165,111	400,000	-4,406,006
	Viability Threshold	480,000	-3,512,321	480,000	-4,475,902	480,000	-4,957,692	480,000	-5,439,483	480,000	-5,921,273	480,000	-6,403,064	480,000	-6,884,854	480,000	-7,366,645	480,000	-7,848,436	480,000	-8,330,227	480,000	-8,812,017	480,000	-9,293,808
	<b>Residual Value</b>	<b>£/ha</b>	<b>-3,512,321</b>	<b>£/ha</b>	<b>-4,475,902</b>	<b>£/ha</b>	<b>-4,957,692</b>	<b>£/ha</b>	<b>-5,439,483</b>	<b>£/ha</b>	<b>-5,921,273</b>	<b>£/ha</b>	<b>-6,403,064</b>	<b>£/ha</b>	<b>-6,884,854</b>	<b>£/ha</b>	<b>-7,366,645</b>	<b>£/ha</b>	<b>-7,848,436</b>	<b>£/ha</b>	<b>-8,330,227</b>	<b>£/ha</b>	<b>-8,812,017</b>	<b>£/ha</b>	<b>-9,293,808</b>
	Elsewhere																								
	AFFORDABLE %		0%		10%		20%		30%		40%		40%		40 Unit Extra Care		0%		10%		20%		30%		40%
	<b>Residual Land Worth</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>												
	Existing Use Value	20,000	-248,882	20,000	-532,859	20,000	-816,837	20,000	-1,100,814	20,000	-1,384,791	20,000	-1,668,768	20,000	-1,952,745	20,000	-2,236,722	20,000	-2,520,699	20,000	-2,804,676	20,000	-3,088,653	20,000	-3,372,630
	Viability Threshold	324,000	-497,764	324,000	-1,065,719	324,000	-1,633,673	324,000	-2,201,628	324,000	-2,769,582	324,000	-3,337,536	324,000	-3,905,490	324,000	-4,473,444	324,000	-5,041,398	324,000	-5,609,352	324,000	-6,177,306	324,000	-6,755,260
	<b>Residual Value</b>	<b>£/ha</b>	<b>-497,764</b>	<b>£/ha</b>	<b>-1,065,719</b>	<b>£/ha</b>	<b>-1,633,673</b>	<b>£/ha</b>	<b>-2,201,628</b>	<b>£/ha</b>	<b>-2,769,582</b>	<b>£/ha</b>	<b>-3,337,536</b>	<b>£/ha</b>	<b>-3,905,490</b>	<b>£/ha</b>	<b>-4,473,444</b>	<b>£/ha</b>	<b>-5,041,398</b>	<b>£/ha</b>	<b>-5,609,352</b>	<b>£/ha</b>	<b>-6,177,306</b>	<b>£/ha</b>	<b>-6,755,260</b>
	Brownfield																								
	AFFORDABLE %		0%		10%		20%		30%		40%		40%		Extra Care		0%		10%		20%		30%		40%
	<b>Residual Land Worth</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>	<b>Site</b>	<b>£/ha</b>												
	Existing Use Value	400,000	-345,836	400,000	-629,814	400,000	-913,791	400,000	-1,197,768	400,000	-1,481,745	400,000	-1,765,722	400,000	-2,049,699	400,000	-2,333,676	400,000	-2,617,653	400,000	-2,901,630	400,000	-3,185,607	400,000	-3,469,584
	Viability Threshold	480,000	-691,673	480,000	-1,259,627	480,000	-1,827,582	480,000	-2,395,536	480,000	-2,963,491	480,000	-3,531,445	480,000	-4,099,399	480,000	-4,667,353	480,000	-5,235,307	480,000	-5,803,261	480,000	-6,371,215	480,000	-6,939,169
	<b>Residual Value</b>	<b>£/ha</b>	<b>-691,673</b>	<b>£/ha</b>	<b>-1,259,627</b>	<b>£/ha</b>	<b>-1,827,582</b>	<b>£/ha</b>	<b>-2,395,536</b>	<b>£/ha</b>	<b>-2,963,491</b>	<b>£/ha</b>	<b>-3,531,445</b>	<b>£/ha</b>	<b>-4,099,399</b>	<b>£/ha</b>	<b>-4,667,353</b>	<b>£/ha</b>	<b>-5,235,307</b>	<b>£/ha</b>	<b>-5,803,261</b>	<b>£/ha</b>	<b>-6,371,215</b>	<b>£/ha</b>	<b>-6,939,169</b>

Source: SDDC Plan-wide Viability Review, HDH May 2015



10.36 Neither sheltered housing nor extracare housing is shown as viable on greenfield or brownfield sites and also when subject to the affordable housing requirement.

## 11. Non-Residential Appraisal Results

- 11.1 In the preceding chapters we set out the assumptions for the non-residential development appraisals and concluded – at least initially – that the main cost and income assumptions apply across the Borough. Based on the assumptions set out previously, we have run a set of development financial appraisals for the non-residential development types. The detailed appraisal results are set out in **Appendix 5** and summarised in the tables below.
- 11.2 As with the residential appraisals, we have used the residual valuation approach – that is, they are designed to assess the site value after taking into account the costs of development, the likely income from sales and/or rents and an appropriate amount of developer's profit. The payment would represent the sum paid in a single tranche on the acquisition of a site. In order for the proposed development to be described as viable, it is necessary for this value to exceed the value from an alternative use. To assess viability we have used exactly the same methodology with regard to the Viability Thresholds (EUPlus uplift).

<b>Greenfield</b>		Industrial	Offices	Distribution
Residual Land Worth	£/ha	-711,382	-550,771	264,156
Existing Use Value	£/ha	20,000	20,000	20,000
Viability Threshold	£/ha	324,000	324,000	324,000
Residual Value	£/site	-4,695,124	-6,609,255	264,156
<b>Brownfield</b>		Industrial	Offices	Distribution
Residual Land Worth	£/ha	-624,000	-586,576	669,250
Existing Use Value	£/ha	400,000	400,000	400,000
Viability Threshold	£/ha	400,000	400,000	400,000
Residual Value	£/site	-4,118,403	-7,038,908	669,250

Source: SDDC Plan-wide Viability Review, HDH April 2015

- 11.3 Little redevelopment of employment sites (industrial and office) is occurring and when one looks across the wider area, the employment development that is happening tends to be on the larger out of town 'parks'. Neither have the capacity to bear CIL.
- 11.4 As we would expect, hotel development is not shown as viable.

## Conclusions

- 11.5 It is clear that non-residential development is challenging in the current market, but it is improving. We would urge caution in relation to setting policy requirements for employment uses that would unduly impact on viability.

## 12. Conclusions

- 12.2 This document sets out the methodology used, the key assumptions adopted, and the results, and has been prepared to assist the Council with the assessment of the viability of the emerging **South Derbyshire Local Plan, Part 1** (March 2014). The NPPF, the PPG, the CIL Guidance and the Harman Viability Guidance all require stakeholder engagement – particularly with members of the development industry.

### Cumulative Impact of Policies

- 12.3 In Chapter 10 we set out the results of a range of appraisals considering the impact on viability of individual policies and the different levels of developer contributions that residential development can bear. The purpose of this analysis is to inform the plan-making process. As set out in Chapter 2 above, the NPPF introduced a requirement to assess the viability of the delivery of Local Plan and the impact on development of policies contained within it saying:

*173. Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.*

- 12.4 This needs to be considered in the fourth bullet point of paragraph 182 of the NPPF that requires that the Plan is *effective*.

- 12.5 The other purpose is in the context of CIL to assess the ‘effects’ on development viability of the imposition of CIL – Regulation 14 of the CIL Regulations says:

*‘councils must strike an appropriate balance between (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability’.*

### Residential Development

- 12.6 In the appraisals set out in Chapter 10 above, the typologies were modelled and appraised relative to their ability to bear the Council’s affordable housing and requirements and to pay developer contributions. It is clear from Table 10.7, that as the level of developer contribution and the level of affordable housing increases, the Residual Value decreases.

**Table 12.1 Residual Values,  
varied Developer Contributions and Affordable Housing**

15% Affordable Housing			Alternative Use Value	Viability Threshold	Residual Value									
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	604,204	569,741	534,884	500,026	465,169	430,311	395,454	360,280	324,592
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	705,725	665,382	625,038	584,695	544,352	504,008	463,665	423,322	382,978
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	718,820	675,198	631,576	587,955	544,333	500,712	457,090	413,469	369,847
4	V Large Greenfield	Swadlincote	Green	20,000	324,000	705,725	665,382	625,038	584,695	544,352	504,008	463,665	423,322	382,978
5	Large Greenfield	Swadlincote	Green	20,000	324,000	720,706	677,085	633,463	589,842	546,220	502,598	458,977	415,355	371,734
6	UE Brownfield	Edge of Burton	60% Brown	248,000	297,600	481,874	448,093	414,312	380,531	346,383	311,839	277,295	242,306	206,859
7	V Large Brownfield	Villages	Brown	400,000	480,000	527,837	486,828	445,212	403,206	361,201	319,195	277,190	235,184	193,179
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	538,850	493,285	447,720	402,156	356,591	311,026	265,461	219,897	175,992
9	Larger Housing	Higher Zone	Green	20,000	324,000	933,089	887,620	842,151	796,682	751,213	705,744	660,275	614,806	569,337
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	939,268	887,446	835,624	783,801	738,951	686,635	634,319	582,003	529,688
11	Medium Urban	Medium Zone	Brown	20,000	324,000	717,990	661,908	605,825	549,743	493,660	437,578	385,164	328,542	271,920
12	Medium Urban	Higher Zone	Brown	20,000	324,000	931,999	876,446	820,892	772,628	716,546	660,463	604,381	548,298	492,216
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161

20% Affordable Housing			Alternative Use Value	Viability Threshold	Residual Value									
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	549,538	514,681	479,824	444,966	410,109	375,251	339,907	304,219	268,531
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	641,926	601,582	561,239	520,896	480,552	440,209	399,866	359,522	318,932
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	652,114	608,492	564,871	521,249	477,627	434,006	390,384	346,763	303,141
4	V Large Greenfield	Swadlincote	Green	20,000	324,000	641,926	601,582	561,239	520,896	480,552	440,209	399,866	359,522	318,932
5	Large Greenfield	Swadlincote	Green	20,000	324,000	654,001	610,379	566,757	523,136	479,514	435,893	392,271	348,649	305,028
6	UE Brownfield	Edge of Burton	60% Brown	248,000	297,600	429,473	395,692	361,911	327,628	293,084	258,540	223,300	187,853	151,955
7	V Large Brownfield	Villages	Brown	400,000	480,000	464,593	422,833	380,828	338,822	296,817	254,812	212,806	170,461	127,083
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	471,982	426,417	380,853	335,288	289,723	244,158	200,485	154,486	108,488
9	Larger Housing	Higher Zone	Green	20,000	324,000	852,623	807,154	761,685	716,216	670,747	625,278	579,809	534,340	488,871
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	853,508	801,686	749,864	704,690	652,374	600,058	547,742	495,427	443,111
11	Medium Urban	Medium Zone	Brown	20,000	324,000	628,820	572,378	516,656	460,573	404,491	351,758	295,137	238,515	185,460
12	Medium Urban	Higher Zone	Brown	20,000	324,000	836,371	788,254	732,171	676,089	620,006	563,924	507,842	451,759	399,481
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161

25% Affordable Housing			Alternative Use Value	Viability Threshold	Residual Value									
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	494,478	459,621	424,763	389,906	355,049	319,534	283,846	248,158	212,472
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	578,127	537,783	497,440	457,097	416,753	376,410	336,067	295,160	253,712
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	585,408	541,786	498,165	454,543	410,922	367,300	323,678	280,057	236,435
4	V Large Greenfield	Swadlincote	Green	20,000	324,000	578,127	537,783	497,440	457,097	416,753	376,410	336,067	295,160	253,712
5	Large Greenfield	Swadlincote	Green	20,000	324,000	587,295	543,673	500,051	456,430	412,808	369,187	325,565	281,944	238,322
6	UE Brownfield	Edge of Burton	60% Brown	248,000	297,600	377,072	343,291	308,873	274,329	239,742	204,294	168,847	132,570	96,066
7	V Large Brownfield	Villages	Brown	400,000	480,000	400,455	358,450	316,444	274,439	232,433	190,428	147,574	104,195	61,397
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	405,115	359,500	313,985	268,420	222,856	178,979	132,981	87,818	42,189
9	Larger Housing	Higher Zone	Green	20,000	324,000	772,157	726,688	681,219	635,750	590,281	544,812	499,343	453,874	408,405
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	767,748	722,744	670,429	618,113	565,797	513,481	461,166	408,850	359,963
11	Medium Urban	Medium Zone	Brown	20,000	324,000	539,651	483,568	427,486	374,975	318,353	261,731	205,109	151,399	94,595
12	Medium Urban	Higher Zone	Brown	20,000	324,000	747,797	691,715	635,632	579,550	523,467	467,385	411,302	358,636	302,014
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161

30% Affordable Housing			Alternative Use Value	Viability Threshold	Residual Value									
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	
1	UE Greenfield	Edge of Derby	Green	20,000	324,000	439,418	404,561	369,703	334,846	299,161	263,473	227,785	191,896	155,176
2	V Large Greenfield	Edge of Derby	Green	20,000	324,000	514,327	473,984	433,641	393,297	352,954	312,611	271,389	229,940	188,492
3	Large Greenfield	Edge of Derby	Green	20,000	324,000	518,702	475,080	431,459	387,837	344,216	300,594	256,973	213,351	169,729
4	V Large Greenfield	Swadlincote	Green	20,000	324,000	514,327	473,984	433,641	393,297	352,954	312,611	271,389	229,940	188,492
5	Large Greenfield	Swadlincote	Green	20,000	324,000	520,589	476,967	433,346	389,724	346,102	302,481	258,859	215,238	171,616
6	UE Brownfield	Edge of Burton	60% Brown	248,000	297,600	324,662	290,118	255,574	220,736	185,288	149,688	113,184	76,267	38,539
7	V Large Brownfield	Villages	Brown	400,000	480,000	336,072	294,066	252,061	210,055	168,050	124,686	81,308	38,291	-6,144
8	Medium Greenfield	Medium Zone	Green	20,000	324,000	338,247	292,682	247,118	203,472	157,474	111,475	66,106	20,249	-27,571
9	Larger Housing	Higher Zone	Green	20,000	324,000	691,691	646,222	600,753	555,284	509,815	464,346	418,877	373,408	327,939
10	Smaller Greenfield	Medium Zone	Green	20,000	324,000	688,483	636,168	583,852	531,536	479,220	426,905	374,589	325,372	272,553
11	Medium Urban	Medium Zone	Brown	20,000	324,000	450,481	398,191	341,569	284,947	228,326	175,071	117,339	60,197	1,894
12	Medium Urban	Higher Zone	Brown	20,000	324,000	651,258	595,175	539,093	483,011	426,928	374,412	317,790	261,168	204,547
13	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,329,931	1,283,014	1,236,097	1,189,180	1,142,263	1,105,878	1,058,510	1,011,141	963,773
14	Sub Threshold, Green	Sub-Threshold	Green	50,000	360,000	1,151,961	1,115,623	1,079,285	1,042,947	1,006,609	970,271	933,934	897,596	861,258
15	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,417,425	1,346,373	1,275,320	1,204,268	1,133,216	1,062,164	991,111	920,059	849,007
16	Sub Threshold, Brown	Sub-Threshold	Brown	400,000	480,000	1,701,270	1,610,425	1,534,626	1,442,882	1,351,138	1,259,393	1,167,649	1,075,905	984,161

Source: Table 10.7 SDDC Plan-wide Viability Review, HDH May 2015



- 12.7 At 30% affordable housing and with £2,500 per unit developer contributions, most typologies generate a residual value in excess of £470,000 per gross ha. This is the value over the whole site including areas of open space. Those sites that cannot are the brownfield sites in the lower value areas – in practice these will be those in the Swadlincote urban areas.
- 12.8 It is important that the development in the Plan is able to meet the costs of infrastructure to support that development, and to mitigate the impact of that development on the locality, through developer contributions (including work in kind). Both the provision of affordable housing and developer contributions are a direct cost on development, and the impact they have on viability is therefore related. If the scale of one contribution was to increase, the scheme's ability to bear the other would fall, and vice versa.
- 12.9 The test set out in the NPPF is whether the cumulative impact of the policies in the Plan puts the Development Plan at serious risk. It is not a requirement that each and every policy can be delivered in full on all sites. Most sites must be able to bear the Council's policy burden so that site by site viability testing at the development management stage is the exception rather than the rule.
- 12.10 Based on the analysis in the table above we confirm that the cumulative impact of the policies, including the 30% affordable housing and the site specific s106 costs, but excluding further infrastructure contributions, does not put the strategic sites at *serious risk*. It is however a concern that as the level of financial contribution increases over and above £7,500 or so, the Residual Value falls significantly reducing the cushion or margin by which the Residual Value exceeds the Viability Threshold.
- 12.11 To a large extent this reflects the Council's experience on the ground where it has a good record of achieving affordable housing on sites in the rural areas, however on brownfield sites in Swadlincote this has been more difficult. Although, in the context of the South Derbyshire Local Plan Part 1, very little development is anticipated on brownfield sites in the town.
- 12.12 As shown in the table above, and as would be expected, as the amount of affordable housing is reduced, the Residual Value increases. Similarly as the amount of developer contribution increases, the Residual Value is reduced. This is very much the experience of the Council when considering the larger development sites. About half of the strategic sites are approved and of the remaining about half are in the development management process. It is the Council's experience, that where there are significant infrastructure and mitigation costs, that it is necessary to be flexible over the amount of affordable housing in a particular scheme – and the affordable housing policy allows for this. It is clear that these sites are coming forward.
- 12.13 Based on the above **we confirm that the cumulative impact of the policies, including the 30% affordable housing, and developer contributions, does not put the residential development at *serious risk***. In this analysis we have not tested the rates of CIL recommended in the CIL Viability Study (£0/m<sup>2</sup>, £35/m<sup>2</sup>, £150/m<sup>2</sup>). We take this opportunity to highlight our concerns about the higher rate when considered with the 30% affordable requirement and recommend that this is revisited before the Council proceed with the Preliminary Draft Charging Schedule (PDCS).

## Non-Residential Development

- 12.14 To a large extent the results as set out in Chapter 11 are reflective of the current market. Employment development is shown as being on the margins of viability and industrial development is shown as unviable, however this is not just a South Derbyshire issue – a finding supported by the fact that such development is only being brought forward to a limited extent on a speculative basis by the development industry. Where development is coming forward it tends to be from existing businesses for operational reasons – rather than to make a return through property development.
- 12.15 The analysis in this report is carried out in line with the Harman Guidance and in the context of the NPPF and PPG. To a large extent it assumes that development takes place for its own sake and is a goal in its own right. It assumes that a developer buys land, develops it and then disposes of it, in a series of steps with the sole aim of making a profit from the development. As set out in Chapters 2 and 3 above, the Guidance does not reflect the broad range of business models under which developers and landowners operate. Some developers have owned land for many years and are building a broad income stream over multiple properties over the long term. Such developers are able to release land for development at less than the arms-length value at which it may be released to third parties and take a long term view as to the direction of the market based on the prospects of an area and wider economic factors.
- 12.16 The lack of viability is not as a result of the cumulative impact of the Council's policies rendering development unviable through imposing layers of additional costs. The Council has few policies adding to the costs of development in this area. **We conclude that the cumulative impact of the Council's policies does not put employment uses at serious risk, however we also note that employment development has little capacity to bear developer contributions.**
- 12.17 The test of soundness of the Plan goes beyond simply demonstrating that the cumulative impact of the Council's policies does not put employment uses at serious risk. As set out in paragraph 174 of the NPPF it should also 'facilitate development throughout the economic cycle'. The Council is doing much in this regard already, including:
- a. Working closely with the LEP to secure infrastructure funding to support employment uses (amongst other things).
  - b. Working with Derbyshire County Council to ensure that the infrastructure to support employment uses is given appropriate priority – for example through co-operation through the CIL Regulation 123 infrastructure list.
- 12.18 Town centre retailing is unlikely to be viable. This is also reflective of the current market and again not as a result of the cumulative impact of the Council's policies. The Council have several policies seeking to further enhance the town centres.
- 12.19 The South Derbyshire area is a mixed area with some strong house prices but also some weaker ones, but on the whole it is able to support the Council's policy requirements.

12.20 Whilst some non-residential uses are not viable, they are not rendered unviable by the cumulative impact of the Council's policies, rather by the general market conditions. The employment uses (office and industrial), town centre retail and hotel uses are unlikely to be able to bear additional developer contributions, however supermarket and retail warehouse development is able to make significant contributions.

*CIL and Developer Contributions*

12.21 It necessary to reconsider CIL rates. This is largely due to increases in values in the non-residential sectors and increases in costs in the residential sector.

**Review**

12.22 It is clear from the direction of the market as set out in Chapter 4 above, and the improved sentiment, that the economy and property markets are improving. There is however some level of uncertainty. Bearing in mind the Council's wish to develop housing, and the requirements to fund infrastructure, it is our firm recommendation that the Council keeps viability under review and should the economics of development change significantly it should not hesitate to undertake a limited review of the Plan to adjust the affordable housing requirements or levels of developer contribution.

12.23 We recommend a review is undertaken three yearly or in the event of a 10% change house prices.



# Appendix 1 – Land Registry Price Paid 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015

price_paid	deed_date	postcode	property_type	saon	paon	street	locality	town
£100,000	12/12/2014	DE11 0SL	S		82	OVERSETTS ROAD	NEWHALL	SWADLINCOTE
£169,995	22/08/2014	DE11 7BG	D		5	SPODE DRIVE	WOODVILLE	SWADLINCOTE
£199,496	26/06/2014	DE11 7BH	D		35	DAVENPORT WAY	WOODVILLE	SWADLINCOTE
£205,000	25/07/2014	DE11 7BH	D		37	DAVENPORT WAY	WOODVILLE	SWADLINCOTE
£215,000	27/06/2014	DE11 7BH	D		39	DAVENPORT WAY	WOODVILLE	SWADLINCOTE
£205,995	27/06/2014	DE11 7BH	D		41	DAVENPORT WAY	WOODVILLE	SWADLINCOTE
£405,000	12/06/2014	DE11 7ET	D		39	WOODVILLE ROAD	HARTSHORNE	SWADLINCOTE
£120,000	14/11/2014	DE11 7JH	T		93	GRANVILLE STREET	WOODVILLE	SWADLINCOTE
£125,000	30/09/2014	DE11 7JH	T		97	GRANVILLE STREET	WOODVILLE	SWADLINCOTE
£99,950	19/09/2014	DE11 8BX	F		9	FREDERICK STREET	WOODVILLE	SWADLINCOTE
£144,950	26/06/2014	DE11 8DR	T		1	CALWICH CLOSE	WOODVILLE	SWADLINCOTE
£144,950	11/07/2014	DE11 8DR	T		3	CALWICH CLOSE	WOODVILLE	SWADLINCOTE
£125,000	17/10/2014	DE11 8DR	T		5	CALWICH CLOSE	WOODVILLE	SWADLINCOTE
£125,000	14/10/2014	DE11 8DR	S		9	CALWICH CLOSE	WOODVILLE	SWADLINCOTE
£130,000	11/07/2014	DE11 8ND	F	FLAT 6		HALL FARM ROAD		SWADLINCOTE
£127,500	30/05/2014	DE11 9AT	S		47	WESTON STREET		SWADLINCOTE
£199,995	27/06/2014	DE11 9BL	D		76	HOPE WAY	CHURCH GRESLEY	SWADLINCOTE
£142,500	25/04/2014	DE11 9BL	T		82	HOPE WAY	CHURCH GRESLEY	SWADLINCOTE
£140,995	16/05/2014	DE11 9BL	T		84	HOPE WAY	CHURCH GRESLEY	SWADLINCOTE
£169,995	25/04/2014	DE11 9BL	T		86	HOPE WAY	CHURCH GRESLEY	SWADLINCOTE
£146,995	30/05/2014	DE11 9BL	S		88	HOPE WAY	CHURCH GRESLEY	SWADLINCOTE
£169,995	16/05/2014	DE11 9BL	S		90	HOPE WAY	CHURCH GRESLEY	SWADLINCOTE
£171,495	30/05/2014	DE11 9BL	S		92	HOPE WAY	CHURCH GRESLEY	SWADLINCOTE
£169,995	23/05/2014	DE11 9BL	S		94	HOPE WAY	CHURCH GRESLEY	SWADLINCOTE
£326,495	17/04/2014	DE11 9FF	D		11	PAISLEY WALK	CHURCH GRESLEY	SWADLINCOTE
£317,995	04/04/2014	DE11 9FF	D		15	PAISLEY WALK	CHURCH GRESLEY	SWADLINCOTE
£249,995	19/12/2014	DE11 9FS	D		9	BEXLEY DRIVE	CHURCH GRESLEY	SWADLINCOTE
£189,995	19/12/2014	DE11 9FU	T		1	ABERDEEN CLOSE	CHURCH GRESLEY	SWADLINCOTE
£179,995	26/09/2014	DE11 9GD	S		33	EDINBURGH ROAD	CHURCH GRESLEY	SWADLINCOTE

£174,995	26/09/2014	DE11 9GD	S			35	EDINBURGH ROAD	CHURCH GRESLEY	SWADLINCOTE
£174,995	26/09/2014	DE11 9GD	S			37	EDINBURGH ROAD	CHURCH GRESLEY	SWADLINCOTE
£179,995	23/05/2014	DE11 9GD	D			50	EDINBURGH ROAD	CHURCH GRESLEY	SWADLINCOTE
£184,995	30/05/2014	DE11 9GL	D			56	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£244,995	27/06/2014	DE11 9GL	D			58	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£224,495	27/06/2014	DE11 9GL	D			60	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£226,995	27/06/2014	DE11 9GL	D			62	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£300,000	27/06/2014	DE11 9GL	D			64	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£234,995	27/06/2014	DE11 9GL	D			66	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£224,995	27/06/2014	DE11 9GL	D			68	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£184,995	29/08/2014	DE11 9GL	D			70	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£124,995	27/06/2014	DE11 9GL	S			74	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£129,995	27/06/2014	DE11 9GL	S			76	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£186,995	29/08/2014	DE11 9GL	D			84	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£229,995	22/08/2014	DE11 9GL	D			86	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£170,000	27/08/2014	DE11 9GN	S			21	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£155,000	03/07/2014	DE11 9GN	S			24	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£152,000	11/04/2014	DE11 9GN	S			26	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£182,000	25/07/2014	DE11 9GN	S			27	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£175,000	25/07/2014	DE11 9GN	S			29	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£209,995	25/07/2014	DE11 9GN	D			3	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£176,495	25/07/2014	DE11 9GN	S			31	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£210,000	16/07/2014	DE11 9GN	D			39	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£203,409	25/07/2014	DE11 9GN	D			5	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£245,495	25/07/2014	DE11 9GN	D			7	LEWISHAM DRIVE	CHURCH GRESLEY	SWADLINCOTE
£157,995	14/05/2014	DE11 9GP	S			83	SUFFOLK WAY	CHURCH GRESLEY	SWADLINCOTE
£307,000	24/04/2014	DE11 9GS	D			15	CROYDON CLOSE	CHURCH GRESLEY	SWADLINCOTE
£175,995	09/05/2014	DE11 9GS	S			3	CROYDON CLOSE	CHURCH GRESLEY	SWADLINCOTE
£186,995	31/10/2014	DE11 9GT	D			1	GLASGOW CLOSE	CHURCH GRESLEY	SWADLINCOTE
£112,000	31/10/2014	DE11 9GT	T			2	GLASGOW CLOSE	CHURCH GRESLEY	SWADLINCOTE
£239,995	13/06/2014	DE11 9GU	D			1	PLYMOUTH WALK	CHURCH GRESLEY	SWADLINCOTE
£225,500	04/06/2014	DE11 9GU	D			2	PLYMOUTH WALK	CHURCH GRESLEY	SWADLINCOTE
£229,995	25/07/2014	DE11 9GU	D			3	PLYMOUTH WALK	CHURCH GRESLEY	SWADLINCOTE
£241,995	02/06/2014	DE11 9GU	D			4	PLYMOUTH WALK	CHURCH GRESLEY	SWADLINCOTE
£236,995	27/06/2014	DE11 9GU	D			5	PLYMOUTH WALK	CHURCH GRESLEY	SWADLINCOTE
£247,000	25/04/2014	DE11 9GU	D			6	PLYMOUTH WALK	CHURCH GRESLEY	SWADLINCOTE
£264,995	27/06/2014	DE11 9GU	D			7	PLYMOUTH WALK	CHURCH GRESLEY	SWADLINCOTE
£354,995	20/06/2014	DE11 9GU	D			8	PLYMOUTH WALK	CHURCH GRESLEY	SWADLINCOTE
£114,995	27/06/2014	DE11 9GU	D			9	PLYMOUTH WALK	CHURCH GRESLEY	SWADLINCOTE



£219,995	31/10/2014	DE11 9GW	D			1	SUNDERLAND CLOSE	CHURCH GRESLEY	SWADLINCOTE
£244,995	05/12/2014	DE11 9JT	D			29	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£194,995	29/08/2014	DE11 9JT	D			31	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£185,000	19/12/2014	DE11 9JT	D			33	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£299,995	07/11/2014	DE11 9JT	D			37	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£292,995	28/11/2014	DE11 9JT	D			39	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£196,995	28/11/2014	DE11 9JT	D			41	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£290,000	19/12/2014	DE11 9JT	D			45	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£284,995	29/08/2014	DE11 9JT	D			50	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£194,995	29/08/2014	DE11 9JT	D			52	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£196,995	26/09/2014	DE11 9JT	D			56	GLAMORGAN WAY	CHURCH GRESLEY	SWADLINCOTE
£60,000	15/07/2014	DE11 9PD	F	FLAT 15	REGENT COURT		REGENT STREET	CHURCH GRESLEY	SWADLINCOTE
£60,000	15/08/2014	DE11 9PD	F	FLAT 18	REGENT COURT		REGENT STREET	CHURCH GRESLEY	SWADLINCOTE
£301,000	29/04/2014	DE11 9TT	D			14	READING AVENUE	CHURCH GRESLEY	SWADLINCOTE
£154,950	08/08/2014	DE12 8HD	S			2	ELMS ROAD	COTON IN THE ELMS	SWADLINCOTE
£138,750	15/08/2014	DE12 8HD	S			2A	ELMS ROAD	COTON IN THE ELMS	SWADLINCOTE
£235,000	24/10/2014	DE24 3BR	D			24	MEREVALE WAY	STENSON FIELDS	DERBY
£183,000	19/09/2014	DE24 3BR	D			28	MEREVALE WAY	STENSON FIELDS	DERBY
£178,000	16/10/2014	DE24 3BR	D			30	MEREVALE WAY	STENSON FIELDS	DERBY
£184,950	21/11/2014	DE24 3BT	D			10	CHARTLEY ROAD	STENSON FIELDS	DERBY
£184,950	14/11/2014	DE24 3BT	D			12	CHARTLEY ROAD	STENSON FIELDS	DERBY
£186,950	24/10/2014	DE24 3BT	D			14	CHARTLEY ROAD	STENSON FIELDS	DERBY
£249,999	24/10/2014	DE24 3BT	D			16	CHARTLEY ROAD	STENSON FIELDS	DERBY
£229,995	23/04/2014	DE24 3BT	D			17	CHARTLEY ROAD	STENSON FIELDS	DERBY
£194,950	26/09/2014	DE24 3BT	D			18	CHARTLEY ROAD	STENSON FIELDS	DERBY
£249,995	06/06/2014	DE24 3BT	D			19	CHARTLEY ROAD	STENSON FIELDS	DERBY
£234,950	26/09/2014	DE24 3BT	D			20	CHARTLEY ROAD	STENSON FIELDS	DERBY
£180,000	30/05/2014	DE24 3BT	D			21	CHARTLEY ROAD	STENSON FIELDS	DERBY
£139,995	19/12/2014	DE24 3BT	T			27	CHARTLEY ROAD	STENSON FIELDS	DERBY
£249,950	24/06/2014	DE24 3BT	D			34	CHARTLEY ROAD	STENSON FIELDS	DERBY
£192,950	27/06/2014	DE24 3BT	D			36	CHARTLEY ROAD	STENSON FIELDS	DERBY
£192,950	23/05/2014	DE24 3BT	D			38	CHARTLEY ROAD	STENSON FIELDS	DERBY
£159,950	19/12/2014	DE24 3BT	S			4	CHARTLEY ROAD	STENSON FIELDS	DERBY
£192,950	27/06/2014	DE24 3BT	D			40	CHARTLEY ROAD	STENSON FIELDS	DERBY
£139,950	11/12/2014	DE24 3BT	S			6	CHARTLEY ROAD	STENSON FIELDS	DERBY
£230,000	12/12/2014	DE24 3BT	D			8	CHARTLEY ROAD	STENSON FIELDS	DERBY

£189,995	19/12/2014	DE24 3EG	S			110	MEREVALE WAY	STENSON FIELDS	DERBY
£190,000	27/06/2014	DE24 3EG	D			112	MEREVALE WAY	STENSON FIELDS	DERBY
£259,995	26/09/2014	DE24 3EG	D			114	MEREVALE WAY	STENSON FIELDS	DERBY
£186,950	19/12/2014	DE24 3EG	S			90	MEREVALE WAY	STENSON FIELDS	DERBY
£278,995	08/08/2014	DE24 3EJ	D			1	MALLOW CLOSE	STENSON FIELDS	DERBY
£239,995	26/09/2014	DE24 3EJ	D			15	MALLOW CLOSE	STENSON FIELDS	DERBY
£185,000	26/09/2014	DE24 3EJ	D			17	MALLOW CLOSE	STENSON FIELDS	DERBY
£236,995	29/08/2014	DE24 3EJ	D			2	MALLOW CLOSE	STENSON FIELDS	DERBY
£250,000	21/11/2014	DE24 3EJ	D			3	MALLOW CLOSE	STENSON FIELDS	DERBY
£238,995	29/08/2014	DE24 3EJ	D			4	MALLOW CLOSE	STENSON FIELDS	DERBY
£279,995	24/10/2014	DE24 3EJ	D			5	MALLOW CLOSE	STENSON FIELDS	DERBY
£284,995	19/11/2014	DE24 3EJ	D			7	MALLOW CLOSE	STENSON FIELDS	DERBY
£185,000	26/09/2014	DE24 3EJ	D			9	MALLOW CLOSE	STENSON FIELDS	DERBY
£187,500	20/06/2014	DE24 3EU	D			1	LEVETTS CLOSE	STENSON FIELDS	DERBY
£155,000	12/06/2014	DE24 3EU	T			11	LEVETTS CLOSE	STENSON FIELDS	DERBY
£132,950	23/05/2014	DE24 3EU	T			15	LEVETTS CLOSE	STENSON FIELDS	DERBY
£147,500	23/05/2014	DE24 3EU	T			17	LEVETTS CLOSE	STENSON FIELDS	DERBY
£144,995	25/04/2014	DE24 3EU	S			19	LEVETTS CLOSE	STENSON FIELDS	DERBY
£135,000	25/04/2014	DE24 3EU	S			21	LEVETTS CLOSE	STENSON FIELDS	DERBY
£135,500	16/05/2014	DE24 3EU	S			23	LEVETTS CLOSE	STENSON FIELDS	DERBY
£147,500	23/05/2014	DE24 3EU	S			25	LEVETTS CLOSE	STENSON FIELDS	DERBY
£179,950	20/06/2014	DE24 3EU	D			3	LEVETTS CLOSE	STENSON FIELDS	DERBY
£185,000	25/06/2014	DE24 3EU	D			5	LEVETTS CLOSE	STENSON FIELDS	DERBY
£167,500	12/06/2014	DE24 3EU	S			7	LEVETTS CLOSE	STENSON FIELDS	DERBY
£152,000	08/04/2014	DE24 3EU	S			8	LEVETTS CLOSE	STENSON FIELDS	DERBY
£167,500	13/06/2014	DE24 3EU	S			9	LEVETTS CLOSE	STENSON FIELDS	DERBY
£249,995	25/04/2014	DE24 3EX	D			11	BUTTERBUR CLOSE	STENSON FIELDS	DERBY
£277,495	27/06/2014	DE24 3EX	D			6	BUTTERBUR CLOSE	STENSON FIELDS	DERBY
£243,000	25/04/2014	DE24 3EY	D			10	LUPIN CLOSE	STENSON FIELDS	DERBY
£225,000	25/04/2014	DE24 3EY	D			12	LUPIN CLOSE	STENSON FIELDS	DERBY
£225,000	29/04/2014	DE24 3EY	D			14	LUPIN CLOSE	STENSON FIELDS	DERBY
£240,000	23/05/2014	DE24 3EY	D			16	LUPIN CLOSE	STENSON FIELDS	DERBY
£299,950	23/04/2014	DE24 3EY	D			18	LUPIN CLOSE	STENSON FIELDS	DERBY
£139,950	27/06/2014	DE24 3EZ	T			1	DEWBERRY COURT	STENSON FIELDS	DERBY
£138,950	27/06/2014	DE24 3EZ	S			11	DEWBERRY COURT	STENSON FIELDS	DERBY

£124,995	22/08/2014	DE24 3EZ	T		12	DEWBERRY COURT	STENSON FIELDS	DERBY
£124,950	22/08/2014	DE24 3EZ	T		14	DEWBERRY COURT	STENSON FIELDS	DERBY
£139,950	22/08/2014	DE24 3EZ	T		15	DEWBERRY COURT	STENSON FIELDS	DERBY
£249,950	23/01/2015	DE24 3EZ	D		16	DEWBERRY COURT	STENSON FIELDS	DERBY
£124,950	26/06/2014	DE24 3EZ	T		2	DEWBERRY COURT	STENSON FIELDS	DERBY
£138,551	27/06/2014	DE24 3EZ	T		3	DEWBERRY COURT	STENSON FIELDS	DERBY
£124,950	27/06/2014	DE24 3EZ	S		4	DEWBERRY COURT	STENSON FIELDS	DERBY
£139,950	26/06/2014	DE24 3EZ	S		5	DEWBERRY COURT	STENSON FIELDS	DERBY
£181,995	25/04/2014	DE24 3FB	D		1	PURSLANE COURT	STENSON FIELDS	DERBY
£229,995	30/05/2014	DE24 3FB	D		2	PURSLANE COURT	STENSON FIELDS	DERBY
£227,500	28/05/2014	DE24 3FB	D		3	PURSLANE COURT	STENSON FIELDS	DERBY
£175,995	30/05/2014	DE24 3FB	D		4	PURSLANE COURT	STENSON FIELDS	DERBY
£232,995	30/05/2014	DE24 3FB	D		5	PURSLANE COURT	STENSON FIELDS	DERBY
£180,000	23/05/2014	DE24 3FB	D		6	PURSLANE COURT	STENSON FIELDS	DERBY
£235,500	17/10/2014	DE24 3FE	D		6	EARLS DRIVE	STENSON FIELDS	DERBY
£189,500	25/07/2014	DE24 3FE	D		8	EARLS DRIVE	STENSON FIELDS	DERBY
£187,500	27/06/2014	DE24 3FF	D		2	CHERVIL ROAD	STENSON FIELDS	DERBY
£230,000	27/06/2014	DE24 3FG	D		77	MEREVALE WAY	STENSON FIELDS	DERBY
£185,000	27/06/2014	DE24 3FG	D		79	MEREVALE WAY	STENSON FIELDS	DERBY
£229,995	27/06/2014	DE24 3FG	D		81	MEREVALE WAY	STENSON FIELDS	DERBY
£250,000	19/12/2014	DE24 3FH	D		5	BETONY CLOSE	STENSON FIELDS	DERBY
£238,500	19/12/2014	DE24 3FH	D		6	BETONY CLOSE	STENSON FIELDS	DERBY
£259,995	31/10/2014	DE24 3FH	D		8	BETONY CLOSE	STENSON FIELDS	DERBY
£175,000	26/09/2014	DE24 3FJ	T		1	EARLS DRIVE	STENSON FIELDS	DERBY
£175,000	26/09/2014	DE24 3FJ	T		3	EARLS DRIVE	STENSON FIELDS	DERBY
£179,950	26/09/2014	DE24 3FJ	T		5	EARLS DRIVE	STENSON FIELDS	DERBY
£174,995	31/07/2014	DE65 5DS	S		47	SCROPTON ROAD	HATTON	DERBY
£174,995	26/09/2014	DE65 5DS	S		51	SCROPTON ROAD	HATTON	DERBY
£165,000	29/08/2014	DE65 5DS	S		53	SCROPTON ROAD	HATTON	DERBY
£174,995	19/08/2014	DE65 5DS	S		55	SCROPTON ROAD	HATTON	DERBY
£174,995	28/08/2014	DE65 5DS	S		57	SCROPTON ROAD	HATTON	DERBY

£137,500	19/09/2014	DE65 5EB	T		2	CLAYTON GARDENS	HATTON	DERBY
£195,000	07/11/2014	DE65 5EB	S		23	CLAYTON GARDENS	HATTON	DERBY
£165,995	10/11/2014	DE65 5EB	S		27	CLAYTON GARDENS	HATTON	DERBY
£209,995	18/09/2014	DE65 5EB	D		28	CLAYTON GARDENS	HATTON	DERBY
£174,995	30/09/2014	DE65 5EB	S		29	CLAYTON GARDENS	HATTON	DERBY
£134,995	12/09/2014	DE65 5EB	T		3	CLAYTON GARDENS	HATTON	DERBY
£163,000	23/10/2014	DE65 5EB	S		31	CLAYTON GARDENS	HATTON	DERBY
£165,995	16/10/2014	DE65 5EB	S		32	CLAYTON GARDENS	HATTON	DERBY
£134,995	19/09/2014	DE65 5EB	T		5	CLAYTON GARDENS	HATTON	DERBY
£137,500	25/09/2014	DE65 5EB	T		6	CLAYTON GARDENS	HATTON	DERBY
£422,000	06/05/2014	DE72 2GR	D	THE GABLES, 37B		LONDON ROAD	SHARDLOW	DERBY
£600,000	30/07/2014	DE73 7GR	D	BIRCH RISE		BARROW LANE	SWARKESTONE	DERBY
£370,000	30/04/2014	DE73 8LE	D		7	SWEET LEYS WAY	MELBOURNE	DERBY

## Appendix 2 – Newbuild asking prices

	address			name of house	Beds	m2	House	Asking Price	£/m2	House
David Wilson	Castle Heights, Church Gresley	Swadlincote	DE11 9TG	Moorecroft x2	5		205	£349,995		House
	45 houses	sold 14 further 6 listed for sale	DE11 9TG	Layton x2	4		120	£289,995		House
	2 phases - one complete.			Buckinghamx2	5		203	£363,995		House
				Holden	4		150	£322,995		House
	Ivanhoe Fields	Abby-de-la-Zouch	LE65 2UF	Kirkwood	3		89	£196,995		House
	122 houses			Kerseyx2	3		92	£203,995		House
	85 sold all now built			Hadleyx2	3		92	£223,995		House
				Irving	4		107	£264,995		House
				Bayswater	4		116	£296,995		House
Barratt Homes	Newton Village, Stenson Fields	Derby	DE24 3AT	Barwickx2	3		75	£169,995		House
	160 houses of which 52 sold			Kingston	4		99	£236,995		House
				Lincolnx3	4		104	£269,995		House
				Tomersonx2	4		132	£279,995		House
				Harborough	4		136	£299,995		House
	Highgrove, Church Gresley	Swadlincote	DE11 9BL	Finchleyx2	3		75	£179,995		House
	5 phases			Morpeth	3		75	£187,995		House
	phase 1 all 151 sold			Rochesterx3	4		100	£188,500		House
	phase 2 40 out of 58 sold			Faringdon	3		76	£189,995		House
	phase 3 28 out of 64 sold			Kingtonx2	4		96	£204,995		House
				Lincoln	4		105	£244,995		House
				Alnwickx2	4		135	£274,995		House
Taylor Wimpey	Saxon Gate	Derby	DE24 3BR	Haddenham	4		157	£260,995		House
	166 houses about half completed and sold			Kentdalex2	4		114	£239,995		House







## Appendix 3 – Residential Appraisals

**Note – the pages in this appendix are not numbered**



# Base Cover



Final - Base

10/05/2015  
17:19



Base  
Site make up

Rate  
£/m2  
911.50

Locality seen/Brown native Use  
Edge of Der Green Agricultural

Number	Units	NET Area	Density erage Units/ha	Unit Size m2	Developed m2	Density m2/ha	Total Cost
1	1500	37,000	40.54	89	133,649	3,612	121,821,053
	<b>BedS</b>	<b>No</b>		<b>m2</b>	<b>Total</b>		<b>COST</b>
	Market Flat	32		58.0	1,856.00	10%	1,841,523
	Terrace	32		70.0	2,240.00	10%	2,222,528
	Semi	158		70.0	11,060.00		9,976,120
	Det	210		84.0	17,640.00		15,911,280
		53		79.0	4,187.00		3,776,674
		315		93.0	29,295.00		26,428,090
		0		102.0	0.00		0
		179		125.0	22,375.00		20,182,250
		74		150.0	11,100.00		10,012,200
	Flat 1 High*	0		58.0	0.00	10%	0
	Flat 2 High*	2		70.0	0.00	10%	0
	Flat 3 High*	3		84.0	0.00	10%	0
	<b>Affordable</b>						
	Flat	90		58.0	5,220.00	10%	5,179,284
	Terrace	68		70.0	4,760.00	10%	4,722,872
	Semi	113		70.0	7,910.00		7,134,820
	Det	90		84.0	7,560.00		6,819,120
		0		79.0	0.00		0
		72		93.0	6,696.00		6,039,792
		0		102.0	0.00		0
		14		125.0	1,750.00		1,578,500
		0		150.0	0.00		0
	Flat 1 High*	1		58.0	0.00	10%	0
	Flat 2 High*	2		70.0	0.00	10%	0
	Flat 3 High*	3		84.0	0.00	10%	0

Rate  
£/m2  
911.39

Locality seen/Brown native Use  
Edge of Der Green Agricultural

Number	Units	Area	Density erage Units/ha	Unit Size m2	Developed m2	Density m2/ha	Total Cost
2	500	15,000	33.33	89	44,581	2,972	40,630,770
	<b>BedS</b>	<b>No</b>		<b>m2</b>	<b>Total</b>		<b>COST</b>
	Market Flat	9		58.00	522.00	10%	517,928
	Terrace	11		70.00	770.00	10%	763,994
	Semi	53		70.00	3,710.00		3,346,420
	Det	70		84.00	5,880.00		5,303,760
		18		79.00	1,422.00		1,282,644
		105		93.00	9,765.00		8,808,030
		0		102.00	0.00		0
		60		125.00	7,500.00		6,765,000
		25		150.00	3,750.00		3,382,500
	Flat 1 High*	1		58.00	0.00	10%	0
	Flat 2 High*	2		70.00	0.00	10%	0
	Flat 3 High*	3		84.00	0.00	10%	0
	<b>Affordable</b>						
	Flat	30		58.00	1,740.00	10%	1,726,428
	Terrace	23		70.00	1,610.00	10%	1,597,442
	Semi	38		70.00	2,660.00		2,399,320
	Det	30		84.00	2,520.00		2,273,040
		0		79.00	0.00		0
		24		93.00	2,232.00		2,013,264
		0		102.00	0.00		0
		4		125.00	500.00		451,000
		0		150.00	0.00		0
	Flat 1 High*	1		58.00	0.00	10%	0
	Flat 2 High*	2		70.00	0.00	10%	0
	Flat 3 High*	3		84.00	0.00	10%	0



Base Site make up

Rate £/m2 91.1.28  
 Locality een/Brown native Use Edge of Der Green Agricultural

Number 3 Units 200 Area ha 6.00 Density erage Unit Size m2 89 Density m2/ha 33.33 Developed m2 17,857 Density m2/ha 2,976 Total Cost 16,272,802

Market	Bed(s)	No	Area ha	Density erage Unit Size m2	Developed m2	Density m2/ha	Total	BCIS	COST
Market Flat	1	4	58.00	232.00	10%	902	230,190	902	230,190
Terrace	2	4	70.00	280.00	10%	902	277,816	902	277,816
Semi	3	21	70.00	1,470.00	10%	902	1,325,940	902	1,325,940
Det	3	28	84.00	2,352.00	10%	902	2,121,504	902	2,121,504
Flat 1 High*	3	7	79.00	553.00	10%	902	498,806	902	498,806
Flat 2 High*	3	42	93.00	3,906.00	10%	902	3,523,212	902	3,523,212
Flat 3 High*	3	0	102.00	0.00	10%	902	0	902	0
Affordable Flat	4	24	125.00	3,000.00	10%	902	2,706,000	902	2,706,000
Flat 1 High*	5	10	150.00	1,500.00	10%	902	1,353,000	902	1,353,000
Flat 2 High*	1	0	58.00	0.00	10%	902	0	902	0
Flat 3 High*	2	0	70.00	0.00	10%	902	0	902	0
Affordable Flat	3	0	84.00	0.00	10%	902	0	902	0
Flat 1 High*	1	12	58.00	696.00	10%	902	690,571	902	690,571
Terrace	2	9	70.00	630.00	10%	902	625,086	902	625,086
Semi	2	15	70.00	1,050.00	10%	902	947,100	902	947,100
Det	3	12	84.00	1,008.00	10%	902	909,216	902	909,216
Flat 1 High*	2	0	79.00	0.00	10%	902	0	902	0
Flat 2 High*	3	10	93.00	930.00	10%	902	838,860	902	838,860
Flat 3 High*	3	0	102.00	0.00	10%	902	0	902	0
Affordable Flat	4	2	125.00	250.00	10%	902	225,500	902	225,500
Flat 1 High*	5	0	150.00	0.00	10%	902	0	902	0
Flat 2 High*	1	0	58.00	0.00	10%	902	0	902	0
Flat 3 High*	2	0	70.00	0.00	10%	902	0	902	0
Flat 3 High*	3	0	84.00	0.00	10%	902	0	902	0

Rate £/m2 91.1.39  
 Locality een/Brown native Use Swadlincote Green Agricultural

Number 4 Units 500 Area ha 12.50 Density erage Unit Size m2 89 Density m2/ha 40.00 Developed m2 44,581 Density m2/ha 3,566 Total Cost 40,630,770

Market	Bed(s)	No	Area ha	Density erage Unit Size m2	Developed m2	Density m2/ha	Total	BCIS	COST
Market Flat	1	9	58.00	522.00	10%	902	517,928	902	517,928
Terrace	2	11	70.00	770.00	10%	902	763,994	902	763,994
Semi	3	53	70.00	3,710.00	10%	902	3,346,420	902	3,346,420
Det	3	70	84.00	5,880.00	10%	902	5,303,760	902	5,303,760
Flat 1 High*	2	18	79.00	1,422.00	10%	902	1,282,644	902	1,282,644
Flat 2 High*	3	105	93.00	9,765.00	10%	902	8,808,030	902	8,808,030
Flat 3 High*	3	0	102.00	0.00	10%	902	0	902	0
Affordable Flat	4	60	125.00	7,500.00	10%	902	6,765,000	902	6,765,000
Flat 1 High*	5	25	150.00	3,750.00	10%	902	3,382,500	902	3,382,500
Flat 2 High*	1	0	58.00	0.00	10%	902	0	902	0
Flat 3 High*	2	0	70.00	0.00	10%	902	0	902	0
Affordable Flat	3	0	84.00	0.00	10%	902	0	902	0
Flat 1 High*	1	30	58.00	1,740.00	10%	902	1,726,428	902	1,726,428
Terrace	2	23	70.00	1,610.00	10%	902	1,597,442	902	1,597,442
Semi	3	38	70.00	2,660.00	10%	902	2,399,320	902	2,399,320
Det	3	30	84.00	2,520.00	10%	902	2,273,040	902	2,273,040
Flat 1 High*	2	0	79.00	0.00	10%	902	0	902	0
Flat 2 High*	3	24	93.00	2,232.00	10%	902	2,013,264	902	2,013,264
Flat 3 High*	3	0	102.00	0.00	10%	902	0	902	0
Affordable Flat	4	4	125.00	500.00	10%	902	451,000	902	451,000
Flat 1 High*	5	0	150.00	0.00	10%	902	0	902	0
Flat 2 High*	1	0	58.00	0.00	10%	902	0	902	0
Flat 3 High*	2	0	70.00	0.00	10%	902	0	902	0
Flat 3 High*	3	0	84.00	0.00	10%	902	0	902	0



Base Site make up

Rate £/m2 911.28  
 Locality een/Brown native Use Swadincote Green Agricultural

Number 5 Units 200 Area ha 5.00 Density erage Unit/ha 40.00 m2 89 Developed m2 17,857 Density m2/ha 3,571 Total Cost 16,272,802

Market	Units	Area	Density erage	Unit/ha	m2	Developed	Density	m2/ha	Total	BCIS	COST
Market	1	58.00	232.00	10%	902	230,190	0	0	0	0	0
Flat	2	70.00	280.00	10%	902	277,816	0	0	0	0	0
Terrace	3	84.00	1,470.00	10%	902	1,325,940	0	0	0	0	0
Semi	4	79.00	2,357.00	10%	902	2,121,504	0	0	0	0	0
Det	5	93.00	3,906.00	10%	902	498,806	0	0	0	0	0
Flat 1 High*	6	102.00	3,000.00	10%	902	3,523,212	0	0	0	0	0
Flat 2 High*	7	150.00	1,500.00	10%	902	2,706,000	0	0	0	0	0
Flat 3 High*	8	58.00	0.00	10%	902	1,353,000	0	0	0	0	0
Affordable	9	70.00	0.00	10%	902	0	0	0	0	0	0
Flat	10	84.00	1,008.00	10%	902	909,216	0	0	0	0	0
Terrace	11	79.00	0.00	10%	902	0	0	0	0	0	0
Semi	12	93.00	930.00	10%	902	838,860	0	0	0	0	0
Det	13	102.00	0.00	10%	902	0	0	0	0	0	0
Flat 1 High*	14	125.00	250.00	10%	902	225,500	0	0	0	0	0
Flat 2 High*	15	150.00	0.00	10%	902	0	0	0	0	0	0
Flat 3 High*	16	58.00	0.00	10%	902	0	0	0	0	0	0
Affordable	17	70.00	0.00	10%	902	0	0	0	0	0	0
Flat	18	84.00	0.00	10%	902	0	0	0	0	0	0

Rate £/m2 911.41  
 Locality een/Brown native Use Edge of Bur 60% Brown Industrial

Number 6 Units 2200 Area ha 45.00 Density erage Unit/ha 48.89 m2 89 Developed m2 196,261 Density m2/ha 4,361 Total Cost 178,874,177

Market	Units	Area	Density erage	Unit/ha	m2	Developed	Density	m2/ha	Total	BCIS	COST
Market	1	46	58.00	2,668.00	10%	902	2,647,190	0	0	0	0
Flat	2	46	70.00	3,220.00	10%	902	3,194,884	0	0	0	0
Terrace	3	231	70.00	16,170.00	10%	902	14,585,340	0	0	0	0
Semi	4	308	84.00	25,872.00	10%	902	23,346,544	0	0	0	0
Det	5	77	79.00	6,083.00	10%	902	5,486,866	0	0	0	0
Flat 1 High*	6	462	93.00	42,966.00	10%	902	38,755,332	0	0	0	0
Flat 2 High*	7	262	102.00	0.00	902	0	0	0	0	0	0
Flat 3 High*	8	108	125.00	32,750.00	10%	902	29,540,500	0	0	0	0
Affordable	9	99	150.00	16,200.00	10%	902	14,612,400	0	0	0	0
Flat	10	132	70.00	6,930.00	10%	902	7,596,283	0	0	0	0
Terrace	11	165	70.00	11,550.00	10%	902	6,875,946	0	0	0	0
Semi	12	132	84.00	11,088.00	10%	902	10,418,100	0	0	0	0
Det	13	106	79.00	0.00	902	0	0	0	0	0	0
Flat 1 High*	14	26	93.00	9,858.00	10%	902	8,891,916	0	0	0	0
Flat 2 High*	15	0	102.00	0.00	902	0	0	0	0	0	0
Flat 3 High*	16	0	125.00	3,250.00	10%	902	2,931,500	0	0	0	0
Affordable	17	0	150.00	0.00	902	0	0	0	0	0	0
Flat	18	0	58.00	0.00	902	0	0	0	0	0	0
Terrace	19	0	70.00	0.00	902	0	0	0	0	0	0
Semi	20	0	84.00	0.00	902	0	0	0	0	0	0
Det	21	0	84.00	0.00	902	0	0	0	0	0	0



Base Site make up

Locality een/Brown native Use  
Villages Brown Industrial

Rate £/m2  
91.1.21

Number 7 Units 300 Area ha 9.00 Density erage Unit Size m2 89 Developed m2 26.779 Density m2/ha 2.975 Total Cost 24,401,265

Market	Beeds	No	Area ha	Density erage Unit Size Units/ha	m2	Developed m2	Density m2/ha	Total COST
Market Flat	1	5	58.00	290.00	10%	902	287,738	
Terrace	2	6	70.00	420.00	10%	902	416,724	
Semi	3	32	70.00	2,240.00	10%	902	2,020,480	
Det	4	42	84.00	3,528.00	10%	902	3,182,256	
Flat 1 High*	5	11	79.00	869.00	10%	902	785,838	
Flat 2 High*	6	63	93.00	5,859.00	10%	902	5,284,818	
Flat 3 High*	7	3	102.00	306.00	10%	902	2,754,000	
Affordable Flat	8	36	125.00	4,500.00	10%	902	4,059,000	
Terrace	9	15	150.00	2,250.00	10%	902	2,029,500	
Semi	10	1	58.00	58.00	10%	902	52,356	
Det	11	23	70.00	1,610.00	10%	902	1,452,220	
Flat 1 High*	12	18	84.00	1,512.00	10%	902	1,363,824	
Flat 2 High*	13	0	79.00	0.00	10%	902	0	
Flat 3 High*	14	14	93.00	1,302.00	10%	902	1,174,404	
Affordable Flat	15	3	102.00	306.00	10%	902	2,754,000	
Terrace	16	0	150.00	0.00	10%	902	0	
Semi	17	1	58.00	58.00	10%	902	52,356	
Det	18	0	70.00	0.00	10%	902	0	
Flat 1 High*	19	0	84.00	0.00	10%	902	0	
Flat 2 High*	20	0	79.00	0.00	10%	902	0	
Flat 3 High*	21	0	84.00	0.00	10%	902	0	

Locality een/Brown native Use  
Medium Zo Green Agricultural

Rate £/m2  
1,035.33

Number 8 Units 100 Area ha 2.86 Density erage Unit Size m2 89 Developed m2 8.890 Density m2/ha 3.108 Total Cost 9,204,090

Market	Beeds	No	Area ha	Density erage Unit Size Units/ha	m2	Developed m2	Density m2/ha	Total COST
Market Flat	1	1	58.00	58.00	10%	1,025	65,395	
Terrace	2	2	70.00	140.00	10%	1,025	157,850	
Semi	3	14	84.00	1,176.00	10%	1,025	1,205,400	
Det	4	21	93.00	1,953.00	10%	1,025	2,001,825	
Flat 1 High*	5	0	102.00	0.00	10%	1,025	0	
Flat 2 High*	6	12	125.00	1,500.00	10%	1,025	1,537,500	
Flat 3 High*	7	5	150.00	750.00	10%	1,025	768,750	
Affordable Flat	8	1	58.00	58.00	10%	1,025	52,356	
Terrace	9	0	70.00	0.00	10%	1,025	0	
Semi	10	0	84.00	0.00	10%	1,025	0	
Det	11	0	84.00	0.00	10%	1,025	0	
Flat 1 High*	12	1	58.00	58.00	10%	1,025	52,356	
Flat 2 High*	13	2	70.00	140.00	10%	1,025	157,850	
Flat 3 High*	14	0	84.00	0.00	10%	1,025	0	
Affordable Flat	15	0	84.00	0.00	10%	1,025	0	
Terrace	16	2	70.00	140.00	10%	1,025	157,850	
Semi	17	6	84.00	504.00	10%	1,025	516,600	
Det	18	3	93.00	465.00	10%	1,025	475,625	
Flat 1 High*	19	0	102.00	0.00	10%	1,025	0	
Flat 2 High*	20	0	125.00	0.00	10%	1,025	0	
Flat 3 High*	21	0	150.00	0.00	10%	1,025	0	



Base Site make up

Locality eem/Brown native Use  
Higher Zone Green Agricultural

Rate £/m2  
1,035.33

Number 9 Units 100 Area ha 2.86 Density erage Unit Size m2 89 Developed m2 8,890 Density m2/ha 3,108 Total Cost 9,204,090

	Units	Area	Density erage Unit Size	Developed	Density	Total Cost
	Units	ha	m2	m2	m2/ha	£
	100	2.86	89	8,890	3,108	9,204,090
<b>Market</b>	<b>Beds</b>	<b>No</b>	<b>m2</b>	<b>Total</b>	<b>BCIS</b>	<b>COST</b>
Flat	1	1	58.00	58.00	10%	65,395
Terrace	2	11	70.00	140.00	10%	157,850
Semi	3	14	84.00	1,176.00	1,025	789,250
Det	4	21	79.00	316.00	1,025	1,205,400
	3	21	93.00	1,953.00	1,025	323,900
	3	0	102.00	0.00	1,025	2,001,825
	4	12	125.00	1,500.00	1,025	1,537,500
	5	5	150.00	750.00	1,025	768,750
Flat 1 High*	1	0	58.00	0.00	10%	0
Flat 2 High*	2	0	70.00	0.00	10%	0
Flat 3 High*	3	0	84.00	0.00	10%	0
<b>Affordable</b>						
Flat	1	6	58.00	348.00	10%	392,370
Terrace	2	5	70.00	350.00	10%	394,625
Semi	3	6	84.00	504.00	1,025	574,000
Det	4	0	79.00	0.00	1,025	516,600
	2	0	93.00	0.00	1,025	0
	3	5	102.00	465.00	1,025	476,625
	4	0	125.00	0.00	1,025	0
	5	0	150.00	0.00	1,025	0
Flat 1 High*	1	0	58.00	0.00	10%	0
Flat 2 High*	2	0	70.00	0.00	10%	0
Flat 3 High*	3	0	84.00	0.00	10%	0

Locality eem/Brown native Use  
Medium Zo Green Agricultural

Rate £/m2  
1,036.93

Number 10 Units 30 Area ha 0.95 Density erage Unit Size m2 90 Developed m2 2,698 Density m2/ha 2,840 Total Cost 2,797,635

	Units	Area	Density erage Unit Size	Developed	Density	Total Cost
	Units	ha	m2	m2	m2/ha	£
	30	0.95	90	2,698	2,840	2,797,635
<b>Market</b>	<b>Beds</b>	<b>No</b>	<b>m2</b>	<b>Total</b>	<b>BCIS</b>	<b>COST</b>
Flat	1	1	58.00	58.00	10%	65,395
Terrace	2	3	70.00	210.00	10%	78,925
Semi	3	4	84.00	336.00	1,025	215,250
Det	4	1	79.00	79.00	1,025	344,400
	3	6	93.00	558.00	1,025	80,975
	4	0	102.00	0.00	1,025	571,950
	5	2	125.00	250.00	1,025	0
	6	2	150.00	300.00	1,025	512,500
Flat 1 High*	1	0	58.00	0.00	10%	307,500
Flat 2 High*	2	0	70.00	0.00	10%	0
Flat 3 High*	3	0	84.00	0.00	10%	0
<b>Affordable</b>						
Flat	1	2	58.00	116.00	10%	130,790
Terrace	2	2	70.00	140.00	10%	78,925
Semi	3	2	84.00	168.00	1,025	143,500
Det	4	0	79.00	0.00	1,025	172,200
	3	1	93.00	93.00	1,025	0
	4	0	102.00	0.00	1,025	95,325
	5	0	125.00	0.00	1,025	0
	6	0	150.00	0.00	1,025	0
Flat 1 High*	1	0	58.00	0.00	10%	0
Flat 2 High*	2	0	70.00	0.00	10%	0
Flat 3 High*	3	0	84.00	0.00	10%	0



Base  
Site make up

Number 11 Medium Urban  
Units 30 Area 0.85 ha Density erage Unit Size m2 90 Developed m2 2,698 Density m2/ha 3,174 Total Cost £/m2 1,036.93  
Locality een/Brown native Use Medium Zo Brown Industrial

Market	Flats	Terrace	Semi	Det	Flat 1 High*	Flat 2 High*	Flat 3 High*	Affordable	Flat	Terrace	Semi	Det	Flat 1 High*	Flat 2 High*	Flat 3 High*
	1	2	3	3	1	2	2	1	2	2	2	3	1	2	2
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
	58.00	70.00	70.00	79.00	102.00	116.00	140.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00
	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025
	0	65,395	78,925	215,250	344,400	80,975	571,950	512,500	307,500	143,500	172,200	95,325	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Number 12 Medium Urban  
Units 30 Area 0.85 ha Density erage Unit Size m2 90 Developed m2 2,698 Density m2/ha 3,174 Total Cost £/m2 1,036.93  
Locality een/Brown native Use Higher Zone Brown Industrial

Market	Flats	Terrace	Semi	Det	Flat 1 High*	Flat 2 High*	Flat 3 High*	Affordable	Flat	Terrace	Semi	Det	Flat 1 High*	Flat 2 High*	Flat 3 High*
	1	2	3	3	1	2	2	1	2	2	2	3	1	2	2
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
	58.00	70.00	70.00	79.00	102.00	116.00	140.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00
	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025
	0	65,395	78,925	215,250	344,400	80,975	571,950	512,500	307,500	143,500	172,200	95,325	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



Base Site make up

Number 13 Sub Threshold, Green Units 9 Area 0.45 ha Density erage Unit Size 20.00 Units/ha Developed m2 116 Density m2/ha 2.320 Total Cost 1,070,100 Rate £/m2 1,025.00 Locality een/Brown native Use Paddock Sub-Threshold Green Paddock

	Market	Flat	Terrace	Semi	Det	Flat 1 High*	Flat 2 High*	Flat 3 High*	Affordable	Flat	Terrace	Semi	Det	Flat 1 High*	Flat 2 High*	Flat 3 High*
Units	1	2	3	2	3	1	2	3	1	2	3	2	3	1	2	3
Area ha	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Density erage Unit Size Units/ha	58.00	70.00	84.00	79.00	93.00	102.00	125.00	150.00	58.00	70.00	84.00	79.00	93.00	102.00	125.00	150.00
Developed m2	0.00	0.00	0.00	158.00	386.00	0.00	250.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Density m2/ha	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Total Cost	0	0	0	161,950	390,650	0	256,250	461,250	0	0	0	0	0	0	0	0
Rate £/m2	0	0	0	1,025.00	1,025.00	0	1,025.00	1,025.00	0	0	0	0	0	0	0	0

Number 14 Sub Threshold, Green Units 3 Area 0.20 ha Density erage Unit Size 15.00 Units/ha Developed m2 400 Density m2/ha 2,000 Total Cost 410,000 Rate £/m2 1,025.00 Locality een/Brown native Use Paddock Sub-Threshold Green Paddock

	Market	Flat	Terrace	Semi	Det	Flat 1 High*	Flat 2 High*	Flat 3 High*	Affordable	Flat	Terrace	Semi	Det	Flat 1 High*	Flat 2 High*	Flat 3 High*
Units	1	2	3	2	3	1	2	3	1	2	3	2	3	1	2	3
Area ha	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Density erage Unit Size Units/ha	58.00	70.00	84.00	79.00	93.00	102.00	125.00	150.00	58.00	70.00	84.00	79.00	93.00	102.00	125.00	150.00
Developed m2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Density m2/ha	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Total Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rate £/m2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0





		Site 1	Site 2	Site 3	Site 4	Site 5	Site 6	Site 7	Site 8	Site 9	Site 10	Site 11	Site 12	Site 13	Site 14	Site 15	Site 16	
		UE Greenfield	V Large Greenfield	Large Greenfield	V Large Greenfield	Large Greenfield	UE Brownfield	V Large Brownfield	Medium Greenfield	Larger Housing Green	Smaller Greenfield	Medium Urban	Urban Brown	Medium Sub Threshold	Sub Threshold Green	Sub Threshold Green	Sub Threshold Brown	Sub Threshold Brown
Green/brown field Use		Green Agricultural	60% Brown Industrial	Brown Industrial	Green Agricultural	Green Agricultural	Green Agricultural	Industrial	Industrial	Industrial	Paddock	Paddock	PDL	PDL				
Site Area	Gross	74.00	25.00	10.00	25.00	10.00	100.00	15.00	4.75	4.76	1.34	1.25	1.25	0.45	0.20	0.30	0.08	
	Net	37.00	15.00	6.00	12.50	5.00	45.00	9.00	2.86	2.86	0.95	0.85	0.85	0.45	0.20	0.30	0.08	
Units		1,500	500	200	500	200	2,200	300	100	100	30	30	30	9	3	9	3	
Average Unit Size		89.10	89.16	89.29	89.16	89.29	89.21	89.26	88.90	88.90	89.93	89.93	89.93	116.00	133.33	116.00	133.33	
Mix	Intermediate to Buy	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	
	Affordable Rent	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	
	Social Rent	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	
Price	Market	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,650	2,500	2,500	2,500	2,500	2,500	2,500	2,500	
	Intermediate to Buy	1,495	1,495	1,495	1,495	1,495	1,495	1,495	1,495	1,723	1,625	1,625	1,723	1,625	1,625	1,625	1,625	
	Affordable Rent	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,458	1,375	1,375	1,458	1,375	1,375	1,375	1,375	
	Social Rent	920	920	920	920	920	920	920	920	1,060	1,000	1,000	1,060	1,000	1,000	1,000	1,000	
Grant and Subsid	Intermediate to Buy																	
	Affordable Rent																	
	Social Rent																	
Sales per Quarter		11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	
Unit Build Time		3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Alternative Use Value		20,000	20,000	20,000	20,000	20,000	248,000	400,000	20,000	20,000	20,000	20,000	20,000	50,000	50,000	400,000	400,000	
Up Lift %		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
Additional Uplift		300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	
Easements etc		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Legals Acquisition	% land	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
Planning Fee	<50	385	385	385	385	385	385	385	385	385	385	385	385	385	385	385	385	
	>50	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	
Architects	%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
QS / PM	%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	
Planning Consultants	%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
Other Professional	%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
Build Cost - BCIS Based		911	911	911	911	911	911	911	1,035	1,035	1,037	1,037	1,037	1,025	1,025	1,025	1,025	
CISH	%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	
Energy	£/m2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Design	£/m2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Lifetime	£/m2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Over-extra 3																		
SUDS	%							5%				5%	5%				5%	
Site Costs		20.0%	20.0%	17.0%	20.0%	17.0%	20.0%	20.0%	15.0%	15.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
Pre CIL s106	£/Unit	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
Post CIL s106	£/Unit	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
Contingency	%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	
Abnormals	%																	
	£/site																	
FINANCE	Fees	150,000	50,000	70,000	50,000	50,000	200,000	40,000	30,000	50,000	20,000	20,000	25,000	10,000	5,000	10,000	5,000	
	Interest	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	
	Legal and Valuation	100,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	10,000	10,000	10,000	50,000	50,000	
SALES	Agents	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
	Legals	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	
	Misc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Developers Profi	% of costs (before interest)	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
	% of GDV	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	











Ac. Site	%	Number	Price	GDV	GA	MA
Market Housing	94.8	70%	2,300	336,630,700	145,629	
Shared Ownership	78.3	5%	1,485	22,673,902	11,100	
Affordable Rent	78.3	2%	1,262	3,118,499	2,517	
Social Rent	78.3	20%	429	30,078,536	32,779	
Grant and Subsidy			0	0	0	
Assessable Rent			0	0	0	
Other			0	0	0	
<b>Total</b>				<b>397,489,637</b>	<b>194,306</b>	

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24
25	45	90	135	180	225	270	315	360	405	450	495	540	585	630	675	720	765	810	855	900	945	990	1,035
3,814,023	6,662,236	13,324,472	20,000,000	26,666,667	33,333,333	40,000,000	46,666,667	53,333,333	60,000,000	66,666,667	73,333,333	80,000,000	86,666,667	93,333,333	100,000,000	106,666,667	113,333,333	120,000,000	126,666,667	133,333,333	140,000,000	146,666,667	153,333,333

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24
1,485,125	2,970,250	4,455,375	5,940,500	7,425,625	8,910,750	10,395,875	11,880,000	13,365,125	14,850,250	16,335,375	17,820,500	19,305,625	20,790,750	22,275,875	23,761,000	25,246,125	26,731,250	28,216,375	29,701,500	31,186,625	32,671,750	34,156,875	35,642,000

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24
1,485,125	2,970,250	4,455,375	5,940,500	7,425,625	8,910,750	10,395,875	11,880,000	13,365,125	14,850,250	16,335,375	17,820,500	19,305,625	20,790,750	22,275,875	23,761,000	25,246,125	26,731,250	28,216,375	29,701,500	31,186,625	32,671,750	34,156,875	35,642,000

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24
1,485,125	2,970,250	4,455,375	5,940,500	7,425,625	8,910,750	10,395,875	11,880,000	13,365,125	14,850,250	16,335,375	17,820,500	19,305,625	20,790,750	22,275,875	23,761,000	25,246,125	26,731,250	28,216,375	29,701,500	31,186,625	32,671,750	34,156,875	35,642,000





Ac. Size	%	Number	Price	CDV	GA	md
Market Housing	65.2	70%	2,650	17,650,500	6,600	6,600
Shared Ownership	74.2	9%	1,250	11,900,000	600	600
Affordable Rent	74.2	2%	1,400	10,200,000	111	111
Social Rent	74.2	20%	1,000	13,500,000	1,440	1,440
Grant and Subsidy						
Other						
Subtotal						
Other						
Subtotal						
Grand Total						

Year	1	2	3	4	5	6
Revenue	150,000	311,100	462,200	613,300	764,400	915,500
Expenses	(100,000)	(200,000)	(300,000)	(400,000)	(500,000)	(600,000)
Profit	50,000	111,100	162,200	213,300	264,400	315,500

Year	1	2	3	4	5	6
Revenue	150,000	311,100	462,200	613,300	764,400	915,500
Expenses	(100,000)	(200,000)	(300,000)	(400,000)	(500,000)	(600,000)
Profit	50,000	111,100	162,200	213,300	264,400	315,500

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Revenue	150,000	311,100	462,200	613,300	764,400	915,500
Expenses	(100,000)	(200,000)	(300,000)	(400,000)	(500,000)	(600,000)
Profit	50,000	111,100	162,200	213,300	264,400	315,500

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Revenue	150,000	311,100	462,200	613,300	764,400	915,500
Expenses	(100,000)	(200,000)	(300,000)	(400,000)	(500,000)	(600,000)
Profit	50,000	111,100	162,200	213,300	264,400	315,500

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# Appendix 4 – Older People's Housing Appraisals

	Greenfield					Brownfield					Extra Cost					
	0%	10%	20%	30%	40%	0%	10%	20%	30%	40%	0%	10%	20%	30%	40%	
<b>Swadlow Moor</b>																
Income	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	
Market E/m <sup>2</sup>	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	
Market E	3,450	3,105	2,750	2,415	2,070	3,450	3,105	2,750	2,415	2,070	3,450	3,105	2,750	2,415	2,070	
Market E/m <sup>2</sup> 45%	893	893	893	893	893	893	893	893	893	893	893	893	893	893	893	
Market E/m <sup>2</sup> 20%	0	256,899	513,619	770,428	1,027,238	0	256,899	513,619	770,428	1,027,238	0	256,899	513,619	770,428	1,027,238	
Capital Value	5,706,875	5,392,997	5,079,119	4,765,241	4,451,363	5,706,875	5,392,997	5,079,119	4,765,241	4,451,363	5,706,875	5,392,997	5,079,119	4,765,241	4,451,363	
Costs																
Land Used	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	
Opfit/E/ha	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	
Opfit/E/ha 20%	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	
Cost	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	
Strategic Promotion	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Planning	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
Construction	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	
Infrastructure	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	4,300,050	
Abnormals	646,358	646,358	646,358	646,358	646,358	646,358	646,358	646,358	646,358	646,358	646,358	646,358	646,358	646,358	646,358	
Fees	344,724	344,724	344,724	344,724	344,724	344,724	344,724	344,724	344,724	344,724	344,724	344,724	344,724	344,724	344,724	
Contingency	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
Finance Costs	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
Sales	171,200	161,790	152,374	142,957	133,541	171,200	161,790	152,374	142,957	133,541	171,200	161,790	152,374	142,957	133,541	
Misc. Financial	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
<b>Subtotal</b>	<b>5,724,064</b>	<b>5,714,648</b>	<b>5,695,815</b>	<b>5,676,231</b>	<b>5,656,999</b>	<b>6,845,545</b>	<b>6,838,704</b>	<b>6,832,029</b>	<b>6,825,469</b>	<b>6,818,902</b>	<b>6,812,340</b>	<b>6,805,779</b>	<b>6,799,218</b>	<b>6,792,657</b>	<b>6,786,096</b>	
Interest	403,684	400,035	396,386	392,737	389,088	478,300	474,651	471,002	467,353	463,704	450,156	446,507	442,858	439,209	435,560	
Profit % GDV	1,231,512	1,158,604	1,095,697	1,032,790	969,882	1,223,038	1,150,126	1,087,214	1,024,302	961,390	1,160,113	1,097,205	1,034,298	971,390	908,482	
<b>COSTS</b>	<b>7,346,260</b>	<b>7,273,277</b>	<b>7,200,294</b>	<b>7,127,312</b>	<b>7,054,329</b>	<b>8,464,080</b>	<b>8,392,809</b>	<b>8,321,537</b>	<b>8,250,266</b>	<b>8,179,000</b>	<b>8,107,729</b>	<b>8,036,458</b>	<b>7,965,187</b>	<b>7,893,916</b>	<b>7,822,645</b>	
<b>Residual Land Worth</b>	<b>-1,639,385</b>	<b>-1,880,281</b>	<b>-2,121,176</b>	<b>-2,362,071</b>	<b>-2,602,966</b>	<b>-2,758,210</b>	<b>-3,008,915</b>	<b>-3,259,620</b>	<b>-3,510,325</b>	<b>-3,761,030</b>	<b>-4,011,735</b>	<b>-4,262,440</b>	<b>-4,513,145</b>	<b>-4,763,850</b>	<b>-5,014,555</b>	
Additional Profit	1,801,385	2,042,281	2,283,176	2,524,071	2,764,966	3,014,971	3,265,676	3,516,381	3,767,086	4,017,791	4,268,496	4,519,201	4,769,906	5,020,611	5,271,316	
Final Profit	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52	
Existing Use Value	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	
Viability Threshold	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	
<b>Residual Value</b>	<b>-3,278,771</b>	<b>-3,760,561</b>	<b>-4,242,351</b>	<b>-4,724,142</b>	<b>-5,205,932</b>	<b>-5,806,742</b>	<b>-6,388,532</b>	<b>-6,970,322</b>	<b>-7,552,112</b>	<b>-8,133,902</b>	<b>-8,715,692</b>	<b>-9,297,482</b>	<b>-9,879,272</b>	<b>-10,461,062</b>	<b>-11,042,852</b>	



Ekwere	Greenfield					Brownfield					Extra Crs				
	40 Unit E/F/h	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
<b>AFFORDABLE %</b>															
Income	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450
E/F/h	2,340	2,340	2,340	2,340	2,340	2,340	2,340	2,340	2,340	2,340	2,340	2,340	2,340	2,340	2,340
Market	3,450	3,105	2,760	2,415	2,070	3,834	3,067	2,684	2,300	1,916	3,834	3,451	3,067	2,684	2,300
Affordable 85%	6,727,500	6,024,750	5,322,000	4,619,250	3,916,500	6,338,880	5,636,130	4,933,380	4,230,630	3,527,880	6,338,880	5,636,130	4,933,380	4,230,630	3,527,880
Capital Value	0	302,738	605,475	908,213	1,210,950	0	316,944	633,888	950,832	1,267,776	0	316,944	633,888	950,832	1,267,776
Costs	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Land Used	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
E/F/h	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450
Uplift/E/F/h	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450
Cost	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000
Strategic Promotion Planning	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Construction	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037
Infrastructure	3,577,650	3,577,650	3,577,650	3,577,650	3,577,650	4,639,140	4,639,140	4,639,140	4,639,140	4,639,140	3,577,650	3,577,650	3,577,650	3,577,650	3,577,650
Abnormals	536,648	536,648	536,648	536,648	536,648	698,871	698,871	698,871	698,871	698,871	536,648	536,648	536,648	536,648	536,648
Fees	357,765	357,765	357,765	357,765	357,765	463,914	463,914	463,914	463,914	463,914	357,765	357,765	357,765	357,765	357,765
Contingency	286,212	286,212	286,212	286,212	286,212	371,131	371,131	371,131	371,131	371,131	286,212	286,212	286,212	286,212	286,212
Finance Costs	89,441	89,441	89,441	89,441	89,441	115,979	115,979	115,979	115,979	115,979	89,441	89,441	89,441	89,441	89,441
Sales	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Misc. Financial	201,825	190,725	179,624	168,524	157,424	201,825	180,725	169,624	158,524	147,424	201,825	180,725	169,624	158,524	147,424
Subtotal	5,194,541	5,183,440	5,172,340	5,161,240	5,150,139	6,643,331	6,632,230	6,621,129	6,610,028	6,598,927	5,261,781	5,250,680	5,239,579	5,228,478	5,217,377
Interest	363,618	363,618	363,618	363,618	363,618	463,914	463,914	463,914	463,914	463,914	363,618	363,618	363,618	363,618	363,618
Profit %GDV	1,418,224	1,344,086	1,269,948	1,195,750	1,121,552	1,501,633	1,423,995	1,346,357	1,268,719	1,191,081	1,418,224	1,344,086	1,269,948	1,195,750	1,121,552
COSTS	6,976,382	6,890,347	6,804,312	6,718,276	6,632,241	8,608,926	8,518,854	8,428,781	8,338,708	8,248,636	6,987,301	6,900,266	6,815,231	6,729,195	6,644,159
Residual Land Worth	-248,882	-532,859	-816,837	-1,100,814	-1,384,791	-1,668,768	-1,952,745	-2,236,722	-2,520,700	-2,804,677	-345,836	-629,814	-913,791	-1,197,768	-1,481,745
Additional Profit	-410,882	-694,859	-978,837	-1,262,814	-1,546,791	-1,772,768	-2,008,030	-2,243,333	-2,478,636	-2,713,939	-588,836	-1,163,791	-1,437,768	-1,721,745	-2,006,722
E/F/h	-119	-201	-284	-366	-448	-528	-606	-686	-766	-846	-170	-334	-417	-499	-581
Existing Use Value	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Viability Threshold	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000
Residual Value	-497,764	-1,065,719	-1,633,673	-2,201,628	-2,769,582	-3,337,537	-3,905,492	-4,473,447	-5,041,402	-5,609,357	-694,673	-1,262,628	-1,830,582	-2,398,537	-2,966,492

# Appendix 5 – Non-Residential Appraisals

			Greenfield	Industrial	Offices	Distribution	Supermarkets Larger	Supermarkets Smaller	Retail Warehouse	Shops	Hotels
Income	m2		1,000	500	3,000	4,000	1,200	4,000	1,620		1,620
	£/m2		700	1,292	1,292	2,500	2,500	1,700	2,500		2,500
	<b>Capital Value</b>		<b>700,000</b>	<b>646,000</b>	<b>3,876,000</b>	<b>10,000,000</b>	<b>3,000,000</b>	<b>6,800,000</b>	<b>4,050,000</b>		<b>4,050,000</b>
Costs	Land Used	Coverage ha	66%	60%	30%	25%	30%	30%	40%		40%
		£/ha	0.152	0.083	1.000	1.600	0.400	1.333	0.405		0.405
		Uplift £/ha	20,000	20,000	20,000	20,000	20,000	20,000	20,000		20,000
			300,000	300,000	300,000	300,000	300,000	300,000	300,000		300,000
			4,000	4,000	4,000	4,000	4,000	4,000	4,000		4,000
		<b>Cost</b>	<b>49,091</b>	<b>27,000</b>	<b>324,000</b>	<b>518,400</b>	<b>129,600</b>	<b>432,000</b>	<b>131,220</b>		<b>131,220</b>
	Strategic Promotion Planning		50,000	50,000	50,000	50,000	50,000	50,000	50,000		50,000
			50,000	50,000	50,000	50,000	50,000	50,000	50,000		50,000
	Construction	/m2	759	1,341	585	1,379	1,212	680	1,643		1,643
	BREEAM	5.0%	38	67	29	69	61	34	82		82
		£	796,950	704,025	1,842,750	5,791,800	1,527,120	2,856,000	2,794,743		2,794,743
	Infrastructure	10.00%	79,695	70,403	368,550	579,180	152,712	285,600	279,474		279,474
	Abnormals	0.00%	0	0	0	0	0	0	0		0
	Fees	8.00%	63,756	56,322	147,420	463,344	122,170	228,480	223,579		223,579
	Contingency	2.50%	19,924	17,601	46,069	144,795	38,178	71,400	69,869		69,869
	Finance Costs		20,000	20,000	20,000	40,000	10,000	10,000	10,000		10,000
	Sales	3.00%	21,000	19,380	116,280	300,000	90,000	204,000	121,500		121,500
	Misc. Financial		10,000	10,000	10,000	50,000	10,000	10,000	10,000		10,000
	<b>Subtotal</b>		<b>1,111,325</b>	<b>997,730</b>	<b>2,651,069</b>	<b>7,469,119</b>	<b>2,050,180</b>	<b>3,765,480</b>	<b>3,609,165</b>		<b>3,609,165</b>
	Interest	7.00%	77,793	69,841	185,575	522,838	143,513	263,584	252,642		252,642
	Profit % GDC	20.00%	222,265	129,200	775,200	2,000,000	600,000	1,360,000	810,000		810,000
	<b>COSTS</b>		<b>1,411,382</b>	<b>1,196,771</b>	<b>3,611,844</b>	<b>9,991,957</b>	<b>2,793,692</b>	<b>5,389,064</b>	<b>4,671,807</b>		<b>4,671,807</b>
	<b>Residual Land Worth</b>		<b>-711,382</b>	<b>-550,771</b>	<b>264,156</b>	<b>8,043</b>	<b>206,308</b>	<b>1,410,936</b>	<b>-621,807</b>		<b>-621,807</b>
	Additional Profit		-760,473	-577,771	-59,844	-510,357	76,708	978,936	-753,027		-753,027
			-760	-1,156	-20	-128	64	245	-465		-465
	Existing Use Value	£/ha	20,000	20,000	20,000	20,000	20,000	20,000	20,000		20,000
	Viability Threshold		324,000	324,000	324,000	324,000	324,000	324,000	324,000		324,000
	Residual Value		<b>-4,695,124</b>	<b>-6,609,255</b>	<b>264,156</b>	<b>5,027</b>	<b>515,770</b>	<b>1,058,202</b>	<b>-1,535,326</b>		<b>-1,535,326</b>







**HDH Planning and Development Ltd** is a specialist planning consultancy providing evidence to support planning authorities, land owners and developers.

The firm is led by Simon Drummond-Hay who is a Chartered Surveyor, Associate of Chartered Institute of Housing and senior development professional with a wide experience of both development and professional practice. The firm is regulated by the RICS.

The main areas of expertise are:

- Community Infrastructure Levy (CIL)
- District wide and site specific Viability Analysis
- Local and Strategic Housing Market Assessments and Housing Needs Assessments
- Future Housing Numbers Analysis (post RSS target setting)

HDH Planning and Development have clients throughout England and Wales.

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<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICE COMMITTEE</b>	<b>AGENDA ITEM: 13</b>
<b>DATE OF MEETING:</b>	<b>20<sup>th</sup> AUGUST 2015</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>MIKE HAYNES – DIRECTOR OF HOUSING AND ENVIRONMENTAL SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>MATT HOLFORD – ENVIRONMENTAL HEALTH MANAGER (EXT. 5856)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>PUBLIC SPACES PROTECTION ORDERS AND FIXED PENALTY NOTICE SANCTIONS UNDER THE ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>All</b>	<b>TERMS OF REFERENCE: EDS14, HCS10</b>

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## **1. Recommendations**

- 1.1 That Members approve the proposed consultation process for the production of District-wide Public Spaces Protection Order or Orders (PSPO).
- 1.2 That Members approve the proposed procedure for the development of future PSPOs where they are of limited geographical scope.
- 1.3 That Members approve the proposed Fixed Penalty Notice charges under the Anti-Social Behaviour Crime and Policing Act 2014.

## **2. Purpose of Report**

- 2.1 To seek approval from Members on the process of consulting on, and seeking approval for, South Derbyshire Public Spaces Protection Order(s) both now and in the future.
- 2.2 To seek approval from Members on the level of penalty to be imposed in the event of the issue of Fixed Penalty Notices for breaches of PSPOs and other offences.

## **3. Background**

- 3.1 The Anti-Social Behaviour Crime and Policing Act 2014 (“the Act”) introduced various new discretionary powers for the police and local authorities to take to tackle anti-social behaviour.

- 3.2 The Act revokes 19 forms of legal intervention contained in previous statutes and replaces them with 6 new forms of intervention.
- 3.3 **Civil Injunctions** and **Criminal Behaviour Orders** can be issued by the courts if applied for by the local authorities. **Dispersal Powers** are only available to the Police. **Closure Powers** and **Community Protection Notices** can be applied for by the Council to deal with specific problems in specific circumstances.
- 3.4 The final power – **Public Spaces Protection Notices** (PSPO), offer proactive powers to enable Councils to stop individuals or groups from committing anti-social behaviour in a public place. PSPOs replace various previous powers, namely;
- Dog Control Orders. These enabled specific control to be imposed on the control of dogs on specified areas of land open to the public.
  - Litter Clearing Notices. This enabled notices to be served on land-owners to require land defaced by litter to be cleaned up and kept clean.
  - Street Litter Control Notice. This enabled a notice to be served on premises considered to be contributing to the defacement of streets due to litter.
  - Graffiti / Defacement Removal Notice. This enabled a notice to be served requiring graffiti which is offensive or detrimental to local amenity to be removed.
  - Designated Public Place Order. This gave police officers discretionary powers to require a person to stop drinking and confiscate alcohol or containers of alcohol in public places
  - Gating Order. This enabled Councils to restrict public access to public rights of way to assist in the reduction of crime or anti-social behaviour.
- 3.5 Thankfully, levels of anti-social behaviour in South Derbyshire are low. Therefore, there has been little previous need to make use of the powers revoked by the Act. There are no existing Litter Clearing Notices, Street Litter Control Notices or Graffiti / Defacement Removal Notices in place, nor have there been for some years.
- 3.6 There are three current South Derbyshire Dog Control Orders. These were introduced in 2008 and revised following E&DS approval in 2013. The three Orders require dog mess to be removed 'forthwith'; require dogs to be kept on a lead in a number of the Districts parks and open spaces; and prohibit dogs entirely from other parks and open spaces.
- 3.7 There is also an existing Designated Public Place Order (DPPO) in place at Eureka Park. This order was introduced in 2010. This order gives police officers the power to confiscate alcohol on request.
- 3.8 The existing Dog Control Orders and the DPPO will remain in force until revised by a PSPO. If they are not revised they will automatically transfer into a PSPO three years after the Act took effect (October 2014).
- 3.9 Before making a PSPO the Council must be satisfied that the behaviour being restricted;
- Is having, or be likely to have, a detrimental effect on the quality of life of those in the locality;

- Is persistent or continuing in nature;
- Is unreasonable, and
- The impact of the behaviour justifies the restrictions being proposed.

3.10 The PSPO can control the unreasonable behaviour by imposing conditions on the use of a specified area which will apply to everyone. Statutory guidance issued by the Home Office advises that a PSPO is “*designed to make public spaces more welcoming to the majority of law abiding people and communities and not simply restrict access*”.

3.11 Once declared a PSPO can last up to 3 years. After this it must either be extended or it is automatically revoked. The controls contained in a PSPO can be varied or removed at any time.

3.12 Where the conditions of a PSPO are breached there are two possible sanctions. Firstly, a Fixed Penalty Notice (FPN) can be issued which, if paid, discharges the liability for the offence. If the offence is not admitted or the FPN is not paid then the offence can be taken to a magistrates court to seek a prosecution. Where a PSPO is used for restricting alcohol consumption, a FPN will only be issued to an individual if they fail to comply with a request to cease drinking or surrender the alcohol.

3.13 FPNs can be issued by Police Officers, PCSOs, Council Officers or anyone else authorised by the Council. Prosecutions can only be taken by the Council. FPN’s issued in relation to alcohol consumption or use of a legal high substance will be issued by either a PCSO or Police Officer.

3.14 The contents of a PSPO can be challenged in the High Court within 6 weeks of it being made. The challenge can be either on the basis that the Council did not have the power to make the relevant restriction, that the relevant tests stated in para 3.9 above are not met or that the procedural requirements for creating a PSPO were not met.

3.15 The statutory guidance offers some indication of the potential contents of a PSPO. Specifically it mentions controlling dogs, the use of alcohol, noise or prohibiting access to certain areas of land.

#### **4. Consultation Proposals**

4.1 Whilst we are keen that there is full and proper public consultation on the contents of any possible PSPOs, the very open nature of the possible contents make it difficult to provide a clear scope on the consultation process. We therefore propose to follow the following process;

4.1.1 **Phase 1.** We will send a briefing paper to key stakeholders to explain the purpose of a PSPO, to explain the existing controls in place in South Derbyshire (namely those described in para 3.6-3.7) and to seek their views on any proposals they would like to bring forward. The key stakeholders are Derbyshire Constabulary, Derbyshire County Council, Parish Councils and all SDDC Councillors.

4.1.2 We will report to the South Derbyshire Health and Wellbeing Action Group and the Safer South Derbyshire Partnership.

- 4.1.3 We will use a simple evaluation matrix using the tests in para 3.8 to assess any proposals made by stakeholders. As an outcome from Phase 1 we will produce a set of draft PSPOs.
- 4.1.4 **Phase 2.** We will issue draft PSPOs for ‘informal’ public consultation. This will include writing directly to relevant interest groups in areas where the draft PSPOs are proposed to take effect. Relevant interest groups will include relevant ‘Friends of’ groups in the District, the Chamber of Commerce, relevant secondary schools, etc. We will send the proposed PSPOs to Area Forum attendees. We will produce an online consultation questionnaire and post temporary public notices at the entrances of all of the public spaces contained in the draft PSPO.
- 4.1.5 We will evaluate the feedback to each of the proposals in the draft PSPOs based on the relative popularity of the response. We will also use the simple evaluation matrix to evaluate any additional proposals made outside those contained in the draft PSPOs.
- 4.1.6 At the end of Phase 2 we will submit a further report to E&DS with a set of final draft Public Space Protection Orders seeking approval to go to the final formal consultation phase.
- 4.1.7 **Phase 3.** This will be the formal consultation phase necessary to demonstrate compliance with the requirements of the Act and the Anti-social Behaviour, Crime and Policing Act 2014 (Publication of Public Spaces Protection Orders) Regulations 2014.
- 4.1.8 Given the extensive consultations undertaken to this point we do not anticipate any significant changes to the final draft PSPOs during this phase. Never the less we propose to return to E&DS following the consultation to seek a final member decision if there are any changes to the draft PSPOs and to seek Committee endorsement of the PSPOs to be issued. This is not strictly necessary under the Act, but Committee endorsement is likely to reduce the chances of a successful appeal of a PSPO.

## **5. Delegated Powers for Future PSPOs**

- 5.1 PSPOs can potentially be very wide in scope or used to deal with local or short-term problems. Local or short-term problems will usually require a relatively rapid response and therefore it would be inefficient to follow the same consultation process described above for all future proposed PSPOs.
- 5.2 If officers consider that there is a need to seek a PSPO for a local or short-term problem we would propose to carry out the statutory consultation exercise required by the Act, but also to consult with the Chair of both E&DS and H&CS prior to making an Order. If, in the opinion of either Committee Chair, the PSPO needs Committee endorsement then we would propose to submit a report to the respective Committee before making the Order.
- 5.3 Given that all PSPOs have a maximum duration of 3 years, we would propose to follow a similar process to that described in Section 4 of this report every 3 years in order to regularly review the existing PSPOs.

## **6. Fixed Penalty Notice**

- 6.1 The Clean Neighbourhoods and Environment Act 2005 gave local authorities the option of issuing fixed penalty notices as a way of dealing quickly with low level nuisance behaviour.
- 6.2 E&DS on 16<sup>th</sup> July 2006 approved various charges for Fixed Penalty Notices issued by South Derbyshire officers. The Anti-Social Behaviour, Crime and Policing Act 2014 brings in new offences which can be also be dealt with by way of a Fixed Penalty Notice.
- 6.3 The Act contains maximum Fixed Penalty Fees which cannot be exceeded and gives the option of the local authority offering a lower fee for early (within 14 days) payment.
- 6.4 In order for officers to utilise the fixed penalty notice options, E&DS need to approve the maximum and discounted fee. Table 1 below shows the maximum fixed penalty charge permitted under the Act. The table also contains the proposed maximum and discounted fee proposed to be used locally.

### 6.5 Table 1

Nature of Offence	Legislative Power	Maximum Permitted Charge	Proposed Charge	Proposed Charge with discount for early payment
Failing to comply with a Community Protection Notice	s.52 Anti-Social Behaviour Crime and Policing Act 2014	£100	£100	£70
Failure to comply with a Public Spaces Protection Order	s.68 Anti-Social Behaviour Crime and Policing Act 2014	£100	£100	£70

## 7. Financial Implications

- 7.1 Minor. The costs of the implementation of new PSPOs cannot be estimated until the details of the final proposals are known. We are likely to use existing staff resources to enforce the Orders and therefore do not anticipate any additional staff revenue costs. There will be additional costs associated with signage, but there may be additional income associated with revenue from penalty notices.

## 8. Corporate Implications

- 8.1 The proposals align with the “safe and secure” Corporate Plan Theme.

## 9. Community Implications

- 9.1 None

## 10. Conclusion

10.1 The proposals set out a process for consulting on the contents of proposed Public Spaces Protection Orders which go well beyond the legal minimum as well as setting out a process for the creation of future PSPOs if there is an acute or local need. The proposals will also enable Council enforcement officers to utilise all of the available legal interventions contained in the Anti-Social Behaviour, Crime and Policing Act 2014.

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<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 14</b>
<b>DATE OF MEETING:</b>	<b>20 AUGUST 2015</b>	<b>CATEGORY</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF COMMUNITY &amp; PLANNING SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>KEVIN EXLEY (EXT. 8717)</b> <a href="mailto:Kevin.exley@south-derbyshire.gov.uk">Kevin.exley@south-derbyshire.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>DERBY AND DERBYSHIRE MINERALS LOCAL PLAN</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>DISTRICT</b>	<b>TERMS OF REFERENCE: EDS03</b>

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## **1.0 Reason for Exempt (if appropriate)**

1.1 Not applicable

## **2.0 Recommendations**

2.1 That the contents of Derby City Council's and Derbyshire County Councils 'Towards a Minerals Local Plan Consultation be noted; and

2.2 That Derbyshire County Council and Derby City Council, in their role as Minerals Planning Authority, (MPA) be informed that:

- policy SMP2 (Climate Change) is unlikely to conform with the NPPF as drafted and should be strengthened to ensure that new development be made safe without increasing flood risk elsewhere;
- that the Authority notes the proposed sand and gravel apportionment and the MPAs preference for extensions in the Trent and Derwent Valley over the opening up of new sites on the western part of the Trent Valley or Lower Dove Valley;
- that the Authority supports a coherent and comprehensive approach to managing change within the Trent Valley including through the restoration of existing and future minerals sites;
- that appropriate provision is made for considering cumulative effects through the plan making and development control processes to ensure that communities affected by continued and further development, particularly to sand and gravel working in the Trent Valley, are not unacceptably impacted by minerals operations;
- that a specific coal extraction policy be included in the plan reflecting the potential for this resource to be worked in South Derbyshire to ensure that communities, businesses and the local environment are not unduly effected should further development come forward within the Plan period;
- that further liaison regarding the scope and wording of a minerals safeguarding policy may be beneficial between the MPA and this Authority.

### **3.0 Purpose of Report**

- 3.1 To inform Members on the proposals set out in the current consultation on the Minerals Local Plan being undertaken by the Minerals Planning Authorities for Derbyshire, (Derby City Council and Derbyshire County Council).
- 3.2 Responses are required to be submitted to Derbyshire County Council by 31st August 2015. A copy of the draft documents are available online at [www.tiny.cc/MinsPlan](http://www.tiny.cc/MinsPlan)

### **4.0 Executive Summary**

- 4.1 The Minerals Local Plan will set out the detailed planning strategy and policies to enable the delivery of minerals development within Derby and Derbyshire to 2030. The Plan will seek to ensure that sufficient opportunities for mineral development are provided in order to maintain the adequate and steady supply of minerals to support growth, regeneration and economic development, whilst protecting the environment and local communities from any significant adverse impacts from extraction.
- 4.2 The current consultation consists of a series of thematic based papers considering issues such as sand and gravel, hard rock; coal and brick clay and fireclay as well as overarching issues such as cumulative impacts of minerals working and a strategy for the River Valleys. The result of this consultation will inform the emerging Draft Minerals Local plan and will be used to develop the vision, objectives, strategies and policies (including allocations) to be included in the Plan.
- 4.3 Once adopted the Minerals Local Plan will provide the main policy guidance for assessing planning applications for minerals development in Derbyshire and Derby City.

### **5.0 Detail**

- 5.1 The County of Derbyshire has a wealth of minerals resources. Minerals extraction and development has, for a long time, been a part of the Derbyshire Landscape and an important part of the Local Economy. The County Council and City Council jointly (as the Minerals Planning Authorities for Derbyshire) are seeking to bring forward a Minerals Local Plan to set out the future scale and location of minerals working in Derby and Derbyshire to support economic growth whilst protecting the environment and local communities.
- 5.2 The preparation of the Plan commenced in 2009 when a stakeholder event was held by the Authorities to scope in issues to be addressed in the Plan. An Issues and Options Consultation was then held in 2010. This was followed by a number of drop sessions which were held in the autumn of 2012 in respect of sand and gravel extraction. A further consultation was held on the Local Aggregate Assessment (LAA) which identified the amount of aggregate minerals (crushed rock and sand & gravel) that each MPA will need to provide to maintain continuity of production for a seven year period was consulted upon in 2012. An officer response to this consultation is appended to this report for information.
- 5.3 This current consultation, sets out a series of papers, which seek to develop further the emerging vision, objectives and policies of the Minerals Local Plan.

This committee report will concentrate on those issues of relevance to South Derbyshire only and for the sake of simplicity will consider issues on a thematic basis consistent with the approach adopted by the MPAs in presenting the consultation.

### **Towards Strategic Sustainability Principles**

- 5.4 This part of the broader consultation incorporates four draft policies. These are of a strategic nature and help set out broad principles which will apply to future minerals development. However, having reviewed the scope and wording of these it is considered by this Authority that a number of policies will require further refinement if they are to be effective and in some cases consistent with the National Planning Policy Framework (NPPF). Policies which could benefit from amendment are as follows:

#### **Emerging Policy SMP2: Climate Change.**

- 5.5 This policy, as currently drafted, would be inconsistent with the requirements of the NPPF. Whilst the consideration of flood risk is an important part of any climate change policy, currently the policy indicates a possible requirement of the policy would be to incorporate measures to minimise flood risk associated with development. The NPPF requirement sets a higher bar than this requiring that where development [in the floodplain] is necessary it must be made safe without increasing flood risk elsewhere (paragraph 100). In light of this it is considered that the policy would need amending to properly reflect national planning policy.
- 5.6 As the joint authorities note in their consultation, it is a matter of fact that minerals resources must be worked where they are found and in the case of sand and gravel resources they are often found on the floodplain and terraces around river channels which are often prone to flooding. In order to reduce flood risk to many of the communities which lie close to the District's main rivers flood defences have been constructed in a number of locations in South Derbyshire (For example around Shardlow and Ambaston around the Derwent/ Trent confluence and around Hatton, Scropton and Egginton in the Lower Dove Valley). Given the importance of these schemes to protecting existing homes and businesses within these vulnerable locations it would be appropriate to ensure that any policy also includes a criteria to 'Not affect the integrity or continuity of existing flood defences'.
- 5.7 These two policy revisions together would help safeguard key flood prevention infrastructure and provide clear requirements for new development to not exacerbate flood risk and could help allay some of the concerns raised by local communities during previous drop in events about the potential of additional sand and gravel developments to increase flood risk and undermine existing defences.
- 5.8 Emerging Policy 3 (Other Principles More Locally Distinctive to Derbyshire) and Emerging Policy 4 (Spatial Strategy). The wording of these policies appear to allow for developments that can (in special circumstances) have an adverse effect on environmental designations and harm the special and natural character of the areas, or allows for developments to have a negative impact on local amenity, quality of life and the environment respectively. Whilst given the scale and nature of minerals operations it is often likely that some impacts from development could arise, it would appear that the wording of policies SMP3 and SMP4 is slightly at odds with SMP1 (Overarching Sustainability Options) which sets out a presumption in favour of sustainable development and seeks to secure well designed schemes and development that make the most efficient use of resources and improves the economic, social and environmental conditions in the plan area. Whilst the inconsistencies of these policies are not likely to affect the overall soundness of the Plan it may be beneficial for the MPA to refine the policies.

## Towards A Strategy for Sand and Gravel

5.9 The draft policy for the Provision of Sand and Gravel in the MPA states the following: Derbyshire and Derby will maintain the provision for the production of land won sand and gravel at a rate of 1.09mtpa throughout the Plan period. This figure will be kept under review and revised if necessary in accordance with the Local Aggregate Assessment. The MPAs will maintain a land bank of at least seven years of planning permissions for the extraction of sand and gravel.

### Overall Need

5.10 This document sets out a summary of the MPAs consideration of National Policy, its own vision and objectives as well as its progress to date in calculating the overall sand and gravel requirements for the County. Officers have previously engaged the County Council in respect of its approach to defining the annual sand and gravel requirements in Derbyshire for the purposes of identifying an appropriate methodology on which to calculate its land bank through the Local Aggregate Assessment. This document, together with other evidence and consultation undertaken by the County Council has led to the MPA identifying a need for 1.09mt of sand and gravel per annum. This is markedly lower than a forecast need identified in the Draft Local Aggregate Assessment published in 2012 which indicated a need for 1.35mt per year (although this made an allowance for extra provision to provide flexibility to increase supply should it be required). The lower level, as now proposed would lead to a total requirement of 18.5mt rather than 23.00mt needing to be met on existing or new sites within the plan period. Clearly such a notable reduction could reduce the overall number of sand and gravel sites allocated within the Plan period.

5.11 The justification for setting the sand and gravel requirement at the level now proposed is largely based on historic sand and gravel extraction in the County (see figure 1 below). It is clear there is a trend towards the long term decline in the extraction of sand and gravel in the County, (this trend has occurred nationally also). This decline is most likely to due to the more efficient use of minerals and the reuse of secondary or recycled minerals. However the decline in extraction of sand and gravel accelerated from 2007 with the onset of the recession, although appeared to recover slightly in 2011/12 before falling again in 2012. Much of this most recent fall in production in the County is likely to be attributable to the mothballing of Shardlow Quarry in January 2013, which again is likely to reflect the weak state of the economy at this time. However once this site comes back into production there is likely to be a step up in extraction rates and this could well bring production back towards the rolling ten 10 year average and hence the level forecast in the Plan.

**Figure 1: Sand and Gravel Extraction in Derbyshire (in millions of tonnes)**

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Ave
1.36	1.34	1.20	1.22	1.10	0.91	1.04	1.1	0.81	0.82	1.23

5.12 Given that there is an expectation that future sand and gravel need will increase to meet local construction demand as the economy picks up, it is likely that the requirement of 1.09mt identified by the County Council could reflect actual average demand, at least in the medium term, although it may be the case that the long term trend towards declining demand could continue at some level though out the Plan period. Equally there could be greater demand should a number of large scale infrastructure projects come forward in the Plan period. In order to address this the County Council has indicated that it would revise the sand and gravel requirement in accordance with the Local Aggregate Assessment.

5.13 In light of the above it is likely that the sand and gravel requirement expressed in the policy is reasonable and the inclusion of a clause to keep under review local need is

a sensible policy approach for managing sand and gravel extraction over the course of the Plan period.

### **Site Selection Process**

- 5.14 The County Council has not sought to weight individual sites based on location. As a result no sites are identified as less appropriate for development on the basis of which general area or river valley they fall within. However, it is worth noting that the MPA does set out a preference for extensions rather than the opening up of new sites partially on the basis of guidance included in the National Planning Policy Guidance (and the likely sustainability benefits which flow from being able to reuse existing plant and safeguarding existing jobs etc.) but also based on previous consultations responses on this issue.
- 5.15 However it is worth noting that as existing sand and gravel workings within South Derbyshire are restricted to the Trent and Derwent Valley areas, this approach does, in effect, significantly reduce the likelihood of any minerals workings being allocated for the Lower Dove Valley for the current plan period to 2030 as there are no current workings within this area.

### **Towards a Strategy for the River Valleys**

- 5.16 Historically the restoration of sand and gravel sites in the Plan area has concentrated on the specific requirements of the site rather than considering its context in the wider surrounding landscape of the river corridor. As working has taken place over a wider area this has created a landscape which has become increasingly fragmented.
- 5.17 A number of local authorities and governance bodies are seeking to promote a more integrated approach to minerals planning (and restoration) as well as other types of development in the Trent Valley in order to create a more connected, attractive landscape which can deliver economic, cultural and environmental benefits for the people who live within or visit the area. This project has received backing from the Local Nature Partnership (LNP) who have identified work to deliver the Trent Valley Vision as a core project. It is also worth noting that the Part 1 Local Plan includes the following policy [INF7 Green Infrastructure] to support the delivery of this vision:
- 5.18 Extract from Policy INF7:  
*“Within the Trent Valley the District Council will support and help deliver the landscape scale change as promoted by the Lowland Derbyshire and Nottinghamshire Local Nature Partnership. Any development within the area defined by the Trent Valley Vision will be expected to contribute towards and assist in delivering the vision in accordance with the strategy. Such contributions may be in the form of appropriate design, suitable form and function, the delivery of Green Infrastructure, landscape and habitat enhancement, financial contributions or other mechanisms as appropriate, to deliver an overall benefit within the Trent Valley Vision area”.*
- 5.19 The evidence collated by the County Council’s Conservation and Design Section to inform the emerging Trent Valley Vision and presented alongside the consultation indicates that generally areas located in the western part of the Trent Valley (from Willington westwards) and within the Lower Dove Valley are more sensitive to change in respect of landscape, the historic environment and nature conservation value than those located to the east. As such this evidence highlights that there is greater capacity to accommodate further minerals sites in the eastern half of the Trent Valley – at least in respect of environmental capacity. Clearly this could lead to cumulative impacts given that extensive minerals working have taken place in this broad area in the past (and indeed working is still taking place at a number of sites) and this issue is considered later in the report.

- 5.20 However the potential concentration of sites within a more narrowly defined area does present greater opportunity to coordinate and affect positive change in a part of the Trent Valley which lacks many of the essential qualities or features found in the more sensitive parts of the Trent and Lower Dove River Corridors. As such the strategic assessment of environmental sensitivity undertaken by the County Council represents a positive approach to identifying sites for minerals allocation as well as a useful tool for guiding and coordinating site restoration across existing and future sites.
- 5.21 Moreover the creation of vision and strategy for the Trent Valley could help deliver long term economic, environmental and community benefits in areas identified as being less sensitive and could in the medium to long term have a transformative effect on the landscape, as well as the environmental and cultural quality of the District's River Valleys. On this basis, irrespective of the sites eventually allocated by the MPA, a more holistic and coherent approach to allocating and restoring minerals sites should be supported.

### **Towards a Strategy for Cumulative Impacts**

- 5.22 National Planning Policy Framework and National Planning Policy Guidance requires that mineral planning authorities should include appropriate policies in their minerals local plan, where appropriate, to ensure that the cumulative impact of a proposed mineral development on the community and the environment will be acceptable. The cumulative impact of mineral development is also capable of being a material consideration when determining individual planning applications.
- 5.23 Given the potential for new minerals provision within the Trent and Derwent Valleys as extensions to existing sites it is crucial that both successive effects (for example arising from extensions to existing sand and gravel sites) and simultaneous effects (arising from the additive effects of a number of sites in relatively close proximity) be considered through the plan-making process and appropriate policies included in the Plan to ensure that local communities and the local environment are not unacceptably impacted by minerals development.

### **Towards a Strategy for Coal**

- 5.24 The consultation considers a number of issues relating to Coal extraction. The first relates to shallow coal resources. The MPA has indicated a range of options for identifying future coal extraction in the County. These are as follows:
- **Options 1:** Identify on a plan the extent of the shallow coal resource and separately list the main environmental, social and economic constraints to coal mining development
  - **Option 2:** Identify on a plan the broad locations where coal extraction may be acceptable. If you favour this option please indicate the methodology you would use to help define these broad locations.
  - **Option 3:** Identify on a Plan specific sites where coal extraction could be suitable.
- 5.25 Having reviewed the three options and considering the current economic and political position in respect of coal and the lack of current sites in the District (within the South Derbyshire Coalfield) it is suggested that Option 1 would represent the most sensible approach to managing shallow coal resources. This approach would avoid the need for identifying specific areas or sites for future extraction, which in turn could protect local communities from planning blight. Moreover as there is no requirement in the NPPF to identify specific areas or sites for coal extraction or set out a need for a landbank in respect of coal this approach would conform to national guidance.

- 5.26 A further issue considered in the Mineral Local Plan in respect of coal relates to 'sustainable principles for the provision of coal'. The Plan states the following:
- 5.27 Emerging Sustainable principles for coal development should seek to ensure that:
- The development can be carried out in an economic, social and environmentally acceptable manner, where the impacts can be appropriately mitigated by planning conditions or obligations.
  - The development does not result in significant adverse cumulative impacts
  - Satisfactory provision has been made for the restoration and aftercare of the site, including where possible, progressive restoration and to a standard which enables beneficial after-uses of the restored site
  - The development would provide national, local or community benefits which clearly outweigh the adverse impacts.
- 5.28 Whilst it is accepted that the above general environmental principles provides a reasonable basis on which to guide decision making in respect of minerals development in general, often coal extraction leads to social and economic issues which the above criteria are silent on. On this basis the MPA has consulted whether an additional policy specifically concerning coal extraction is required. Having considered this issue it is likely that such a policy would provide greater clarity regarding the issues which would need assessing prior to development decisions being taken on both shallow and deep mined coal and would be consistent with the NPPF. Dependent on the scope of any proposed policy this could place greater emphasis on the consideration of social and economic issues. Moreover coal mining often gives rise to legacy issues and impacts which do not occur in other developments, these issues can more carefully be controlled through a specific coal policy rather than a generic environmental policy which would apply to all types of development. It is also worth noting that development in much of the South Derbyshire Coalfield has the potential to affect the River Mease Special Area of Conservation SAC both during and post operation where minerals working take place in this catchment. Given the importance and sensitivity of this site to changes in water quality and discharges any policy should seek to ensure adequate provision for the protection of this site.

### **Brick Clay and Fireclay**

- 5.29 There no Brick Clay or Fireclay sites currently operating in South Derbyshire. Based on the level of permitted reserves and estimated future production rates at active brick clay sites the Plan can meet the anticipated demand for brick clay to 2030. It is likely however that additional sites will be required through the Plan period to ensure consistency of supply.

### **Minerals Safeguarding**

- 5.30 Government policy in the National Planning Policy Framework (2012) sets out that mineral resources should be considered equally alongside all other natural assets when determining planning applications for new development. It requires, therefore, that all mineral planning authorities define Mineral Safeguarding Areas (MSAs) so that known locations of specific mineral resources of local and national importance are not needlessly and unnecessarily sterilised by non-mineral development.
- 5.31 South Derbyshire District Council has already proposed a minerals safeguarding policy in its emerging Part 1 Local Plan. (Policy SD5). This states that development proposals will not be allowed in 'minerals safeguarding areas where they may sterilise economically workable minerals deposits except where development conforms with the criteria set out in the Minerals Safeguarding Policy included in the Derbyshire Minerals Local Plan'[Page 257 of 280](#)

5.32 Part of the MPAs approach to minerals safeguarding is the proposed creation of buffer zones around sites. Whilst this may create a more effective policy as it could prevent development immediately adjacent to a safeguarded area this approach may not be fully compatible with the wording of our own emerging policy and indeed that of other local planning authorities in Derbyshire and further discussion on the scope or wording of this policy may be beneficial. Should you wish to discuss this issue further please contact Planning Policy on 01283 228717.

5.33 Finally, please note no comments are made in respect of the following consultation chapters as these are not considered to be of significance to this Authority.

- 1 Spatial Strategy
- 2 Aggregate Crushed Rock
- 3 Building Stone
- 4 Industrial Limestone
- 5 Reducing quarrying in the Peak Park

## **6.0 Financial Implications**

6.1 None.

## **7.0 Corporate Implications**

7.1 Proposals will have a short to medium-term impact negative impact on a number of the Councils Corporate objectives. Not least those to enhance the quality of life for all South Derbyshire Residents and to protect the environment now and for the benefit of future generations. However, the policies included in the plan should help ameliorate the worst effects of minerals development during extraction and in the longer term proposals could allow progress against both these objectives depending on the after use of sites.

## **8.0 Community Implications**

8.1 Proposals will have a significant negative impact of a number of local communities within the District particularly in the short-term to medium term. The after use of site can have a significant beneficial impact to local communities in the longer-term through the provision of new green infrastructure including recreational or leisure uses.

## **9.0 Background Papers**

1. Towards a Strategy for Aggregate Crushed Rock
2. Towards a Strategy for Brick Clay and Fireclay
3. Towards a Strategy for Building Stone
4. Towards a Strategy for Coal
5. Towards a Strategy for Cumulative Impacts
6. Towards a Strategy for Deep Mined Coal
7. Towards a Strategy for Industrial Limestone
8. Towards a Strategy for Reducing Quarrying in the Peak Park
9. Towards a Strategy for Safeguarding Mineral Resources
10. Towards a Strategy for Sand and Gravel
11. Towards a Strategy for the River Valleys
12. Towards Strategic Sustainability Principles
13. Aggregate Crushed Rock Support Paper

14. Building Stone Supporting paper
15. Cement Supporting Paper
16. Local Aggregate Assessment
17. Trent Valley Project Methodology
18. Brick Clay and Fireclay Supporting Paper
19. Climate Change Supporting Paper
20. Coal Supporting Paper
21. Cumulative Impacts Supporting Paper
22. Industrial Limestone Supporting Paper
23. Safeguarding Mineral Resources Supporting Paper
24. Sand and Gravel Supporting Paper
25. Spatial Portrait

All available by following the link or at: [www.tiny.cc/MinsPlan](http://www.tiny.cc/MinsPlan)

Appendix 1

Officer response regarding Consultation on the Draft Local Aggregate Assessment published in 2012.



**South  
Derbyshire  
District Council**

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Our ref:  
Your ref:

Date: 15 April 2012

Dear Sir/Madam

**DERBY & DERBYSHIRE MINERALS PLAN - LOCAL AGGREGATE ASSESSMENT**

Thank you for consulting South Derbyshire District Council on the above. Please see below an officer response which is made without prejudice to any formal determination which may be made by the Council.

The need for your Authority to identify a 7 year landbank for land won sand and gravel as set out in paragraph 24 of the Guidance on the Managed Aggregate Supply System<sup>1</sup> is recognised and further acknowledge that this should be based on a forecast of the demand for aggregates based on the average of 10-years sales data and other relevant local information. These include an analysis of all aggregate supply options, as indicated by landbanks, mineral plan allocations and capacity data and an assessment of the balance between demand and supply, and the economic and environmental opportunities and constraints that might influence the situation as specified in paragraph 6 of this guidance.

Having reviewed the Local Aggregates Assumption (LAA), the annual apportionment you have identified in respect of sand and gravel (1.35mt) is considered to be reasonable based on the information presented in the report for the purposes of identifying the landbank for sand and gravel over the outlined seven year period\*.

However, given the uncertainty which remains in the evidence, it is not considered prudent to extrapolate an inferred sand and gravel requirement as far ahead as 2030 given the lack of certainty regarding secondary recycled minerals and the developments assumptions laid out in the document. (See Appendix 1 setting out more detailed representations attached).

It is therefore suggested that any reference to indicative requirements for the outlined Plan period (i.e to 2030) included in the Local Aggregates Assessment and based on the figures for the highlighted land bank period be removed from the document at page 26. It seems appropriate to deal with longer-term minerals requirements through the Mineral Local Plan once further information has been collected and certainty about longer-term requirements further refined. This Authority will make formal representations at that stage.

<sup>1</sup> Guidance on the Managed Aggregate Supply System, Department for Communities and Local Government October, 2012



Yours faithfully

Kevin Exley  
Planning Policy Officer (Sustainability)



**Appendix 1 (re. Local Aggregates Assessment)**

In respect of the development assumptions, historic trends seem to indicate that the supply of primary sand and gravel has not exceeded 1.35mt. since 2005. Within the period 2005-07 housing completions in the Derby Housing Market Area (HMA) were running substantially ahead of those likely to be set for the Plan period over the coming fifteen years.

By way of example, the emerging growth strategy for the HMA indicates the need to deliver 1,685 homes annually to 2028. In 2006/07 completions in the same authorities reached 2,034 homes, whilst in 2007/08 they peaked at 2,456. Similarly employment land completions within South Derbyshire alone were at 26ha in 2006 and 16ha in 2007 - well above the likely required annual delivery rate for the Derby HMA as a whole (13.65ha) for the period up to 2028. Given the buoyant economic conditions it is likely that other local Authorities were exceeding their housing requirements also.

Despite elevated levels of growth in this period, primary sand and gravel extraction seemed to continue its long-term decline perhaps suggesting external supplies, or secondary/recycled aggregates were contributing significantly to needs during this period of high growth. This is illustrated in table 2 of the LAA below:

**Table 2: Sales of Sand and Gravel in Derbyshire 2001-20102 (million tonnes)**

2002	03	04	25	06	07	08	09	10	11	Ave
1.53	1.48	1.36	1.34	1.20	1.22	1.10	0.91	1.04	1.1	1.23

Given the above, it is clear that long-term need for primary sand and gravel has fallen in recent years (even when the economy was buoyant and housing and employment completions were well ahead of the annual requirements now being set in emerging plans).

Nonetheless it is likely that some of fall in demand (and hence extraction) in the latter part of the period has been attributable to the depressed state of the economy (and will no doubt recover in due course). However given the difficulty in distinguishing the fall attributable to the long-term structural changes to sand and gravel use from those related to the recent economic conditions, it would seem sensible to exclude any consideration of the period beyond that necessary seven year land bank period. This view is reinforced by the absence of further information on the likely rates of re-use of secondary and recycled material and improvements to construction technologies suggested in the LAA.

Furthermore, making allowances for one-off infrastructure projects and using this as a basis to uplift the historic delivery average of 1.23mt per annum to a requirement of 1.35mt, seems unnecessary. A number of major infrastructure projects have taken place since 2002 (such as M1 widening, completion of Nottingham Express Transit line 1 etc). Such one-offs will already have been accounted for in the actual figures. Making allowance for future schemes such as the strategic rail freight interchange facility to the south of Derby (for which no application has yet been submitted and may not be consented if any application is forthcoming) also seems unnecessary as at present and should not be used as a basis for justifying elevated material requirements beyond the landbank period.



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<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 15</b>
<b>DATE OF MEETING:</b>	<b>20 AUGUST 2015</b>	<b>CATEGORY</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF COMMUNITY AND PLANNING SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>KEVIN EXLEY (EXT 8717)</b> <a href="mailto:Kevin.exley@south-derbyshire.gov.uk">Kevin.exley@south-derbyshire.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>LEICESTERSHIRE MINERALS AND WASTE LOCAL PLAN CONSULTATION</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>CHURCH GRESLEY, WOODVILLE, OVERSEAL</b>	<b>TERMS OF REFERENCE: EDS03</b>

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#### **1.0 Reason for Exempt (if appropriate)**

1.1 Not applicable

#### **2.0 Recommendations**

2.1 That the contents of Leicestershire Minerals and Waste Local Plan Consultation be noted; and

2.2 That Leicestershire County Council, in their role as Minerals Planning Authority, (MPA) be informed that South Derbyshire has no objection to the policies and allocations in the Plan,

#### **3.0 Purpose of Report**

3.1 To inform Members of the proposals relevant to South Derbyshire set out in the current consultation on the Minerals Local Plan being undertaken by Leicestershire County Council.

3.2 Responses are required to be submitted to Leicestershire County Council by 28<sup>th</sup> August 2015. A copy of the draft documents are available online at: [http://www.leics.gov.uk/minerals\\_and\\_waste\\_local\\_plan](http://www.leics.gov.uk/minerals_and_waste_local_plan)

#### **4.0 Executive Summary**

4.1 The Minerals Local Plan includes a spatial vision, spatial strategy, strategic objectives, and core policies which set out the key principles to guide the future winning and working of minerals and the form of waste management development in the County over the period to the end of 2031.

4.3 Once adopted the Minerals Local Plan will provide the main policy guidance for assessing planning applications for minerals development in Leicestershire.

## 5.0 Detail

### Minerals Sites

#### Fireclay

- 5.1 A sequence of quality pottery, pipe and refractory clays is associated with the upper seams of the Middle Coal Measures of North West Leicestershire. Although restricted to a relatively small basin between Swadlincote and Moira, these deposits have been recognised as an important national resource. Fireclays are used principally in the production of buff and pale-bodied engineering and building bricks, clay pipes and ceramics.
- 5.2 The principal source of fireclay in Leicestershire is the Donington Island clay stocking facility, which is located within Ashby Woulds to the south of Albert Village. The site contained around 1.4 million tonnes of clay in stockpiles at the end of 2013. Planning permission for the clay stockpiling facility at the site is currently due to expire at the end of 2017.
- 5.3 In order to maintain a sufficient supply to serve local manufacturing works during the plan period, provision of an area for continued clay stocking and blending beyond the current permitted life of the Donington Island site is proposed within the area of the current site. Any such proposal would provide for the further rationalisation of the current site and should allow for the restoration of adjacent land together with enhanced landscaping and other necessary improvements to minimise potential impacts on the environment and local residents.
- 5.4 The document includes a policy regarding Fireclay as follows:

#### **Policy M6: Fireclay**

The County Council will ensure a steady and adequate supply of fireclay by:

1. allowing proposals for extraction where it can be demonstrated that the clays are required to meet a proven need, or particular qualities of clay are required that cannot be obtained from existing permitted reserves;
2. establishing a stocking and blending facility within the Donington Island site, subject to the provision of appropriate landscaping, site infrastructure and amelioration measures including the routeing of HGVs; and
3. supporting the recovery of fireclays associated with the extraction of surface coal.

#### **Comment**

- 5.5 In 2005 Leicestershire accounted for almost one third of total fireclay sales in England with the majority being provided from the Donington Island site. The importance of the Donington Island stocking facility in terms of scarcity of fireclay provides a strong case for its continued operation. This plan would support the long term continuation of the use of this site for blending and stockpiling fireclay past 2017. The previous application to extend the life of the site indicated that an estimated 500 local jobs and 2000 nationally, are directly or indirectly dependent on the Donington Island clay stocking facility. A significant proportion of the clay is transported to the Forest Works in Blackfordby.
- 5.6 Presently the existing planning consent prevents the site from generating more than an average of 88 lorry movements (in and out) with the vast majority of

these (72) routing down Occupation Lane to Park Road and then on to the A444. A smaller number (no more than an average of 16 per day over a five day period) can route via Spring Cottage and Hepworth Road to Forest Works in Blackfordby. However actual vehicle movements to and from the site are lower than the conditions allow for. A vehicle count for the six month period March to August 2009 showed the number of clay vehicles using the site averaged 54 per week.

- 5.6 Given the significance of the fireclay resource on the site its closure could result in stockpiled clay requiring early transport to other facilities which could have a significant and detrimental impact on local traffic flow by significantly boosting flows in the short term. With the above in mind it is recommended that this Authority supports Leicestershire County Council's approach to maintaining a sufficient supply of fireclay to serve local manufacturing works during the plan period is supported.

### **Coal**

- 5.7 Coal deposits occur in north-west Leicestershire where they both crop out at the surface and are concealed. Shallow coal reserves suitable for extraction by means of surface mining are situated in a relatively small area. Surface coal mining operations are currently being carried out at the Minorca site, near Measham.
- 5.8 The County Council does not have the technical or commercial information relating to the quality and extent of reserves to enable the identification of specific areas for future coal working. The Coal Authority produced plans in 2008 showing surface mining potential areas within Leicestershire. These illustrate the spatial area which contains coal resources which are capable of being extracted by surface mining methods. For information there are a number of locations immediately south of Woodville and Church Gresley which are identified as being potentially suitable for surface mining.
- 5.9 The draft Leicestershire Minerals and Waste Local Plan states that the extraction of coal will be determined in accordance with the NPPF. This states that permission should not be given for the extraction of coal unless the proposal is environmentally acceptable, or can be made so by planning conditions or obligations; or, if not it provides national, local or community benefits which clearly outweigh the likely impacts to justify the grant of planning permission.

### **Policy M9: Coal**

- 5.10 In assessing proposals for the extraction of coal, particular regard will be had to:
1. the employment and other economic benefits of the proposal;
  2. any environmental improvements or other material planning benefits to the community likely to result from the proposal;
  3. the contribution of the proposal towards the comprehensive reclamation of areas of derelict or contaminated land, or the remediation of coal mining legacy issues;
  4. the avoidance of the sterilisation of mineral resources in advance of development;
  5. the avoidance of the piecemeal working of surface deposits; and
  6. the need for fireclay.
- 5.11 Any proposals would also be considered against a range of thematic policies included in the emerging Plan which seek to protect communities and the local environment from unacceptable levels of impact. Of most note is policy DM2: (Local Environment and Community Protection). This requires proposals for minerals and waste development be granted if it is demonstrated that the effects from

birdstrikes, dust, emissions, flooding, illumination, noise, odour, run-off, traffic, vibration, or visual intrusion to adjoining land uses and users and those in close proximity to the proposal would be acceptable. This policy also requires appropriate, separation distances between a development and other land uses where necessary.

### **Comment**

5.12 The MPAs approach to coal is likely to be consistent with NPPF policy and is likely to be an appropriate approach to managing future applications for coal extraction in the County. The policies included in the plan would provide environmental safeguards to protect South Derbyshire's residents from unacceptable effects should any future coal extraction close to South Derbyshire's boundary take place.

### **Waste Sites**

5.13 There are no waste sites allocated within this plan that would have an effect on communities in South Derbyshire. Members will be aware that the New Albion Landfill site to the south of Woodville is due to stop accepting waste in the middle of next year and will subsequently be restored with the remaining void flooded.

## **6.0 Financial Implications**

6.1 None.

## **7.0 Corporate Implications**

7.1 Proposals could have a limited effect on the delivery of a number of the Council's corporate objectives. Not least those to enhance the quality of life for all South Derbyshire Residents and to protect the environment now and for the benefit of future generations. However, the policies included in the plan should help ameliorate the worst effects of minerals development during extraction and in the longer term proposals could allow progress against both these objectives depending on the after use of sites.

## **8.0 Community Implications**

8.1 Proposals could have limited effects on a number of local communities within the District particularly in the short-term to medium term. The after use of sites can have a significant beneficial impact to local communities in the longer-term through the provision of new green infrastructure including recreational or leisure uses.

## **9.0 Background Papers**

- Minerals and Waste Local Plan Consultation Draft July 2015
- Habitats Regulations Assessment
- Leicestershire Local Aggregate Assessment 2015
- Sustainability Appraisal
- Waste Needs Assessment Nov 2014
- Mineral and Waste Safeguarding documents - North West Leicestershire District S6/2014

<b>REPORT TO:</b>	<b>ENVIRONMENTAL &amp; DEVELOPMENT SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 16</b>
<b>DATE OF MEETING:</b>	<b>20 AUGUST 2015</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF COMMUNITY &amp; PLANNING SERVICES / DIRECTOR OF HOUSING &amp; ENVIRONMENTAL SERVICES / CHIEF EXECUTIVE</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>STUART BATCHELOR (EXT. 5820) MIKE HAYNES ( EXT. 5775) FRANK MCARDLE (EXT. 5700)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>CORPORATE PLAN 2009 -15; PERFORMANCE MANAGEMENT REPORT (1 APRIL – 30 JUNE 2015)</b>	
<b>WARD (S) AFFECTED:</b>	<b>All</b>	<b>TERMS OF REFERENCE: EDS</b>

## 1.0 Recommendations

1.1 That progress against performance targets is considered and approved.

## 2.0 Purpose of Report

2.1 To report details of progress during the period 1 April to 30 June 2015, in relation to the Council's Corporate Plan 2009 –2015, which are relevant to this Committee under the 'Sustainable Growth & Opportunity' theme. Please note that until the new Corporate Plan is reviewed and agreed, the progress for Quarter 1 is measured against performance targets set in the Council's Corporate Plan for period 2009 –2015.

## 3.0 Detail

3.1 This Committee is responsible for overseeing the delivery of the following outcomes:

- *Developing economic and employment opportunities within the District*
- *Increasing recycling resulting in less waste being sent to landfill*
- *Sustainable planning*

3.2 Details are provided in the following appendices:

- Appendix A - Progress against key projects.
- Appendix B - Progress against performance measures.
- Appendix C - Managing risks

3.3 During the first quarter (1 April to 30 June) all targets for relevant projects and performance measures were achieved or were on track.

#### **4.0 Financial Implications**

4.1 None directly.

#### **5.0 Corporate Implications**

5.1 None directly.

#### **6.0 Community Implications**

6.1 The Council aspires to be an “excellent” Council in order to deliver the service expectations to local communities. This report demonstrates how priorities under the ‘*Sustainable Growth & Opportunity*’ theme contribute to that aspiration.

## Appendix A: Sustainable Growth & Opportunity: Projects 2015/16 Q1

<b>GP 01 - Enhance the vitality of the district's town centres</b>			
Quarter	Task	Progress	Status
1	3 x Events supported	Three Farmers' Markets held, together with a Market at South Derbyshire Festival of Leisure. Expanded Festival of Transport supported attracting several thousand visitors. 'Love Your Local Market' event held to coincide with the National Association of British Market Authorities initiative.	Achieved
2	3 x Events supported		
3	3 x Events supported		
4	3 x Events supported		

<b>GP 02 – Deliver the National Forest Partnership Action Plan</b>			
Quarter	Task	Progress	Status
1	1 x Edition of 'What's On'	Summer & Autumn edition of 'What's On in South Derbyshire' published. The National Forest Walking Festival 2015 supported, with visitor numbers up on last year. 13,683 enquiries handled by Swadlincote Tourist Information Centre.	Achieved
2	1 x Event representation		
3	1 x Edition of 'What's On' and 1 x Guide published		
4	1 x Edition of 'What's On'		

## Appendix A: Sustainable Growth & Opportunity: Projects 2015/16 Q1

<b>GP 03 – Promote inward investment and business development</b>			
Quarter	Task	Progress	Status
<b>1</b>	1x Event Supported, 1x Publication prepared	Jobs & Careers Fair staged in larger venue offering over a thousand jobs, and for the first time involving local primary and secondary schools. New edition of South Derbyshire Investment Gazette prepared.	<b>Achieved</b>
<b>2</b>	1x Publication prepared		
<b>3</b>	1x Event Supported, 1 x Publication prepared		
<b>4</b>	1 x Publication prepared		

<b>GP 06 – Deliver the key actions contained within the Contaminated Land Inspection Strategy</b>			
Quarter	Task	Progress	Status
<b>1</b>	Publish the Q1 contaminated land inspection report. Complete 1 phase 1 study of a high priority site.	Contaminated Land Inspection Strategy quarterly progress report submitted to E&DS Committee. SDDC directed Phase I study undertaken.	<b>Achieved</b>
<b>2</b>	Publish the Q2 contaminated land inspection report. Complete 2 Phase I studies of high priority sites.		

## Appendix A: Sustainable Growth & Opportunity: Projects 2015/16 Q1

GP 06 – Deliver the key actions contained within the Contaminated Land Inspection Strategy			
Quarter	Task	Progress	Status
3	Publish the Q3 contaminated land inspection report, Complete 3 Phase I studies of high priority sites.		
4	Publish the Q4 contaminated land inspection report, Complete 4 Phase I studies of high priority sites		

GP 07 – Progress the South Derbyshire Local Plan			
Quarter	Task	Progress	Status
1	Start the additional work requested by the Local Plan Inspector Continue work on drafting the Local Plan Part 2	Work has continued on the production of the viability and infrastructure as requested. Joint working with the other Housing Market Area authorities has continued and additional sustainability Appraisal work has been progressed. Research and drafting of Part 2 policies has continued.	Achieved
2	Complete and submit the additional work requested by the Local Plan Inspector Amended SA for Part 2 Plan sent to key stakeholders		
3	Undertake Local Plan reconvened hearings Start to finalise Local Plan Part 2		

## Appendix A: Sustainable Growth & Opportunity: Projects 2015/16 Q1

<b>GP 07 – Progress the South Derbyshire Local Plan</b>			
Quarter	Task	Progress	Status
4	Undertake modifications consultation and receive Inspectors report regarding soundness of the Plan Plan the consultation for the Local Plan Part 2		

<b>GP 08 – Supporting our local communities in neighbourhood planning</b>			
Quarter	Task	Progress	Status
1	Support interested communities	Designation of Repton Parish as a Neighbourhood Development Plan area approved at Committee. Meeting held with Melbourne regarding the information available for them to use in the production of its Neighbourhood Plan.	<b>Achieved</b>
2			
3			
4			

## Appendix B Sustainable Growth & Opportunity Performance Measures 2015/16 Q1 (1 April – 30 June 2015)

Outcome	Measure	Actual / Out turn 2014/15	Target Quarter 1 2015/16	Actual Quarter 1 2015/16	Quarter Status	Annual Target 2015/16	Out turn 2015/16	Status	Comments/ Remedial Action
GO 1 - Developing economic and employment opportunities	GM 01 -Total Rateable Value of business premises <b>(Proxy measure)</b>	£1,635,963	N/a	£166,505	Proxy	N/a	N/a	Proxy	
	GM 02 - Unemployment Rate <b>(Proxy measure)</b>	0.9%	N/a	0.7%	Proxy	N/a	N/a	Proxy	
GO 2 - Increasing recycling resulting in less waste being landfilled	GM 03 -Household waste collected per head of population (in Kgs). Cumulative.	508.75	<510 (annual target)	133.2	Amber	<510	N/a	Amber	
	GM 04 - Percentage of all household waste recycled and composted	49.89%	>50%	52%	Green	>50%	N/a	Green	
	GM 05 - Percentage of kerbside collected household waste recycled and composted	N/a	N/a	N/a	N/a	N/a	N/a	N/a	Indicator is too similar to GM04 and does not add any value. Proposal is to delete this indicator.

## Appendix B Sustainable Growth & Opportunity Performance Measures 2015/16 Q1 (1 April – 30 June 2015)

Outcome	Measure	Actual / Out turn 2014/15	Target Quarter 1 2015/16	Actual Quarter 1 2015/16	Quarter Status	Annual Target 2015/16	Out turn 2015/16	Status	Comments/ Remedial Action
GO 3 - Sustainable Planning	GM 06- Net additional commercial / employment floor space created (hectares) <b>(Proxy measure)</b>	15.81 hectares	N/a	N/a	Proxy	3.1 hectares (excluding the Derby Urban Area)	N/a	Proxy	Monitoring will be undertaken during 2015/16, with a figure to be reported at the end of the financial year.
	GM 07 - Net additional homes provided <b>(Proxy measure)</b>	420	N/a	N/a	Proxy	726	N/a	Proxy	Monitoring will be undertaken during 2015/16, with a figure to be reported at the end of the financial year.
	GM 08 - Speed of Planning applications	N/a	85%	88%	Green	85%	N/a	Green	2014/15 results being collated in line with new Government legislation.
	GM 09 - Number of quality development schemes delivered	100%	N/a	N/a	Amber	90%	N/a	Amber	Monitoring will be undertaken during 2015/16, with a figure to be reported at the end of the financial year.
	GM 10- Satisfaction with the Planning application process	N/a	N/a	N/a	N/a	N/a	N/a	N/a	Limited response to electronic survey. Other formats being considered.



**Appendix C: Sustainable Growth & Opportunity - Managing Risks– As at 30 June 2015**

<b>Risk Description</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigating Action</b>
Failure of tourism partnership <i>(Main Responsible Officer – Chief Executive)</i>	Tolerate the risk	Low	The partnership and its forward development should be reviewed annually, in discussion with partners.
Failure of Tourist Information Centre partnership <i>(Main Responsible Officer – Chief Executive)</i>	Tolerate the risk	Low	Annual review of risk
Failure of economic development partnership <i>(Main Responsible Officer – Chief Executive)</i>	Tolerate the risk	Low	Annual review of risk
Increase in fuel costs resulting in budget overspend <i>(Main Responsible Officer – Director of Housing and Environmental Services)</i>	Tolerate the risk	Medium	Ensure routes are fully optimised Monthly monitoring and reporting of actual spend against budget
Suitability of household waste for composting <i>(Main Responsible Officer – Director of Housing and Environmental Services)</i>	Treat the risk	Low	Keep abreast of on-going national discussions and maintain relations with partner contractors.
Failure of Sharpe’s Pottery Museum <i>(Main Responsible Officer – Director of Planning and Community Services)</i>	Tolerate the risk	Medium	Annual review of risk
Reduced Planning Fees <i>(Main Responsible Officer – Director of Planning and Community Services)</i>	Tolerate the risk	Low	Six monthly monitoring
Judicial review and/or appeals against Planning decisions <i>(Main Responsible Officer – Director of Planning and Community Services)</i>	Treat the risk	Low	Annual review of risk

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<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 17</b>
<b>DATE OF MEETING:</b>	<b>20<sup>th</sup> AUGUST 2015</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF COMMUNITY AND PLANNING SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>STUART BATCHELOR (Ext. 5820)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>WORK PROGRAMME 2015/16</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: N/A</b>

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## **1.0 Recommendations**

1.1 That the Committee considers and approves the updated work programme.

## **2.0 Purpose of Report**

2.1 The Committee is asked to consider the updated work programme.

## **3.0 Detail**

3.1 Attached at Annexe 'A' is an updated work programme document. The Committee is asked to consider and review the content of this document.

## **4.0 Financial Implications**

4.1 None arising directly from this report.

## **5.0 Background Papers**

5.1 Work Programme.

**Environmental & Development Services Committee – 4<sup>th</sup> June, 2015  
Work Programme 2015/16**

<b>Work Programme Area</b>	<b>Date of Committee meetings</b>	<b>Anticipated completion date</b>	<b>Submitted to Council target date</b>	<b>Contact Officer (Contact details)</b>
Minerals – County Council consultation	20 <sup>th</sup> August 2015			Kevin Exley Planning Officer (sustainability) (01283 59 8717)
Derbyshire Cycle plan Consultation	20 <sup>th</sup> August 2015			Stuart Batchelor Director of Community and Planning (01283 595820)
Diesel Road Roller Loan	20 <sup>th</sup> August 2015			Nicola Sworowski Planning Policy Manager (01283 595983)
Leicestershire Minerals and Waste Local Plan Consultation	20 <sup>th</sup> August 2015			Kevin Exley Planning Officer (sustainability) (01283 59 8717)
South Derbyshire Local Plan	20 <sup>th</sup> August 2015			Nicola Sworowski Planning Policy Manager (01283 595983)
Public Spaces Protection Orders – Consultation Plan	20 <sup>th</sup> August 2015			Matt Holford Environmental Health Manager (01283 595856)
Adoption of Conditions for Cat Boarding Establishments Under the Animal Boarding Act 1963	20 <sup>th</sup> August 2015	24 <sup>th</sup> September 2015	24 <sup>th</sup> September 2015	Emma McHugh Senior Licensing Officer (01283 595716)
Deregulation Act 2015 – Changes to Private Hire Licensing	20 <sup>th</sup> August 2015	24 <sup>th</sup> September 2015	24 <sup>th</sup> September 2015	Emma McHugh Senior Licensing Officer (01283 595716)
South Derbyshire Air Quality Updating and Screening Assessment	1 <sup>st</sup> October 2015			Matt Holford Environmental Health Manager (01283 595856)
Proposed Tattooists Registration Scheme	1 <sup>st</sup> October 2015			Matt Holford Environmental Health Manager

				(01283 595856)
Proposed Revisions to the South Derbyshire Off Street Parking Order	1st October 2015			Matt Holford Environmental Health Manager (01283 595856)
South Derbyshire Local Plan	1 <sup>st</sup> October 2015			Nicola Sworowski Planning Policy Manager (01283 595983)
Adoption of the Reviewed Licensing Act 2003 Statement of Licensing Policy	1 <sup>st</sup> October 2015	January 2016	5 <sup>th</sup> November 2015	Emma McHugh Senior Licensing Officer (01283 595716)
Adoption of the Reviewed Gambling Act 2005 Statement of Licensing Policy	1 <sup>st</sup> October 2015	January 2016	5 <sup>th</sup> November 2015	Emma McHugh Senior Licensing Officer (01283 595716)
Adoption of Street Trading Policy	1 <sup>st</sup> October 2015	5 <sup>th</sup> November 2015	5 <sup>th</sup> November 2015	Emma McHugh Senior Licensing Officer (01283 595716)
Public Spaces Protection Order – Consultation Feedback and Decision	7 <sup>th</sup> April 2016			Matt Holford Environmental Health Manager (01283 595856)

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