

HARTLEPOOL LOCAL PLAN EXAMINATION

Matter 15 – Plan Viability

1. The following hearing statement is made for and on behalf of the Home Builders Federation. This statement responds to selected questions set out within Matter 15 of the Inspector's *Schedule of Matters, Issues and Questions* (exam ref: EX INS 15).
2. The Inspector's Issues and Questions are included in bold for ease of reference. The following responses should be read in conjunction with our comments upon the submission version of the Local Plan, dated 3rd February 2017. The HBF has also expressed a desire to participate in the examination hearing sessions.

Issue 1 – Has the preparation of the Plan ensured that collectively its policies and proposals are viable and deliverable? (NPPF paragraphs 173-177). Is there a reasonable prospect that necessary infrastructure to support the Plan's proposals will be delivered in a timely fashion?

Q1 Is the Council's evidence on infrastructure and viability, up-to-date and robust? Does it demonstrate that the Plan, as submitted, is deliverable in this regard? Is it consistent with the advice in the Planning Practice Guidance on 'Viability and Plan Making'?

3. No, the viability work which is included in appendix 1 of the Planning Obligations SPD (exam ref: HLP03/4) was undertaken in 2015. Since this time there have been significant rises in build costs. I also refer the Inspector to our response to matter 11, question 7.

Q2 Does the viability assessment work take account of all the Plan's policy requirements? Does it show that there would be a competitive return to developers and landowners?

4. The viability assessment is unclear in regard to the Plan's policy requirements. It is, however, clear that the viability assessment did not take full account of the full scale of highway improvements required, paragraph 7.3 EX/HBC/2. Further clarity upon

how the policy requirements within the plan have been taken into account would be beneficial.

5. In terms of a competitive return this is factored in at 16.4% of GDV. Whilst acceptable levels vary from developer to developer and between sites, dependent upon the risk involved, a standard requirement of at least 20% GDV should be utilised. Returns of less than this are unlikely to be acceptable for much of the development industry. A 20% GDV level is also consistent with the vast majority of appeal decisions where this is an issue.

Q3 In addition to funding from development, how will other agencies and organisations will be involved in delivering this spatial Plan? What level of commitment/agreement is there? Are there review mechanisms given the changeable nature of funding? Explain what funding is currently secured and what funding gap remains.

6. The HBF considers this a matter for the Council to address.

Q4 Are there contingencies for the potential non-delivery of infrastructure? Is the Plan sufficiently flexible to deal with this?

7. The HBF considers this a matter for the Council to address.

Q5 Is Policy QP1 justified, effective, positively prepared and consistent with national policy? Does it reflect available viability evidence?

8. The policy contains a long list of potential obligations with little or no guidance upon the costs involved or how they will be applied. This provides little certainty for the developer. There is also no reference to site viability.

Q6 It has been submitted that 1455 dwellings (sites HSG5, 5a and 7) will contribute to funding the Elwick bypass and grade separated junction resulting in a £12,400 contribution per dwelling. Is this a reasonable analysis? What about site HSG3(3)?

9. The HBF has no further comments.

Q7 What is the intention of the Planning Obligations SPD, having regard to paragraph 153 of the NPPF?

10. The HBF is concerned that future iterations of the SPD may be used to place additional burdens upon new development. Further clarity upon the role and scope of the SPD in the plan would assist in this regard. The HBF considers that

requirements should be set out within the plan so that they can be adequately tested to ensure they are justified and deliverable.

11. In terms of the scope of the SPD the NPPF (paragraph153) clearly states;

“...Supplementary planning documents should be used where they can help applicants make successful applications or aid infrastructure delivery, and should not be used to add unnecessarily to the financial burdens on development...”

Q8 Is the Council still contemplating the possibility of introducing CIL?

12. The HBF considers this a matter for the Council to address.

Yours sincerely,

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