

The Manydown Company Limited

Basingstoke and Deane Borough Council

Community Infrastructure Levy Schedule Examination

Hearing Statement

This Document is submitted to supplement our earlier representations on specific issues.

Matter 1: Infrastructure Planning Evidence

Issue 2: Has the expected total cost of this infrastructure been robustly estimated?

On behalf of TMCL we wish to rely on our previous representations at the hearing. However, we are concerned about the disconnect between the Basingstoke and Deane Borough Council's infrastructure assumptions as Local Planning Authority and those of Basingstoke and Deane Borough Council/Hampshire County Council as joint leaseholders of the SS3.10 Manydown Allocation.

The joint leaseholders have submitted an outline planning application to the LPA which has progressed through the consultation stage and the applicants are in detailed discussions regarding infrastructure provision. This has highlighted the differences between the infrastructure costs following the detailed technical assessments and the LPA's assumptions within the CIL evidence base. Where there is detailed knowledge of a sites infrastructure requirements the evidence base should be updated comprehensively. We note that the LPA has updated some of its evidence base to reflect changes in the country park and transport infrastructure assumptions for Manydown as at May 2017 (EV03), but this should have been carried out across the whole range of items to be robust.

The reliance upon the May 2017 IDP EV01 is unreasonable as it is not based on robust evidence.

Matter 2: General Approach to rate setting

Issue 9: What are the implications of potential changes, both up and down, to development costs and sales values on the economic viability of the development within the Borough and the implementation of the development strategy? Should a separate contingency cost be included.

Our previous representations set out our concerns on contingency and sensitivity testing. We await the Council's further work on this but continue to express concern that the sensitivity testing will not analyse changes in other variables beyond rises and falls in sales, build costs and borrowing costs. We have previously set out concerns on potential changes in the scheme delivery rates and housing mix on Manydown. Wider sensitivity testing should be undertaken, especially when the LPA has published data in other documents that it intends to rely upon for other purposes.

For example, the housing mix in the latest SHMA differs to the stated viability assumptions for Manydown. The SHMA advocates a general housing mix of 47% 1 and 2 beds/28% 3 beds and 25% 4+ beds. By comparison, EV03.1, EV04.19 and EV04.22 are based on a default mix of 10% 2 beds/68% 3 beds and 20% 4+ beds. Some further sensitivity testing would be welcome to sense check the impacts of these other key variables for the larger strategic sites that are likely to deliver over several years, including Manydown.

Matter 3: Residential Levy Rates

Issues 13 and 15

The evidence contained in the Infrastructure Delivery Plan dated May 2017 (EV01) is not complete. Of those items listed, some remain 'tbc' and others do not show the breakdown or apportionment between specific sites. Where no other funding source is shown in the notes column but the infrastructure upgrade is essential to mitigate the development impacts of Manydown, no indication of the apportionment to Manydown is set out. Thus, it is not possible to compare items within the s106 assumptions in EV03.1, EV04.19 and EV04.22 and their stated delivery timescales.

The importance of this is highlighted through the Draft Regulation 123 list which is scheme specific rather than generic and it cannot be assumed that CIL will deliver the other items that are not fully accounted for in the 'Exceptional costs' or likely to be covered by the standard s106 assumption of £1500/unit. An example of these items relevant to Manydown include a difference in cost between the specific sports provision (higher figure in the IDP(EV01): lower input in the Viability Appraisal EV03.1); no account taken for the costs for any associated paraphernalia (i.e. changing rooms/parking areas) or other items such as the required Public Rights of Way improvements that we understand Hampshire County Council is seeking as Local Highways Authority.

Some items are simply not consistent. For example, the Reg 123 list when coupled with the IDP and the draft Planning Obligations for Infrastructure SPD are not aligned. Taking one example, in the Reg123 list (CD07), the Draft Obligations SPD (BD02) and the May 2017 IDP (EV01) libraries are stated as CIL – no exemptions. However in the Manydown Viability Appraisals (i.e. EV03.1) libraries are costed as a s106 item.

The result of this is no transparency between the IDP and the specific cost inputs within the viability appraisals EV03.1, EV04.19 and EV04.22.

As previously stated in our written representations, the evidence base is not robust and we are concerned that this has a knock-on impact on the viability appraisals and conclusions drawn on the ability of the Manydown Allocation to stand the proposed CIL charge.

As the Local Planning Authority has opted to introduce a CIL that differentiates between the requirements of each specific strategic site, it is imperative that the viability and deliverability of each strategic site is not prejudiced.

We are concerned that the LPA has not clearly demonstrated that the Manydown Allocation can stand a CIL charge of £50/sqm for residential floorspace in current market circumstances.

A key objective of the Local Plan and elected Members is to deliver 40% affordable homes from this site and we consider this may be put at risk through the imposition of CIL.

We raise concern at the recent motion passed by Members at the 27 July 2017 Full Council Meeting. An extract of the minutes of the meeting are shown below (Item 19) which reaffirms the Councillors view that any reduction below the policy target of 40% affordable housing will not be acceptable.

19. Notice of Motion - Commitment to Affordable Housing on Manydown

Proposed: P Harvey
Seconded: S Keating

Full council notes that at its meeting on the 11 December 2014 it **RESOLVED** to confirm its commitment, as landowner, to the provision of 40% affordable housing on Manydown. (Item 46/14 (4) of those minutes state *"This Council as a landowner therefore confirms it is committed to provide 40% affordable housing on Manydown, irrespective of what form any partnership arrangement or joint venture may take following negotiations"*).

For its own part, Council reaffirms its commitment to deliver 40% policy compliant affordable housing on Manydown and as landowner this Council states unequivocally to any existing or potential partners that this commitment is non-negotiable.

TMCL are concerned that conclusions on the detailed viability assessments for the site will follow on from the CIL process. If outline planning permission is granted post CIL adoption and the levy becomes mandatory; there are site specific infrastructure items that are essential to deliver the scheme and mitigate the impacts of the development which will be fixed costs and therefore non-negotiable.

The adopted Local Plan Policy CN1 (BD01) contains some flexibility built in to assessing the affordable housing obligations of strategic sites to address any viability issues, with any reduction in the level of affordable housing provision being determined through viability assessments. However unlike the other allocated sites within the Local Plan, the LPA is not advocating a flexible approach to planning obligation contributions at Manydown and therefore a more sensible and flexible approach to setting the CIL rate is required.

This motion further renders the need for the CIL rate for Manydown to be robustly assessed to ensure that it will not prejudice the viability and deliverability of the site.