Inspector: Mrs Nicola Gulley Programme Officer: Mrs Caroline Llewellyn Programmeofficer@pembrokeshirecoast.org.uk Llanion Park, Pembroke Dock, SA72 6DY www.pembrokeshirecoast.wales/ldpexamination



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20th June 2019

Examination Hearings – Pembrokeshire Coast National Park Replacement LDP Site Reference: West of The Green, Lydstep, Tenby Candidate Site References: 086 – HA11 Site owners: Mr John Meyrick (Representor No. 4464)

SUPPLEMENTARY HEARING SESSION COMMENTS RESPONSES TO MATTERS 6, 7 & 8

Dear Mrs Llewellyn,

These comments are provided on behalf of Mr John Meyrick by Hayston Developments & Planning Ltd ahead of representations to be made at the forthcoming Local Plan Inquiry hearings into the Pembrokeshire National Park Authority Local Plan to 2031. The initial comments were made in the LDP2 'Focussed Change' Process, dated 13th February 2019 (Attached as **Appendix A**).

The comments herein are based on the Inspectors questions related to the soundness of the plan and in particular relate to Matters 6, 7 & 8 of the Inspectors "*Schedule of Matters, Issues & Questions*".

Matter 6 – Housing Provision and Distribution

3. Is the housing supply calculations of 1,150 appropriate?

d) How has the flexibility allowance of 16% been defined, and is it based on robust evidence?

4. Will the Plan deliver the housing requirement?

a) Are the site allocations available and deliverable within the anticipated timescales? Are the allocations supported by a robust and comprehensive site assessment methodology, free from significant development constraints and demonstrated to be economically viable?

6. Is the Plan's housing strategy sufficiently flexible to respond to changing circumstances?

Observation 1. There is a need for flexibility to ensure the delivery of the housing targets in the plan. By the Authority's own admission LDP1 was overly optimistic with regards to the delivery of housing and while population projections remain low, the plan for the delivery of affordable housing depends on the delivery of allocated market housing sites. Given the

difficulties associated with delivery in the National Park (due to demand, costs, lack of national house builders in the area, small sites, high affordable percentages, abnormal constraints etc), it is even more important for developers to have flexibility in order to bring sites forward.

To overcome the frailties of the plan in relation to flexibility, the allowance of 16% across the plan area should be more specific and spatially represented. The Authority projects that the majority of housing will come forward on allocated sites, therefore the additional flexibility required in the plan should be specifically granted to the allocated sites to ensure delivery. In this way there will be less likelihood of delivery failure, more planned and sustainable delivery and less pressure for unplanned housing and windfall sites.

Showing how flexibility will apply to specific allocations, will demonstrate how this flexibility will work in practice. For example, in relation to Lydstep granting flexibility as to the site area, number of dwellings, phasing, or affordable percentage would enable delivery in a range of different circumstances. Please see recommendations at the end of this report for further details as to the potential mechanics of an explicit allocation based flexibility.

Matter 7 - Affordable Housing, Gypsy and Travellers

3. Are the required affordable housing contributions founded on a credible assessment of viability?

a) Are the affordable housing contributions contained in Table 9 based on robust viability evidence?

b) How have the site thresholds contained in Table 9 been defined?

c) Does Table 9 reflect the findings of the Affordable Housing Viability Study (NPA042), and if not why not?

d) How have the levels of contribution taken into account rising build costs, planning obligations, sustainable urban drainage systems and other associated requirements?

Observation 2. The affordable housing ratios are area based and have been tested to some extent in relation to viability. However, enforcing a 50% affordable housing delivery on the allocated site at Lydstep with only 10 units allocated on the site has a demonstrable impact on viability and deliverability. As set out in the Hayston Developments & Planning Submission of 13 February 2019 (Appendix A), reducing the number of dwellings from 24 to 10, whilst not unreasonable in relation to the plan as whole, affects the individual delivery of this site. Were flexibility applied to the affordable housing percentage then the constraint would be reduced accordingly.

Many of the same abnormal costs such as site access, servicing etc are associated with a scheme for 10 units as for 24 units on the site. These abnormal costs could amount to some £600,000, which is £25,000 for a 24 dwelling scheme but equates to £60,000 per unit for a 10 dwelling scheme. The impact on deliverability is clear, with a reduced incentive for the land owner to bring the site forward. The Authority's assessment of the Lydstep site noted the need for viability/deliverability testing for the reduction to 10 dwellings. Such an assessment would show a lack of deliverability for 10 units due to the site set-up and abnormal costs and due to the required 50% affordable housing. Greater flexibility is needed to deliver affordable housing.

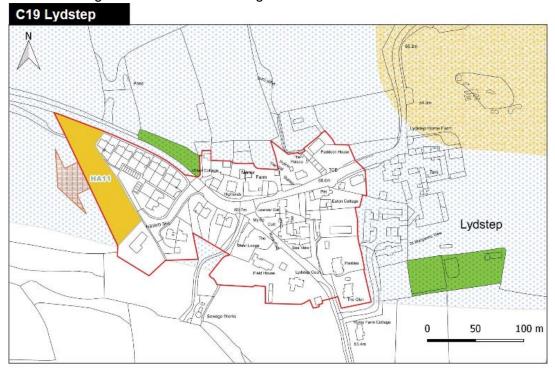
Matter 8 - Allocated Sites

Matters to be addressed for each site where appropriate:

- Site name/ref and scale parameters? West of the Green, Lydstep, Site Number 86 HA11, Representor No 4464, (10 Units)
- What is the current use of the site? Agriculture
- What is the proposed use of the site? Market and Affordable Housing
- Is the identification of the site essential to the soundness of the Plan? Yes
- Are there any significant obstacles to development within the Plan period? Yes
- What are the timescales for delivery? See below

Observation 3. The site allocation at Lydstep is a welcome provision for housing on the edge of an existing settlement. The choice of site is consistent with sustainability principles and the plan hierarchy. The site owner is keen to bring forward housing development with a projected start on site as early as 2020 and occupation of the first dwelling in September 2021, very early in the plan period. Indeed, there has been an approach by a house builder. However, financial incentives are still required for the land to be released and delivery to commence. In particular good viability is vital in relation to the upfront commitment associated with abnormal costs.

Observation 4. The current draft policy includes provision for potential future expansion of the allocated site in Lydstep (086) beyond 2031 (please see extract of proposed LDP map below, site 086A in policy 48). This is a welcome addition to the plan and demonstrates that the Authority agrees this is the best location for future development in the locality. Indeed, this is a unique provision across the plan area and demonstrates a clearly favourable disposition on the part of the Authority towards further housing development in this location. Therefore, whilst a smaller site may initially be preferable, the larger site remains sustainable and well screened by existing vegetation. This favourable disposition should therefore be more explicitly in the policy and allow for flexibility of the delivery of this site within the LDP2 plan period (before 2031), if there is a proven need. Such flexibility as to the timing of the delivery of this future housing land is essential to bring the 086 and 086A forward.



Extract of LDP2 proposed allocation map for Lydstep, 086 indicated in yellow with arrow to west

Specifically, it is recommended that the policy in relation to 086 (HA11) allow for this future land to come forward in the LDP2 plan period if it can be proven that **a**) the site is undeliverable and unviable without this further land or **b**) there is under delivery in relation to the affordable housing target across the plan area and therefore flexibility to bring forward less sensitive areas for development sooner. This more explicit flexibility written into the policy will ensure the land owner and developer have sufficient incentive to bring the land forward. It is surely preferable to allow for flexibility on allocated land and land to which the Authority is favourably disposed, rather than fail in the delivery of affordable housing and fall under increasing pressure in relation to more sensitive exception sites.

Options / Recommendations

The following options / recommendations would provide the flexibility needed to ensure delivery:

Option 1. A reduced affordable housing percentage in relation to the initial site of 10 units in order to pump prime the delivery of the infrastructure and on the basis of a higher percentage being available for the remaining land.

Option 2. A phased approach to the development of the land for 24 units, with 10 dwellings (5 affordable) to come forward early in the plan period and the remainder (14 with 7 affordable) later in the plan period.

Option 3. Allocation of the whole of the originally submitted site for 24 units with 50% affordable housing, securing 12 affordable units in the Tenby area and unlocking the site for development and delivery.

It is acknowledged that any inherent policy flexibility would require viability assessments and deliverability assurances in order to be considered, but writing in such provisions enables the land owner to promote the land for development and gives the Authority far greater assurances over the deliverability of affordable housing.

I look forward to the opportunity to make representations in this regard at the relevant upcoming hearing.

Yours faithfully,

Peter Roberts BA (HONS), MA Senior Planner

Andrew Vaughan Harries Bsc Dip TP MRTPI Director / Principal Planner



Head of Planning Pembrokeshire Coast National Park Authority Llanion Park Pembroke Dock Pembrokeshire SA72 6DY



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13th February 2019

Dear Sir / Madam

RE: LDP2 FOCUSSED CHANGE Candidate Site Ref: 86 HA11 Land West of The Green, Lydstep, Tenby, Pembrokeshire



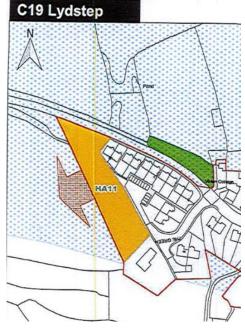
Aerial photograph of proposed site (Source: Google Earth January 2006)

- 1.1 Hayston Developments & Planning Ltd has been engaged by Mr John Meyrick to supply supporting information in respect of proposed Focussed Changes to LDP2 as they relate to land west of The Green at Lydstep, Tenby; Reference HA11 and Candidate Site Ref: 86.
- 1.2 The NPA currently propose 10 units of accommodation to be supplied in the period 2026-2031 together with an illustrative arrow on the accompanying plan indicating opportunities

for a potential westward expansion of the allocation post 2031. The original proposal for

this Candidate Site was for 24 units and was accompanied by a viability assessment.

- 1.3 I have discussed the Focussed Changes with my client and with a Viability Consultant who have raised concerns with the reduction from the proposed 24 to 10 units **and** the suggested timetable for delivering the envisaged properties on the grounds of:-
 - Failing to deliver much needed market housing and affordable housing in the Lydstep / Tenby area, and
 - Creating a situation whereby the viability of delivering only 10 units, and then not until 2026, is jeopardised through having to incorporate a disproportionate amount of the abnormal/unforeseen costs anticipated for this site into a lesser amount of units.



Above – Scan of Proposed LDP 2 Plan for Lydstep



View of initially proposed candidate site in the middle ground and, in the foreground, the current proposal



Potential access point and existing roadside 'hedge' within the 30mph limit



Alternative access from existing estate road

1.4 Accompanying the initial viability assessment for this Candidate Site was a table of Exceptional / Abnormal Costs which intented that these costs would be spread over 24 dwellings – or £25,000 per property. This comprised of:-

		Total £600,000
•	Off-site surface water works	£100,000
•	Ecology work	£50,000
٠	Pedestrian link	£50,000
٠	Foul drainage off-site connection	£100,000
•	Foul drainage upgrade works	£300,000

1.5 As there is a long term possibility of a further westward extension beyond the 10 units proposed in LDP2, as shown by the diagrammatic arrow accompanying the map of HA11, it would be appropriate if the required infrastructure was in place and appropriately sized to accommodate the full potential of the whole site and cover its costs as initially proposed by the owners.

1.6 The viability of developing 10 units in lieu of the submitted Candidate Site of 24 units:-

- Does not mean the exceptional/abnormal costs would simply be pro-rata....it is anticipated that the Exceptional/Abnormal items identified would need to go ahead whether its 10 or 24 units due to their technical need to make any development here work. Therefore we can assume £600,000 could equate to £60,000 per unit for a 10 unit site.
- Combining this with a requirement of 50% or 5 dwellings to be affordable homes make the site unviable.
- A full understanding of all the development costs requires a more detailed design, plus liaison with regulatory bodies (at the time) to be able to run more accurate viability assessments. As we know, this exercise can result in the following:-
 - Pressure to reduce/amend the balance of market/affordable housing to support costs and/or
 - A need to increase the development site area (and hence number of dwellings), the extent of which will be subject to the total costs of the development

1.7 The assessment by the NPA (element 28) considered that the visual impact of the site would be greater the further west the development proceeds. Whilst this is accepted, it is noted that the existing scrub and trees along the line of the A4139 provides a substantial screen to the site. Agreeing to a second phase at Lydstep in the western part of the Candidate Site, would also allow for additional planting in the early years and which would have begun to mature in time for a second phase as indicated by the schematic arrow, for example along the proposed western boundary to improve screening from the west.

1.8 The timetable proposed by my clients comprises:-

- Adoption of LDP2 by October 2019
- Submission of a full planning application by January 2020
- Approval of the application and the associated S106 Agreement by May 2020
- Development to commence by September 2020
- Occupation of the initial properties by September 2021.

1.9 It is therefore concluded that the following strategy should be applied to this site:-

- That early delivery of 24 units, of which 12 intended to be affordable, is both in the interests of my clients and that of LDP2
- Installing appropriate infrastructure and associated planting for 24 units as proposed to deliver a viable site.

Should you require any further information please do not hesitate to contact us.

Yours sincerely,

MARTIN BELL BA MRTPI (RETIRED) PRINCIPAL PLANNER

ANDREW VAUGHAN-HARRIES CHARTERED TOWN PLANNER BSC (HONS) DIP TP MRTPI

