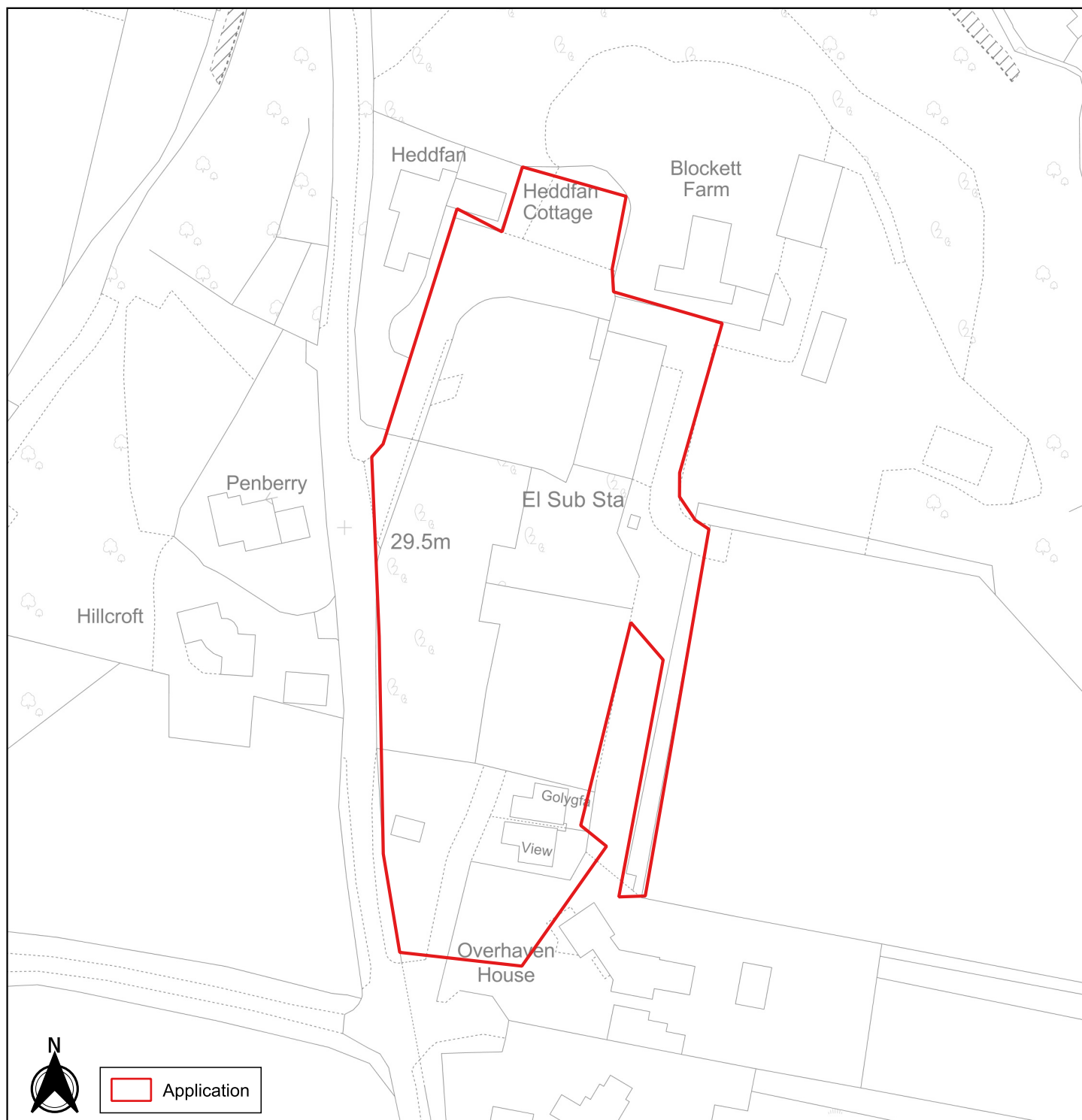
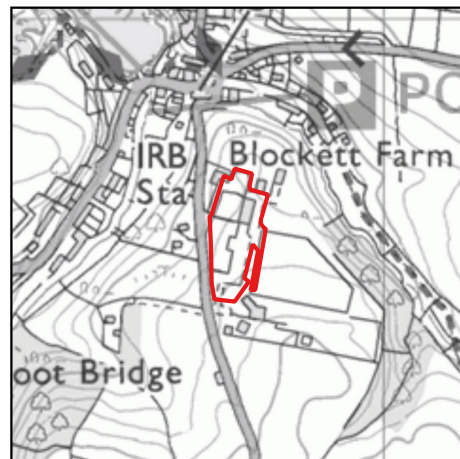
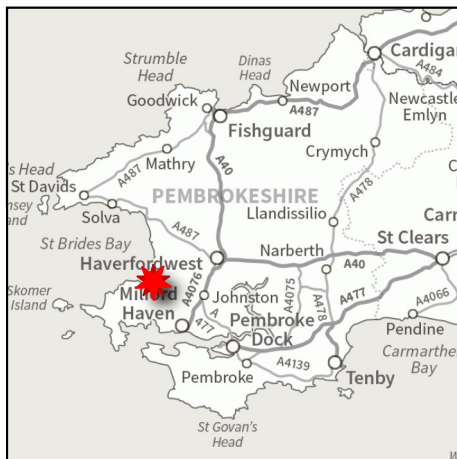


Blockett Farm, Little Haven,  
Haverfordwest, Pembrokeshire, SA62  
3UH  
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# PEMBROKESHIRE COAST NATIONAL PARK AUTHORITY COMMITTEE REPORT



**Ref No:** NP/23/0492/MOD

**Proposal:** Request for a modification to a S.106 legal agreement in relation to schedule 2 (affordable housing) pertaining to Section 106 Agreement (NP10/511).

**Site Location:** Land adjacent to Blockett Farm, Blockett Lane, Little Haven, SA62 3UH

**Recommendation:** The recommendation is to modify the Section 106 agreement to require the delivery of one affordable housing unit on the site. If evidence is provided to demonstrate on-site provision of affordable housing is not appropriate, a financial sum would be required.

## **Summary:**

The application proposes the modification of a Section 106 legal agreement relating to a housing site at Blockett Lane, Little Haven for six dwellings (application reference NP/10/511). The existing legal agreement requires the delivery of 50% affordable housing, equating to three affordable units to be transferred to a Registered Social Landlord (RSL).

The original application was made in 2010 under the adopted Local Development Plan 1 which had a policy requirement for 50% affordable housing. Since this date, the Local Development Plan 2 has been prepared with updated viability evidence. The adopted LDP 2 (adopted September 2020) has a policy requirement for 20% of new dwellings to be made affordable in the St Brides Bay Housing Submarket Area (Policy 48 'Affordable Housing'). The original application has been varied by two subsequent Section 73 applications, varying matters of visibility splays and access and removing conditions relating to Sustainable Code for Homes which were subsequently absorbed by Building Regulations.

A Financial Viability Assessment was undertaken by the District Valuer on behalf of the applicant in October 2019 which concluded no affordable housing could be supported by the development, however no formal application had been made to the Authority and due to staffing issues and Covid, progress with considering the request for a modification was delayed. Following discussions with the applicant in 2023 the Authority commissioned Nigel Sinnett Consulting Ltd (NSCL) to consider matters further. The assessment by NSCL concluded that the provision of one affordable rented unit (88m<sup>2</sup> GIA end terrace) is viable and can be supported by the scheme. This report therefore proposes a modification to the S.106 agreement to reduce the affordable housing contribution from three dwellings to one.

**This application seeks to modify the terms of a Section 106 legal agreement in relation to affordable housing on the site. The application is being considered by the Development Management Committee in accordance with the scheme of delegation as the development seeks to approve a modification to a S.106 agreement which would vary a recommendation previously approved by the Development Management Committee.**

Application information is available here: [Citizen Portal Planning](#)

## Consultee Response

- Havens Community Council consulted on this application - No response has been received from the Community Council.

## Public Response

There is no requirement to publicise an application for a modification of a Legal Agreement. However, the modification application has been published on the Authority's website.

No third-party responses have been received.

## Policies considered

Development Plan

All planning applications in Wales need to be determined in accordance with the statutory Development Plan:

- [Future Wales: The National Plan 2040](#) (FW)

Local Development Plan 2 (Adopted September 2020)

Within the Pembrokeshire Coast National Park, The Local Development Plan 2 (LDP2) is also part of the relevant development plan with the following Policies being applicable to this proposal.

- Policy 01 (National Park Purposes and Duty) (Strategy Policy)
- Policy 07 (Countryside)
- Policy 46 (Housing) (Strategy Policy)
- Policy 48 (Affordable Housing) (Strategy Policy)
- Policy 50 (Housing Development Proposals)
- Policy 51 (Housing Densities)
- Policy 52 (Housing Mix)
- Policy 55 (Infrastructure Requirements)

These policies can be viewed on the Policies page of Pembrokeshire Coast National Park website: <https://www.pembrokeshirecoast.wales/wp-content/uploads/2024/01/LDP-Text-for-Adoption-Web.pdf>

Planning Policy Wales (PPW12)

PPW12 sets out the land use planning policies of the Welsh Government.

The primary objective of PPW12 is to ensure that the planning system contributes towards the delivery of sustainable development and improves the social, economic, environmental and cultural well-being of Wales, as required by the Planning (Wales) Act 2015, the Well-being of Future Generations (Wales) Act 2015 and other key legislation and resultant duties such as the Socio-economic Duty.

- [Planning Policy Wales 12](#) (PPW12).

Technical Advice Notes

The Future Wales Plan should be seen and read as a whole, and in conjunction with National planning policy in the form of Planning Policy Wales (Edition 12, February 2024) as well as considering the following Welsh Government Technical Advice Notes (TAN's)

[www.gov.wales/technical-advice-notes](http://www.gov.wales/technical-advice-notes)

LDP2 Supplementary Planning Guidance

In addition, the Authority produces Supplementary Planning Guidance (SPG) on various topics, and these may be material considerations in the determination of any future application made. In respect of the proposal the most relevant SPG's are:

- Draft Affordable Housing Supplementary Planning Guidance (approved for consultation by the National Park Authority on 30 July 2025) [Report-33-25-LDP2-SPG.pdf](#)
- Planning Obligations Supplementary Planning Guidance [Supplementary Planning Guidance \(LDP2\) - Pembrokeshire Coast National Park](#)

## **Constraints**

- Special Area of Conservation - within 500m
- Safeguarding Zone
- Ancient Monument - within 500m
- Hazardous Zones
- Recreation Character Areas
- Low Coal Risk
- Surface Coal
- Affordable Housing Submarkets
- Seascape Character Areas
- Landscape Character Area    Listed Building - within 10m

## **Relevant Planning History**

- NP/10/511 – Planning permission for six dwellings (Approved 28 November 2011)
- NP/14/0280 – Variation of Condition 15 of NP/10/511 to read: Visibility splay to be provided giving clear sight line of 18m down the hill and 25m up the hill (Approved 3 September 2014)
- NP/18/0161/S73 – Section 73, to vary condition 2 (approved plans to amend access) and remove of conditions 7 and 8 (Code for Sustainable Homes) from NP/10/511 (Approved 3 May 2018).

## **1. Officer's Appraisal**

1. The application is seeking to modify the terms of the Section 106 agreement with regard to the delivery of affordable housing.
2. In deciding whether to vary the Section 106 agreement, the LPA must consider whether the original planning obligation still serves a useful purpose. The decision must be made on planning grounds. It is also necessary to assess whether the planning obligation meets the legal tests for a planning obligation, including that of reasonableness.
3. The S.106 agreement signed in relation to previous applications secured the delivery of 50% affordable housing, equating to three affordable dwelling units on site. The applicant now seeks to remove this obligation entirely, on the grounds of financial non-viability. To support this request, the Authority commissioned NSCL to conduct an up to date.
4. Financial Viability Assessment (FVA). The purpose was to test whether the provision of affordable housing would compromise the viability of the scheme.

## **2. Key Issues**

5. The application raises the following issues:

- The policy and principle that applies to Section 106 agreements and variations and whether there is evidence to support the delivery of affordable housing on site in line with LDP 2 policy 48 'Affordable Housing' (Strategy Policy).
6. The applicant seeks to modify the S106 agreement to remove the requirement for affordable housing on site, based on financial viability information from 2019. The financial information has been considered and reviewed by an independent consultant commissioned by the Authority, NSCL. The outcome of the viability assessment by NSCL materially differs from the conclusion of applicant. NSCL undertook two financial viability assessments using the Burrows Hutchinson Development Viability Model:
- Scenario One tested the applicant's proposal that no affordable housing units could be provided (referred to in the assessment as NSCLv1). Six Open Market Units (OMUs) with a commuted sum of £19,853 would be provided.
  - Scenario Two (NSCLv2) tested the delivery of 5 OMUs and 1 Affordable Housing Unit (AHU), also with a commuted sum of £19,853.
7. Methodology and Key Findings:
- Both models exceeded the 15% gross development profit margin target.
  - NSCLv2 (including 1 affordable unit) still generated a gross margin exceeding 15% and Profit on Cost exceeding 20%, indicating that the scheme remains viable with the affordable housing unit.
  - Gross Development Value (GDV) was cautiously estimated using local comparables. Actual new build values may be higher due to premium effects, further reinforcing the conclusion that the scheme is viable under policy-compliant assumptions.
  - NSCL adopted the standard Authority approach of BCIS median build costs. A 15% allowance for external works was adopted. Allowances were made for increased costs for Air Source Heat Pumps and Solar PV systems.
  - NSCL concluded that the provision of one affordable rented unit (88m<sup>2</sup> GIA end terrace) is viable and can be supported by the scheme.

### 3. Policy Context

8. The site is located within the St Brides Bay Housing Submarket Area. Policy 48 'Affordable Housing' (Strategy Policy) sets out a requirement for 20% affordable housing on sites of 5 dwellings or more in the St Brides sub-market area. The policy states that where it can be demonstrated that on-site provision is not appropriate a commuted sum will be sought.
9. LDP 2, Policy 52 (Housing Mix) states *that "in order to ensure the creation of balanced communities all new housing development will be required to include a mix of dwelling sizes, types and tenures having regard to the current evidence of housing need in the National Park."* The reasoned justification to the policy in paragraph 4.298 states *"The Plan's strategic objective for housing is to facilitate the delivery of affordable housing needs. Proposals that are unable to contribute to the delivery of sustainable well-balanced communities by including on site provision of affordable housing or contributing financially to the delivery of affordable housing by way of a financial contribution will not be permitted unless exceptional circumstances are demonstrated."*

10. LDP 2, Policy 48 recognises that there may be circumstances where it can be demonstrated that on-site provision of affordable housing may not be appropriate. The draft updated Affordable Housing Supplementary Planning Guidance (approved for consultation by the National Park Authority on 30 July 2025) identifies that there may be circumstances which would make the delivery and/or management of affordable housing extremely difficult. Evidence will be required to show that Registered Social Landlords, including Pembrokeshire County Council are unwilling to take on the affordable housing. If this were the case, a financial contribution would be required in lieu of on-site provision. The financial contribution would be calculated using the Welsh Government's latest 'Acceptable Cost Guidance (ACG) for the Social Housing Grant', with the developer required to fund 58% of ACG. ACG values ceased to include land costs from 2021 and a financial sum would also be required towards land costs. An example of the calculation is provided in the draft Affordable Housing SPG, Appendix 3. The applicant has not at the time of this report to committee provided evidence to show that Registered Social Landlords are unwilling to take on the affordable home proposed to be secured by the amended section 106 agreement. The Authority's preference therefore is for on-site provision but it would be appropriate to retain some flexibility in that regard via delegation.

#### **4. Conclusion**

11. The applicant's claim that the scheme is not viable with affordable housing is not supported by the up-to-date, independent financial viability assessment undertaken by NSCL commissioned by the Authority. The assessment by NSCL clearly demonstrates that the development remains viable with the inclusion of one affordable housing unit. The delivery of one affordable housing unit on site complies with LDP 2 policy requirements in Policy 48 'Affordable Housing'.
12. The recommendation is therefore to modify the Section 106 agreement to require the delivery of one affordable housing unit on the site. If evidence is provided to demonstrate on-site provision of affordable housing is not appropriate, a financial sum would be required.

#### **5. Recommendation**

13. For the application to be delegated to the Chief Executive, the Director of Place and Engagement or the Development Management Manager to issue a modified Section 106 Legal Agreement associated with NP/10/511 to require the provision of one affordable unit on site, or equivalent off-site provision should evidence be provided of a lack of demand for provision on site. The modified S106 agreement shall be issued within three months from the date of this meeting.
14. In reaching a recommendation, regard has been given to the requirements of sections 3 and 5 of the Well-being of Future Generations (Wales) Act 2015. It is considered that this recommendation is in accordance with the Act's sustainable development principle through its contribution towards the Welsh Ministers' well-being objective of supporting safe, cohesive and resilient communities.