

Planning Statement

Land To The West of Smock Alley, South of Little Haglands, West
Chiltington Planning Permission Ref: DC/24/1619

Introduction

This Planning Statement has been prepared in support of an application to vary the Section 106 Agreement for the approved residential development comprising 14 dwellings (ref 24/1619).

The purpose of the proposed Deed of Variation is to amend the mechanism for fulfilling the affordable housing obligation, rather than providing affordable housing on site.

The obligation is proposed to be satisfied either by a financial contribution (commuted sum) calculated in accordance with the Council's adopted Planning Obligations and Affordable Housing Supplementary Planning Document (September 2017) (SPD) or by an agreement to Discount Market Sales Housing (DMSH) at 20% below local market value.

The principle, scale and design of the approved development remain unchanged.

Background

Detailed planning permission has been granted for the development of 14 dwellings on the site.

Since planning permission was granted, the land has been actively marketed to residential developers. Whilst there has been consistent interest in the site, a number of proposed transactions have not progressed to completion.

Prospective purchasers have repeatedly raised concerns about the requirement to provide on-site affordable housing as part of a relatively small development. Discussions with prospective developers and funding providers indicate that this obligation has materially affected SME housebuilders' ability to secure development finance and to deliver the approved scheme.

The application of the 0.5-hectare threshold in Policy 16 results in the scheme being treated the same way as significantly larger developments, even though it delivers only 14 dwellings. The landowner or developer has gained no commercial advantage from the lower-density layout. On the contrary, the reduced density has limited the development yield to achieve a design that responds positively to its setting.

This scheme is not the type of development the threshold was intended to catch. The practical consequence is that the scheme is subject to a substantially greater affordable housing obligation than would otherwise apply to a 14-dwelling development and only serves to make the site less deliverable.

As a consequence, although planning permission exists, the development has not been capable of implementation.

Planning Policy Context

The Council's Planning Obligations and Affordable Housing Supplementary Planning Document (September 2017) (SPD) recognises that, for developments of 5 to 14 dwellings, on-site affordable housing will normally be required.

However, both the SPD and Policy 16 of the HDPF recognise that, where on-site affordable housing is not achievable and appropriate evidence is submitted, a financial contribution equivalent to the cost of providing on-site affordable housing may be accepted.

The policy does not require an applicant to demonstrate, through a conventional development viability appraisal, that on-site affordable housing is financially unviable. It covers situations where a policy-compliant scheme cannot realistically be delivered in practice, even if it appears viable on paper.

This provision reflects the Council's recognition that, in some circumstances, a commuted sum or Discount Market Sales Housing is the most appropriate means of securing affordable housing contributions while enabling development to proceed.

Deliverability

The principal obstacle to delivery is the requirement to provide on-site affordable housing.

The affordable housing obligation has adversely affected the development's commercial attractiveness and fundability.

The approved planning permission is effectively undeliverable in its current form.

This is not due to a lack of market demand for completed dwellings, nor is it a consequence of design, infrastructure or technical constraints. Rather, it reflects the practical difficulties SME developers face in acquiring and financing a modest-sized development that requires on-site affordable housing.

Evidence accompanying this application demonstrates:

- the site has been actively marketed;
- multiple proposed sales have failed to complete;
- prospective purchasers have identified the affordable housing obligation as the principal impediment to acquisition and funding;
- despite an implementable planning permission, development has not commenced.

These circumstances have resulted in a consented residential allocation that remains undelivered.

Planning Balance

The proposed Deed of Variation would not remove the affordable housing obligation.

Instead, it would replace the method of delivery with a financial contribution in accordance with the Council's adopted SPD or Discount Market Sales Housing (DMSH) at 20% below local market value.

This approach would:

- enable the immediate disposal of the site to a developer capable of implementing the consent;
- facilitate the delivery of all 14 approved dwellings;
- secure a financial contribution towards affordable housing provision within the District;
- allow the Council greater flexibility in directing affordable housing investment to locations where it can be delivered most effectively;
- avoid the continued delay associated with an undeliverable planning permission.

In practical terms, the proposed variation would ensure that both the Council's housing delivery objectives and its affordable housing objectives are better served than if the existing obligation remained unchanged and the site remained undeveloped.

Conclusion

The proposed variation offers a pragmatic, policy-compliant solution to an unforeseen delivery issue. It also aligns with the planning principle that planning obligations should not prevent otherwise acceptable development from coming forward where a practical, evidence-based alternative still delivers the policy objective of affordable housing.

The approved development has demonstrated that, despite planning permission being in place, the current affordable housing mechanism has prevented the scheme from being implemented.

The letters from prospective purchasers provide robust evidence of prolonged marketing, failed transactions, and consistent feedback from prospective developers and funders that the on-site affordable housing requirement is preventing delivery.

In this case, the evidence demonstrates that on-site affordable housing is not achievable because the planning permission cannot be implemented in its current form. The practical obstacle is not the cost of constructing the affordable homes, but the inability to secure a deliverable disposal route that satisfies both the requirements of the planning obligation and the funding requirements of development lenders.

The proposed Deed of Variation would secure an affordable housing contribution whilst enabling the delivery of a consented residential development that has otherwise proved unable to proceed.

Accordingly, it is respectfully submitted that the proposed variation accords with the objectives of the development plan and the Council's adopted Supplementary Planning Document and should be supported.

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