

To:
Northaw & Cuffley Parish Council
7 Maynard Place
Cuffley
Hertfordshire EN6 4JA

CC:
Parish Clerk

Project name:
Former Hook Estate and Kennels

Project ref:

From:
AECOM

Date:
26 September 2022

DRAFT

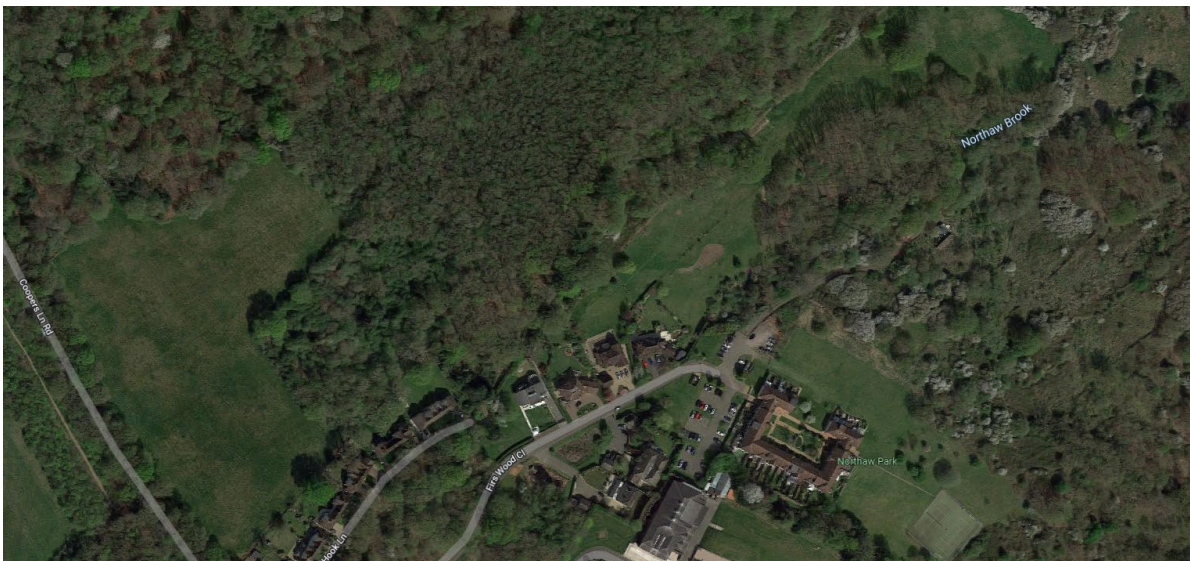
Former Hook Estate and Kennels

Subject: Northaw Retirement Village Proposal

1. Introduction

- 1.1 Swing Limited are preparing to initiate pre-application discussions with Welwyn Hatfield Borough Council (WHBC) regarding their proposals for a new retirement care village at the former Hook Estate and Kennels site. The draft plans seek to deliver up to 150 Extra Care dwellings and a range of communal facilities, extensive landscaping, and parking. They state that their aim is to provide: *“high-quality housing for older people with tailored support services whilst retaining their independence with the reassurance of 24-hour on-site staff and optional care and support as needed.”* The site is located north of Coopers Lane Road, accessed via Hook Lane.

Figure 1.1 Site Location – accessed via Hook Lane

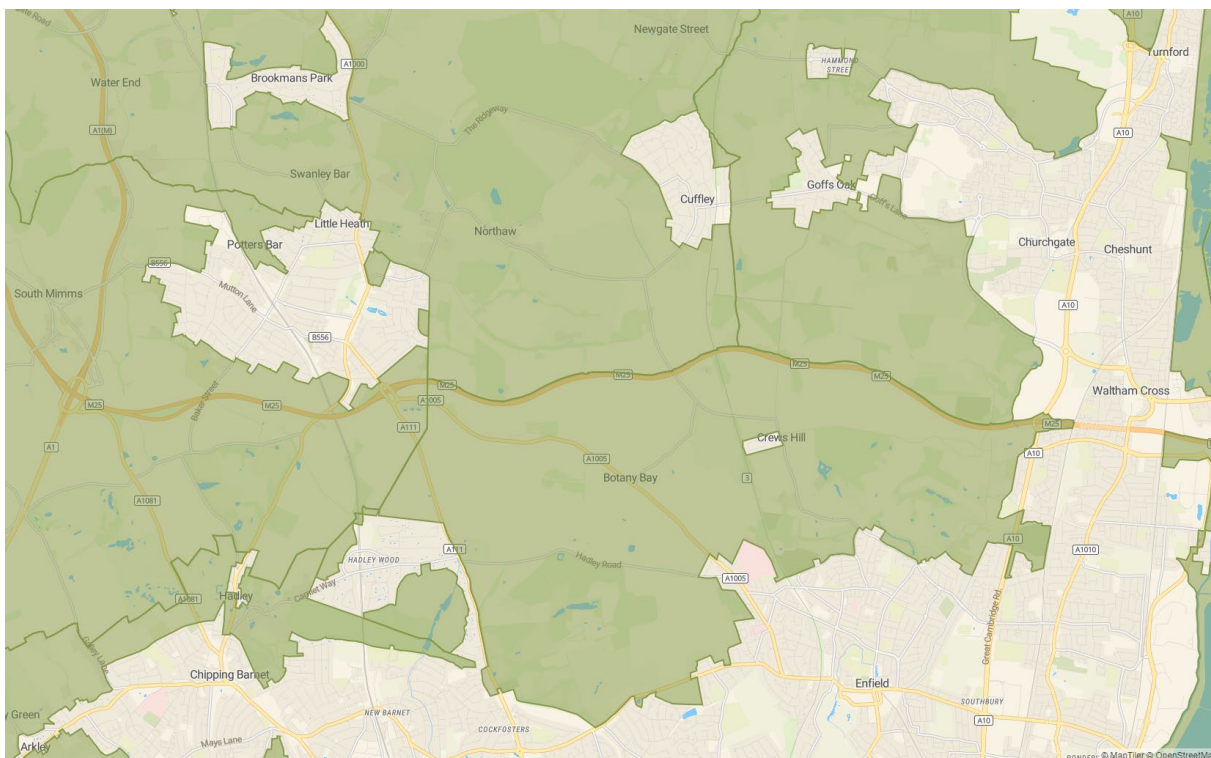


- 1.2 The Hook Estate and Kennels was a greyhound racing kennels facility located just off Coopers Lane Road in Northaw, Hertfordshire¹. It was the leading United Kingdom greyhound racing kennels for over fifty years and became a famed facility within the industry.
- 1.3 Northaw and Cuffley Parish Council has retained planning consultants AECOM to provide advice in respect of the proposed Northaw Retirement Village extracare development located on the for the old greyhound kennels site. This note includes advice on the policy position and guidance on how WHBC may further consider the feasibility/viability aspects of the proposals at the development management stage.

2. Context

- 2.1 WHBC are currently in the middle of an Examination in Public of the submitted Local Plan. In addition, the Northaw and Cuffley Neighbourhood Plan was submitted to WHBC in May 2022 and has recently gone through the publication phase (in accordance with Regulation 16 of the Neighbourhood Plan (General) Regulations 2012), in advance of an Inspector assessing the Plan against the Basic Conditions.
- 2.2 Neither the Local Plan nor the Neighbourhood Plan have allocated the former kennels site as a new site allocation for development. The site is washed over by the London Metropolitan Green Belt located between the inset villages of Potters Bar and Cuffley. As such it is important to summarise the national policy position insofar as it relates to the site.

Figure 2.1 London Green Belt (available under the Open Government Licence v3.0)



¹ Further information: <https://greyhoundstar.co.uk/remember-northaw-special/>

3. Green Belt Policy

- 3.1 The Government attaches great importance to Green Belts. The National Planning Policy Framework (NPPF, July 2021) states that the fundamental aim is to keep Green Belt land “open”. Inappropriate development is by definition harmful and should only be approved in “very special circumstances” (VSC). VSC will only exist where the potential harm to the Green Belt by reason of inappropriateness, and any other harm, is clearly outweighed. Substantial weight should be given by Local Planning Authorities (LPA) to the harm to the Green Belt through their decision making and development management processes.
- 3.2 “Inappropriate development” is a closely defined list (see NPPF paragraph 149). Case law, notably *Timmins v Gedling Borough Council (CA)*², confirmed that the list is exhaustive. Some forms of development (e.g., agricultural buildings) are appropriate by definition, but others can only be “appropriate” if they preserve openness and do not conflict with the purposes of Green Belt. Case law (e.g., *West Lancashire v SSCLG*³) has determined that the national policy affords “no latitude” to decide that the development does affect openness, but that the extent of that effect is not sufficiently significant to raise planning concerns. This principle was established against in a case that followed in *R(Boot) v. Elmbridge*⁴.
- 3.3 “Openness” is generally understood to mean the absence of built development. It is capable of applying to two dimensional development such as hardstanding (not just three dimensional). But it also covers uses on that land, even temporary uses such as parking can have an adverse effect on openness. There is some scope for subjective assessment here by both LPAs and developers.
- 3.4 In terms of VSC it is an extremely high policy hurdle to overcome. Inappropriate development is harmful by definition and substantial weight must be given to any harm to the Green Belt (both harm by definition and other harms). The benefits of development must clearly outweigh the harm. The test is highly subjective and therefore it is harder to predict outcomes at appeals. However, LPAs are much less at risk of an award of costs and so will generally resist and fight appeals on Green Belt grounds.
- 3.5 For larger housing schemes that have been successful at appeal they have included a few notable VSC arguments. All successful appeals were generally able to demonstrate a clear absence of a 5 year housing land supply. Some successful appellants have argued that their provision of Affordable Housing would help to meet a chronic local need. Other successful cases promised enabling development e.g., upgrades to existing education facilities; enhancement of existing heritage assets; enhancement to beneficial Green Belt uses and/or local footpath network; visual enhancement of Green Belt; and remediation of an existing site and biodiversity improvements.
- 3.6 For LPAs, whether a development is appropriate or inappropriate is critical to their analysis. For developers, its critical to the chances of obtaining permission if they can bring the development within the definition of “appropriate” development. For

² <http://www.bailii.org/ew/cases/EWHC/Admin/2014/654.html>

³ <http://www.bailii.org/ew/cases/EWHC/Admin/2009/3631.html>

⁴ <http://www.bailii.org/ew/cases/EWHC/Admin/2017/12.html>

example, the “limited in filling in villages” reference in the NPPF is typically deployed by attempting to argue that limited infilling or redevelopment of previously developed land will have either no impact on openness or no substantial harm to openness while helping to meet affordable housing need.

- 3.7 In this case the site lies outside of the villages of Northaw and Cuffley. Notwithstanding this fact, schemes that re-use buildings of permanent and substantial construction will argue that this will result in less harm and efficient use of existing structures/previously developed land. Applicants will typically seek to achieve a reduction in Previously Developed Land’s footprint, enhance visibility through the scheme to help maintain/increase the feeling of openness. At the same time, it is likely they will seek to maximise the developable floorspace, including through reuse of existing structures (see Figure 3.1).

Figure 3.1 Illustrative example (Source: Paul Brown KC)



- 3.8 If a development can be proven to be “appropriate” there is no need to demonstrate VSC and its impact on “openness” is irrelevant (see R (Lee Valley Regional Park Authority) v Epping Forest DC [2016] EWCA Civ 404)⁵.

- 3.9 If appropriateness depends on impact on openness some applicants will attempt to design schemes that are configured to produce benefits regarding openness. Openness is a three dimensional concept: mass, spread and views through the land in question are all relevant. Therefore, the impact will depend on overall balance. Developers will attempt to trade off gains in one against reductions in another. For example, they may reduce the overall footprint of the previously developed land to

⁵ <http://www.bailii.org/ew/cases/EWCA/Civ/2016/404.html>

demonstrate that openness is being enhanced. In theory you could reduce the mass and spread of existing structures and still deliver a scheme of 150 extracare dwellings. The Parish Council should seek to ascertain the provisional plans to see if the promoter is deploying this approach.

- 3.10 The draft WHBC Local Plan includes two policies of relevance (SP3 and SADM 1), the policies largely repeat the policies in the NPPF and seek to resist development in unsustainable locations:

Policy SP 3 Settlement Strategy and Green Belt boundaries

Green Belt boundaries are shown on the Policies Map and will be maintained throughout the plan period and will only be reviewed through a review of this plan.

Consistent with the settlement hierarchy, the primary focus for new development will be in and around the two towns of Welwyn Garden City and Hatfield where accessibility to strategic transport networks and public transport is good and the greatest potential exists to maximise accessibility to job opportunities, shops, services and other facilities, and to create new neighbourhoods with supporting infrastructure.

The secondary focus for development will be in and around the excluded villages at a more limited scale, compatible with the more limited range of job opportunities, shops, services and other facilities available in these locations. A location for a new village at Symondshyde to the north-west of Hatfield has been identified on the Policies Map.

In villages and other rural areas of the borough that lie within the Green Belt, development will be restricted so as to be consistent with the type of development envisaged in national planning policy and other policies of this plan.

Development that would result in disproportionate growth to any of the settlements, conflict with the function and position of a settlement within the hierarchy, which cannot be supported by the necessary infrastructure or result in a loss of services and facilities which are considered to be key to supporting local communities will be resisted.

Policy SADM 1 Windfall Development

Planning permission for residential development on unallocated sites will be granted provided:

- *The site is previously developed, or is a small infill site within a town or excluded village. In the Green Belt, Policy SADM 34 will apply;*
- *The development will be accessible to a range of services and facilities by transport modes other than the car;*
- *There will be sufficient infrastructure capacity, either existing or proposed, to support the proposed level of development;*
- *Proposals would not undermine the delivery of allocated sites or the overall strategy of the Plan; and*

- *Proposals would not result in disproportionate growth taking into account the position of a settlement within the settlement hierarchy.*

Windfall sites will also be supported where the proposed development would support communities through the provision of community facilities to meet the demand for new or enhanced community services.

- 3.11 AECOM development management specialists have recently undertaken Green Belt Assessments in relation to infrastructure and commercial development within the Green Belt. From our experience, unless there is overwhelmingly strong evidence of a desperate and immediate need (including C2 accommodation), which cannot be met any outside of the Green Belt elsewhere within the Housing Market Area, the prospects of presenting a successful VSC case are very weak in general. The view of AECOM's development planning team was that the scheme viability arguments would very much be secondary to the above principle of developments points. The policy hurdle for demonstrating the proposal is either "appropriate" or VSC is going to be extremely challenging for the applicant.

4. Viability and Development Management

- 4.1 In order to persuade WHBC to engage early on with feasibility and viability arguments, the below sections can be repurposed for any future communications with the case officer and local elected Borough Councillors.
- 4.2 The NPPF and PPG are clear that where a development proposal is non-policy compliant, the onus is on the applicant to demonstrate that any benefits outweigh the harms and that the development is actually 'deliverable' and feasible.

National Planning Policy Framework (NPPF)

- 4.3 As in the 2012 NPPF (and 2018 NPPF), viability remains an important part of the planning process. The changes made in July 2021, also address matters where viability will be a factor:

To ensure faster delivery of other public service infrastructure such as further education colleges, hospitals and criminal justice accommodation, local planning authorities should also work proactively and positively with promoters, delivery partners and statutory bodies to plan for required facilities and resolve key planning issues before applications are submitted.

2021 NPPF, Paragraph 96

- 4.4 The NPPF does not prescribe detail on the viability process, rather stresses the importance of viability. The main change in the 2021 NPPF versus the 2012 version is a shift of viability testing from the development management stage to the plan-making stage (our **emphasis** added).

*Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. **It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.** The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the*

*circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. **All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.***

2021 NPPF Paragraph 58

- 4.5 A greater emphasis is put on deliverability in the updated NPPF's glossary. The following, updated, definition is provided:

Deliverable: *To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*

- a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*
- b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.*

2021 NPPF Glossary

- 4.6 Under the heading *Identifying land for homes*, the importance of viability is further highlighted in the NPPF:

Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability.

Planning policies should identify a supply of:

- a) specific, deliverable sites for years one to five of the plan period; and*
- b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.*

2021 NPPF Paragraph 68

- 4.7 The NPPF does not include technical guidance on undertaking viability work. This is included within the Planning Practice Guidance (PPG) – see below.

Planning Practice Guidance

- 4.8 The viability sections of the PPG (Chapter 10) were rewritten in 2018. The changes provide clarity and confirm best practice, rather than prescribe a new approach or methodology. Having said this the emphasis of viability testing has been changed significantly. The, now superseded, requirements for viability testing were set out in paragraphs 173 and 174 of the 2012 NPPF which said:

173 ... To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.

174 ... the cumulative impact of these standards and policies should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle...

- 4.9 The test was whether or not the policy requirements were so high that development was threatened. Paragraphs 10-009-20190509 and 10-009-20190509 of the PPG change this, as follows:

*... ensure policy compliance and optimal public benefits through economic cycles...
PPG 10-009-20190509*

*and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.
PPG 10-0010-2018072*

- 4.10 The purpose of viability testing is now to ensure that ‘*maximum benefits in the public interest*’ has been secured. This is a notable change in emphasis, albeit in the wider context of striking a balance between the aspirations of developers and landowners, in terms of returns against risk. This test is particularly pertinent to the scheme in question which is proposing to provide specialist housing needs alongside other enhancements. If a scheme is unviable, it will not be capable of meeting the definition of deliverable. The LPA should treat this proposal with a high degree of caution given that any approval for extracare housing could establish the principle of residential development.
- 4.11 Accountability is a key new theme within the PPG. It sets out new requirements on reporting. In line with paragraph 10-020-20180724 of the PPG that says that ‘*practitioners should ensure that the findings of a viability assessment are presented clearly. An executive summary should be used to set out key findings of a viability assessment in a clear way*’ This will be a key test for the applicant, they will need to evidence how they satisfy the PPG requirements (set out below) and communicate the key findings using a plain English summary.
- 4.12 The updated PPG includes 4 main sections in relation to viability. Section 1 Viability and plan making is not relevant to this development proposal. It is a windfall site that does not benefit from an allocation and is detached from the village envelope of Northaw. Sections 2 to 4 are highly pertinent to this case.

Section 2 - Viability and decision taking

- 4.13 There are three parts to this important section: (1) ‘Should viability be assessed in decision taking?’; (2) ‘How should a viability assessment be treated in decision making?’; and (3) ‘How should viability be reviewed during the lifetime of a project?’.
- 4.14 The PPG is clear that: “*It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. Policy compliant in decision making means that the development fully complies with*

*up to date plan policies. A decision maker can give appropriate weight to emerging policies.” As noted, the proposal is for land that is not an allocation in either the emerging Local Plan or Neighbourhood Plan. The PPG provides advice on situations where viability testing will be required at the development stage (**emphasis** added):*

*...where development is proposed on **unallocated sites** of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or **housing for older people**); or where a recession or similar significant economic changes have occurred since the plan was brought into force.*

Paragraph: 007 Reference ID: 10-007-20190509

- 4.15 Our contention is that the proposals would require viability testing in accordance with the PPG. Therefore, the next section in the PPG is engaged and covers how a viability assessment should be treated in decision making:

Where a viability assessment is submitted to accompany a planning application this should be based upon and refer back to the viability assessment that informed the plan; and the applicant should provide evidence of what has changed since then.

The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and viability evidence underpinning the plan is up to date, and site circumstances including any changes since the plan was brought into force, and the transparency of assumptions behind evidence submitted as part of the viability assessment.

Any viability assessment should reflect the government’s recommended approach to defining key inputs as set out in National Planning Guidance.

Paragraph: 008 Reference ID: 10-008-20190509

- 4.16 The final part of this section is related to how viability could be reviewed during the lifetime of a project. This section would only become relevant should WHBC indicate that they are minded to approve an application for development on the site and the Parish Council wish to install review mechanisms into any proposed planning obligations. Section 3 of the PPG’s text on viability covers the inputs to any assessment and this is of particular relevance to specialist housing products such as extracare housing.

Section 3 - Standardised inputs to viability assessment

- 4.17 The general principles of viability testing are set out under paragraph PPG 10-010-20180724:

Viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return.

This National Planning Guidance sets out the government’s recommended approach to viability assessment for planning. The approach supports accountability for

communities by enabling them to understand the key inputs to and outcomes of viability assessment.

Any viability assessment should be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers. Any viability assessment should follow the government's recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available. Improving transparency of data associated with viability assessment will, over time, improve the data available for future assessment as well as provide more accountability regarding how viability informs decision making.

In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.

PPG 10-010-20180724

- 4.18 Any viability assessment will need to clearly and plainly set out the approach, methodology and assumptions used. Ideally, these inputs and assumptions should be subject to consultation with the WHBC LPA and estates team and be drawn from a range of credible data sources (including relevant comparable schemes in Hertfordshire). WHBC will be using viability assessments prepared by the promoters to critically assess the deliverability of the proposals. The values and costs associated with extracare housing will be the central assumptions.

Gross development value is an assessment of the value of development. For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered... average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data. For housing, historic information about delivery rates can be informative.

PPG 10-011-20180724

- 4.19 The residential values should be established using data from the Land Registry and other sources. PPG paragraph 10-012-20180724 lists a range of costs that must be taken into account.

- build costs based on appropriate data, for example that of the Building Cost Information Service*
- abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value*
- site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value*
- the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges,*

and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value

- *general finance costs including those incurred through loans*
- *professional, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value*
- *explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return*

4.20 The PPG then sets out how land values should be considered, confirming the use of the Existing Use Value Plus (EUV+) approach.

*To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).
PPG 10-013-20190509*

4.21 The PPG goes on to set out:

Benchmark land value should:

- *be based upon existing use value*
- *allow for a premium to landowners (including equity resulting from those building their own homes)*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees*

Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.

PPG 10-014-20190509

- 4.22 The approach adopted in a future appraisal must start with the EUV. The 'plus' element is informed by the price paid for policy compliant schemes to ensure an appropriate landowners' premium.

Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams' locally held evidence.

PPG 10-015-20190509

- 4.23 The PPG now sets out an approach to the developers' return to be adopted:

Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan. For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

PPG 10-018-20190509

Extracare housing and viability testing

- 4.24 Housing for older people is generally a growing sector due to the demographic changes and the aging population in the UK. The sector brings forward two main types of product that are defined in paragraph 63-010-20190626 of the PPG:

Retirement living or sheltered housing: *This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services, but provides some support to*

enable residents to live independently. This can include 24 hour on-site assistance (alarm) and a warden or house manager.

Extra care housing or housing-with-care: *This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24 hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.*

- 4.25 The PPG also includes specific viability guidance in respect of older peoples housing. Under the heading ‘*What factors should decision makers consider when assessing planning applications for specialist housing for older people?*’, the PPG states (our **emphasis** added):

*Decision makers should consider **the location and viability of a development** when assessing planning applications for specialist housing for older people. Local planning authorities can encourage the development of more affordable models and make use of products like shared ownership. Where there is an identified unmet need for specialist housing, local authorities should take a positive approach to schemes that propose to address this need.*

Paragraph: 016 Reference ID: 63-016-20190626

- 4.26 The location of the proposal is in a detached rural location. Therefore, it will be difficult to connect new residents with the services available in Potters Bar and Cuffley without a dedicated mobility scheme and travel plan in place. The viability of such schemes emphasised in this section of the PPG, again lending weight to the argument that WHBC and the applicant will need to engage with viability matters from the outset once formal pre-application processes are initiated.

- 4.27 The final part of this section includes the heading ‘*How should plan-making authorities count specialist housing for older people against their housing requirement?*’. The PPG states that:

Plan-making authorities will need to count housing provided for older people against their housing requirement. For residential institutions, to establish the amount of accommodation released in the housing market, authorities should base calculations on the average number of adults living in households, using the published Census data.

Paragraph: 016a Reference ID: 63-016a-20190626

- 4.28 At the time of writing (September 2022), there are limited new specialist older people’s housing / retirement schemes being marketed in Welwyn Hatfield⁶, therefore we would recommend that WHBC look more widely within Hertfordshire to establish the feasibility and viability inputs required to test the deliverability of a scheme of this nature. Values will need to be established for properties of varying sizes, in particular for one and two bed extracare properties. In addition, allowance will need to be made

⁶ See <https://www.mccarthyandstone.co.uk> / <https://www.carehome.co.uk> / <https://housingcare.org/elderly-uk-assisted-living-extra-care-housing/area-2-welwyn-hatfield>

for costs such as ground rents. The typical value of the ground rents on these types of units could be in excess of £3,000/unit. The applicants have proposed a series of additional facilities that would accompany the scheme. It would be prudent to benchmark the constructions costs of any facilities ancillary to the residential elements with reference to the Building Cost Information Service (BCIS), which provides cost and price data for the UK construction industry; and Spon's Price Books 2022 Editions⁷.

5. Summary

- 5.1 The proposals would represent a windfall site located in the London Metropolitan Green Belt. The policy hurdle for the applicant is extremely high. It will be important to ascertain whether the applicant is seeking to evidence whether the development is “appropriate” in terms of national Green Belt policy. AECOM's view is that this form of development is very unlikely to be considered as appropriate by virtue of its location outside of the village envelope and the principle of development would be challenging to justify. Therefore, the applicant will be required to demonstrate there are VSC and any harm to the Green Belt is outweighed by the scheme's benefits.
- 5.2 In the absence of an up to date plan (while the draft Local Plan remains at examination) only moderate weight can be applied to draft Green Belt policies SP 3 and SADM 1. Assessing whether VSC exists depends on the overall balance (the ‘tilted balance’). LPAs will typically start by assessing the harm, whereas applicants will seek to promote the benefits. All harm (e.g., to the Green Belt and other planning considerations) go into the planning balance but harm to the Green Belt will be given significant weight. As such developers will seek to bring forward development that reduces or mitigates any impacts e.g., improved landscaping, increased public access to the Green Belt etc. The question is not whether any one benefit is a VSC, but whether all the benefits taken together clearly outweigh the harm. The scale of any shortfall against the five year housing land supply will be important, affordable housing can significantly strengthen the case for developers. Benefits relating to Green Belt purposes are likely to be given greater weight e.g., the applicant might seek to provide public access to open space located adjacent to the Public Right of Way located to the west of the site. However, standard benefits (e.g., general landscaping/meeting open space standards) which would be expected of any development are less likely to persuade LPAs of the case for VSC.
- 5.3 As the proposals are for older peoples housing on an unallocated site the onus to prepare a viability appraisal lies with the applicant. The applicant will need to comply with the requirements of the NPPF and PPG. Should WHBC enter into pre-application discussions with the developer it will be important to remind the LPA of the relevant viability guidance summarised in this briefing note.
- 5.4 Should the proposal be approved the principle of development on the site would be established. There is a risk that this could include market housing as part of a future scheme application should approval for an extracare scheme lapse or if the promoter seeks to get the site included as a future allocation in subsequent Local Plan reviews.

⁷ <https://www.routledge.com/Spons-Price-Books/book-series/SE0395>

- 5.5 It is likely that the applicant will seek to reduce the impacts openness through the scheme design/layout, we would request site of the proposals plans once available following the virtual consultation session. This should help to identify in greater detail what arguments the applicant is likely to deploy to the LPA.
- 5.6 Should the applicant prepare a viability appraisal it may be necessary to engage a viability specialist and/or cost consultant to critically analyse the assumptions, inputs and modelling results.