

Site Update to Exam 8 for 'Red' Typologies – June 2021

- 1.1 This note updates EXAM 8 Viability Site Update¹, to reflect the findings of the updated viability testing (June 2021) requested by the Inspector.
- 1.2 All of the viability work for the Gloucester City Plan (GCP) has been based on testing a range of typologies rather than detailed site-specific viability analysis of individual sites. This is the recommended approach for plan making purposes. This note looks only at those sites that fall into the 'red' typologies. Red indicates that a viable position may not be reached at full policy compliance.
- 1.3 In VIA001, table 6.2, typologies 3, 7, 11, 12, 14, 16, 17, 21 and 24 fall within the red category. In the updated viability testing (June 2021) typologies 3, 7, 11, 12, 14, 16 and 17 fall within the red category.
- 1.4 The following table details how these typologies translate into the site allocations of the submitted GCP. Those struck through are those typologies from VIA001 which following the additional viability testing (June 2021) are no longer in the red category.

Table 1: Site identification within the red typologies

ID	Typology	Site Ref	Sites name within the GCP	Number of proposed units in Pre Sub
3	4 Houses Brownfield Low Value Area	-	-	-
7	9 Houses Brownfield Low Value Area	-	-	-
11	20 Houses Brownfield Low Value Area	-	-	-
12	20 Houses Greenfield Low Value Area	SA15	Land South West of Winneycroft Allocation	30
14	30 Houses Brownfield Low Value Area	-	-	-
16	30 Mixed Brownfield Mid Value Area	SA02	Land at Barnwood Manor	30
		SA18	Jordan's Brook House	20
17	30 Mixed Brownfield Low Value Area	SA13	Former Colwell Youth & Community Centre	20
21	100 Mixed Brownfield Low Value Area	-	-	-
24	200 Mixed Brownfield Low Value Area	SA05	Land at Great Western Road Sidings	200
Totals				300 100

¹ <https://www.gloucester.gov.uk/media/5313/exam-8-viability-site-update-190521.pdf>

1.5 In terms of total supply, the red typologies account for only 4 of the proposed 17 residential site allocations. This equates to 100 homes of the remaining potential 920 proposedⁱ.

1.6 It is important to consider that there may be nuances to these sites, for instance:

- 1) While the high-level viability assessment includes an assumed additional demolition cost on brownfield sites, no allowance for vacant buildings being redeveloped or brought back into use has been applied in reducing their policy compliant affordable housing rates or CIL charges.
- 2) While sites might be in the identified lower value wards, there may still be higher values within lower value wards that may better reflect these specific site locations.
- 3) Particular circumstances of acquisition/ownership, such as being under a Charity or Council ownership, where factors other than viability may be a consideration.
- 4) Such sites may be developable over the Plan period, with or without meeting policy requirements, subject to changes in market conditions.
- 5) Site allocation capacities are cautiously optimistic to ensure greater certainty in terms of deliverability. Final site densities may vary, and where appropriate, may be increased by developers to improve viability.
- 6) Where there are viability issues, the option to submit a viability appraisal to the local authority exists for these minority of sites, including the use of a Review Mechanism as set out in the Policy G8.

1.7 The Council has provided additional commentary on each of the 4 sites to bring further clarity to the matters of viability and deliverability.

Table 2: Site Commentary

ID of Typ'	Site Ref	Site name	Applicable for Vacant Building Credit / CIL discount	Additional Commentary on Site Progress
12	SA15	Land South West of Winneycroft Allocation	No VBC – single residential two storey property onsite. To the best of our knowledge the building is currently occupied and would be considered abandoned under paragraph 28 of the National Planning Guidance rather than vacant.	<p>This site was originally tested at a low value area typology. It is located in the vicinity of the proposed JCS strategic allocation A6: Winneycroft which has planning permission and pre-commencement conditions are in the process of being discharged.</p> <p>SA15 will be part of a continuation of the Winneycroft urban extension. This may reduce opening up and construction costs although that is unknown at this time. What is likely is that as the urban extension is built out and develops its own place making identity the value of the area will improve from low to mid.</p>

			Discount to CIL charge would apply if in use for six months prior to the development being permitted.	<p>It is possible that this site would over time fall into mid value typologies 10 or 18, both of which are green.</p> <p>A positive response was received to the Reg 19 consultation from the site owners and no viability issues were raised.</p> <p>Another adjacent site, Land at Winnycroft Farm (14/01470/OUT) secured planning permission for 217 dwellings in April 2021 with the following s106 contributions:</p> <ul style="list-style-type: none"> ○ 25% affordable housing scheme ○ An agreed pathway to secure funding for an additional 10% affordable housing; ○ Agreed housing mix; ○ Open space provision including a LEAP and a LAP; ○ Allotment provision; ○ Management of open space; ○ Off site sport provision contribution of £205,156; ○ Education contributions of £1,002,500; ○ Library contributions of £42,532; ○ £41,632 towards Highway improvements; ○ £60,247 towards Travel Plan provision <p>Although not definitive, as a site-specific viability has not been undertaken at this plan making stage, it is not unreasonable to assume that SA15 also has the potential to be viable in practice like the neighbouring site.</p>
16	SA02	Land at Barnwood Manor	Yes – single storey development covering the majority of the site.	<p>The site has planning permission for the demolition of existing housing (23 units) and redevelopment of site to provide 46 new build dwellings (16 no. 1 bedroom apartments, 24 no. 2 bedroom apartments, 4 no. 3 bedroom houses and 2 no. 3 bedroom bungalows), formation of new access to North Upton Lane and provision of parking, landscaping, external works and stores for bikes, refuse, plant etc.</p> <p>The applicant is the charity Barnwood Trust who will partner with a Registered Provider.</p>
16	SA18	Jordan's Brook House	Yes – large two storey building of commercial scale, garage block and three two storey	<p>This site is owned by the County Council.</p> <p>VIA001 tested the site in a mid value area which was reflective of Land Registry House Price Index</p>

			residential scale properties.	<p>(HPI) in February 2019 at the time. Within the value areas there will be pockets of higher values.</p> <p>Barnwood ward is a mature, attractive, and desirable part of the city. The area was considered a high value area in the JCS viability evidence base.</p> <p>The council expects that when site specific circumstances are considered in more detail, that given the attractiveness of the area, it is more likely that this site will fit into typology 9 (20 houses brownfield high value) which is considered viable. This would align with SA02 which has planning permission and is located on the same road as this site.</p>
17	SA13	Former Colwell Youth & Community Centre	Yes – site is occupied by a former school which occupies the majority of the site. Building is mainly 3 storey with a 2 storey element to the rear.	The building on this site is being considered for inclusion on the Local List. Given the heritage implications it may be the case that this site will need the benefit of a site specific viability at the application stage.

Conclusions

- 1.8 The majority of sites falling within red typologies are considered to be moving forward positively. This is not to take away from the work of the VIA001 or VIA002, which is considered by the Council to be proportional and robust for plan making purposes. The updated viability testing (June 2021) shows most allocated sites (75%), which accounts for 90% of the allocated site capacity, are expected to be viable at the full policy levels.
- 1.9 It must be remembered that while accurate for site assessment purposes, GCP allocations are cautiously optimistic in terms of density. This is to ensure that there is greater certainty with regard to the deliverability of housing numbers. It is not unusual for sites to be delivered at a higher density than proposed by the Council, and this is encouraged through Policy A1: Effective and efficient use of land and buildings. Sites with higher densities may have improved viability due to increased sales numbers.
- 1.10 Viability is also likely to be improved on those sites that qualify for VBC or discount to their CIL charge. A credit/discount will be applied equivalent to the gross floorspace of the vacant buildings. This will equate to a reduction in the affordable housing or CIL contribution required.
- 1.11 Flexibility is provided in the Joint Core Strategy to review viability issues on a site by site basis where appropriate.

¹ 4 of the 22 sites have recent permission so are not included in the 920. These are reflected as commitments in the 5 Year Housing Land Supply Statement. These are: Barnwood Manor (net 23 dwellings), Kings Quarter (permission for 91 reduced from 156), Rea Lane (30 dwellings), Secunda Industrial Estate (36 dwellings).