Draft Report

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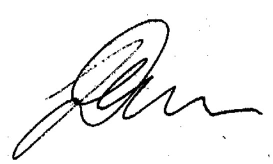
Calderdale: Local Plan and CIL Viability Assessment (LPCVA)

December 2013

Calderdale Council

Prepared By. Dale Robinson Status: Director Date: December 2013



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1. Executive Summary

2. Introduction

2.1 Calderdale Council is preparing for the introduction of its Community Infrastructure Levy (CIL) in accordance with Part II of the Planning Act 2008 (as amended by Part 6 of the Localism Act) and supporting CIL Regulations, as amended.

2.2 The Council is also working towards the adoption of a New Local Plan, in accordance with its adopted Local Development Scheme.

2.3 In this context the Authority requires a Local Plan viability assessment in order to demonstrate that the development being planned and the policy approaches being progressed (including CIL) are viable.

2.4 GVA was appointed by the Council to provide this specialist support and advice and to undertake an area wide economic viability assessment. In particular, GVA has sought to advise the Council on the level of CIL that would be viable to charge for new build development across the Borough.

2.5 We have also considered the cumulative impact of other policy requirements, as set out in the Local Plan Core Strategy Preferred Options 2012, and whether CIL should be charged as a single levy, or by differential rates, with reference to different value zones and land uses across the area.

2.6 GVA has acted in the capacity of an independent advisor when undertaking this assessment and the results of this study will used by the Council to inform the development of their Local Plan Policies and a Preliminary Draft Charging Schedule (PDCS) for the purposes of CIL.

2.7 At this stage it is important to recognise that viability appraisals undertaken to support the findings in this study do not constitute formal valuations and should not be regarded or relied upon as such. They provide a guide to viability in line with the purpose for which the assessment is required / being undertaken.

Report Structure

2.8 The remainder of this report is structured as follows:

- Section 3 provides a summary of the Community Infrastructure Levy (including the Regulations that are particularly relevant);
- Section 4 provides a summary of the work being undertaken to identify the infrastructure requirements necessary to facilitate the growth aspirations of the New Local Plan and to which CIL will contribute;
- Section 5 summarises the development typologies considered within the assessment and the rationale for their inclusion;
- Section 6 sets out our proposed approach / methodology;
- Section 7 establishes the Market Values/ Benchmarks for use within the assessment;
- Section 8 examines the viability of the Local Plan Policies , including CIL; and
- Section 9 outlines our conclusions and principal recommendations.

3. Community Infrastructure Levy in Context

3.1 The Council has determined that it wishes to charge a Community Infrastructure Levy (CIL) and wishes to put in place appropriate evidence to support the level of charge having considered the cumulative impact of other policy requirements, as set out within the Local Plan Core Strategy Preferred Options 2012[1].

3.2 In this section of the report we set out the context and background to the Community Infrastructure Levy. In particular we review the relevant Planning Act Legislation and Regulations that enable a CIL to be implemented, giving consideration to how CIL may be set, the calculation of the Levy, its enforcement and how CIL can work in conjunction with a S106 regime.

3.3 We also identify the key benefits of CIL as the transparency and certainty the Levy provides to landowners, developers and investors in assessing the viability of their individual proposals; the improvements to decision-making through a reduction in the time spent in negotiating contributions; and to the Council in being able to easily calculate the levels of capital finance generated through the Levy.

The Principles and Purpose of CIL

3.4 Part II of the Planning Act 2008 (as amended by Part 6 of the Localism Act 2011) provides for the imposition of a charge to be known as Community Infrastructure Levy. The Act specifies who may charge CIL, and includes provisions for aspects of the charge including how liability is incurred, how it is to be charged, collected and spent.

[1] The policies considered within this assessment are set out at Section 8.

3.5 CIL came into force on 6th April 2010, under the Community Infrastructure Levy Regulations 2010 (SI 948). The Regulations were amended by the Community Infrastructure Levy (Amendment) Regulations 2011 (SI 987), which came into force on 6th April 2011 and subsequently by The Community Infrastructure Levy (Amendment) Regulations 2012, which came into force on the 6th April 2012[2]. These set out the detailed provisions which will enable local authorities in England and Wales to introduce a CIL. Further guidance was issued in December 2012 and the consolidated Regulations were issued in April 2013.

3.6 The Government consulted on further changes to the Regulations from April 2013 to 28th May 2013. Having had due regard to the consultation responses the Government is now taking steps to implement regulatory amendments in line with the majority of the proposals, as set out in the consultation document. The Government intends to develop regulations and guidance as quickly as possible, with the objective of laying new regulations in Parliament before the end of the year, to come into effect – subject to the Parliamentary process – by the end of January 2014.

3.7 The Levy will apply to all new buildings above 100sq.m (1,076sq.ft) and any development that constitutes the formation of a single dwelling even when this is below the size threshold of 100sqm (1,076sq.ft). The revenue from the Levy must be applied to infrastructure needed to support the future development of the area and not to remedy existing deficiencies. The Levy is non-negotiable when a CIL regime is adopted and, other than for particular exemptions, is chargeable on all forms of development. Exemptions include:

- New development below the threshold of 100sq.m (1,076sq.ft)[3];

[3] This provision will not apply where the chargeable development comprises one or more dwellings

- Self-build homes[4] (to be introduced through the guidance expected in January 2014)
- Residential extensions and annexes (to be introduced through the guidance expected in 2014)
- Social housing[5];
- Development undertaken by a charitable institution on the proviso that the development will be used mainly for charitable purposes or not-for-profit charitable purpose;
- The Council may also offer relief in exceptional circumstances, limited by certain conditions[6]; and
- CIL will also not be charged when the calculated amount is £50 or less.

3.8 A key benefit of CIL is its ability to fund strategic infrastructure - a provision not easily achieved through the existing S106 and S38/ S278 regimes.

3.9 Section 216 of the Planning Act 2008 (as amended by CIL Regulation 63) provides a wide definition of the types of infrastructure that can be funded by CIL, including roads and other transport facilities, flood defences, schools and other educational facilities, medical facilities, sporting and recreational facilities, and open spaces. DCLG has confirmed that this list is not absolute

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[4] These are defined as private individuals who typically self-finance their own projects and who build or commission the build of their home, either by working on their own or working with builders.

[5] Social housing relief from the levy currently applies to social rent housing, intermediate rent or shared ownership. Under the new Regulations to be published in January 2014 this will be extended to affordable rent, provided the rents are at least 20% below open market levels) and discount market sale homes so long as they meet the defined criteria at European and national level.

[6] Exceptional circumstances relief can currently be considered if a Section 106 Agreement is in place, which imposes a higher contribution to infrastructure costs than the CIL charge. However the new Regulations to be published in January 2014 will remove the requirement for the S106 Obligation to be greater than the CIL charge,

and that the definition has been left open in order to avoid having to update the Regulations on a regular basis. The only restriction is that the infrastructure has to support new growth and not remedy existing deficiencies. Clause 115 of the Localism Act 2011 also clarifies that CIL can be spent on the on-going costs of providing infrastructure, including maintenance and operational activities, as well as the initial upfront capital costs.

3.10 The Regulations provide for the reform of the current system of developer contributions towards infrastructure, principally through S106 Agreements, so that the two regimes operate alongside each other. In particular once the levy is adopted, or nationally from April 2015[7], the Council will be restricted in its use of S106 planning obligations. A planning obligation (under Section 106 of the Town and Country Planning Act 1990) cannot be sought for infrastructure intended to be funded by the levy, and no more than five obligations can be pooled by the Council to provide the same item of infrastructure. Any mechanism that attempted to fund significant strategic infrastructure through more than five obligations would have to be through a CIL. This effectively eliminates the potential for a S106 planning tariff to be used after April 2015.

3.11 The Council will still require a S106 Agreement to provide for affordable housing for example. The Regulations also state that Section 106 will remain, for site acceptability matters such as those which are needed to make the development work in physical terms, such as access, flood protection and wildlife measures[8]. However, contributions sought by this mechanism must be a) necessary to make development acceptable in planning terms, b) directly

[7] In the current guidance the date is April 2014 but the new regulations to be issued in January have moved this back to April 2015

[8] Where possible a planning condition should be pursued rather than a S106 Agreement to secure site mitigation matters.

related to the development and c) fairly and reasonably related in scale and kind to the development.

3.12 These restrictions do not currently apply in respect of infrastructure which is provided through S278 (of the Highways Act 1980) Agreements. However, the new guidance, which will come into effect in January 2014, will prevent the Council from seeking contributions towards the same infrastructure under both the levy and Section 278 Agreements[9]. The pooling restriction will not apply to 278 Agreements.

3.13 The Council will need to outline those items of infrastructure which can or will have to be funded through CIL (via their Regulation 123 List) and which items will continue to be funded through S106/S278 Agreements or planning conditions.

3.14 The use of CIL is intended to help the Council deliver the growth aspirations set out within the Local Plan. As well as raising revenue for infrastructure, CIL also aims provide greater transparency and certainty for landowners, developers and investors on the level of contributions that are required, and reduce delays in the granting of planning permission by removing negotiations over the amounts sought. CIL will also provide the Council with a source of revenue that can be used more flexibly than contributions under S106 Agreements to bring forward infrastructure.

CIL is intended for use alongside other funding streams. The Government proposed that "while CIL will make a significant contribution to infrastructure provision, core public funding will continue to bear the main burden, and the Council will

[9] This provision will not apply to Highway Agreements which are drawn up by the Highways Agency, relating to the Trunk Road network.

need to utilise CIL alongside other funding streams to deliver infrastructure plans locally."

Setting up a CIL

3.15 For a CIL to be implemented the following are required:

- A current, adopted Development Plan for the area; The Calderdale Unitary Development Plan (adopted 2006) provides the current policy context but the local plan policies will be replaced by the new Local Plan policies in accordance with the adopted Local Development Scheme.
- An up to date infrastructure needs assessment that establishes the requirements, timing and costs of transport and community infrastructure; The Councils Infrastructure Delivery Plan (IDP) Autumn 2012 looks at a wide range of infrastructure including, roads, schools, open spaces and utilities. The document considers the existing infrastructure provision within Calderdale, the future plans of infrastructure providers and the implications of growth contained within the Core Strategy. The IDP is a living document and Fore Consulting was commissioned by the Council, as part of the GVA team undertaking the Local Plan and CIL Viability Assessment, to critically review the IDP. A copy of this report is provided at Appendix I and a summary of the main findings are presented in Section 4.
- The results of a viability and impact assessment which consider the likely effects of introducing the CIL. The key element of this commission is concerned with testing the potential impact of a range of possible CIL charges, alongside other policy requirements, on the viability of development across the Borough. This will reveal the appropriate balance between the desirability of funding infrastructure from CIL and the potential effects of CIL and other policy requirements on the economic viability of development across the area. The overriding factor

in setting a CIL charge is the impact of the charge on the economic viability of development.

- The updated guidance, to be issued in January 2014, will also require that a draft Regulation 123[10] list forms part of the available / relevant evidence in the rate setting process and be included as part of the evidence at the Examination stage.

This process of setting CIL should start with the vision for the area established in a Development Plan, and infrastructure planning should identify the likely cost of infrastructure coming forward. Taking other funding sources into account, the Council must identify gaps in funding to arrive at a proposed amount to be raised from CIL. An assessment of development viability at the plan level must also be undertaken.

3.16 The Council can then prepare a Draft Charging Schedule. The schedule will not formally be part of the Development Plan, but its treatment will be the same as that for Development Plan Documents.

- The Charging Schedule will require the same level of testing as development plan documents, including a requirement to consult publicly and a Public Examination to hear representations; and
- Clause 212A of the Localism Act advocates that an examiner must recommend a draft charging schedule for approval if the drafting

[10] The Regulation 123 infrastructure list identifies the projects, or types of infrastructure, which the Council intends to fund or part fund with levy receipts. One of purposes of Regulation 123 is to ensure that authorities cannot seek contributions for infrastructure funding through S106/S278 funding when the levy is already expected to fund that same infrastructure.

requirements have been complied with. If the requirements have not been followed but the issues of non-compliance can be remedied the examiner can also recommend that the schedule be approved subject to further refinement / modifications. In the event such issues are not able to be remedied the examiner must recommend that the draft be rejected.

3.17 The Charging Schedule must identify the chargeable land uses and the appropriate rates. Charges will be expressed as a cost per square metre of floor space and will be linked to an index of inflation.

3.18 To ensure consistency and simplicity the Regulations define the units of development that may be charged, the exemptions, and other similar matters. There is some degree of flexibility so that Charging Schedules can be tailored to local circumstances. These include a facility to set differential rates. The current regulations provide scope to differentiate rates on a geographical basis but the new Regulations, to be issued in January 2014, will also permit differential rates by reference to the proposed size of development, or the proposed number of units or dwellings. However, the Guidance is clear in that any differentials are only permitted on the grounds of economic viability.

3.19 The Guidance also makes it clear that when drawing up a Charging Schedule the Council will need to ensure that CIL is not set at such a level that it risks the delivery of its Development Plan, because development is rendered unviable by the charge proposed.

Setting CIL Rates and the Appropriate Balance

3.20 Regulation 14 requires the Council (charging authority) to 'aim to strike an 'appropriate balance' between:

a) The desirability of funding from CIL the cost of infrastructure required to support the development of its area; and

b) The potential effects of the imposition of CIL on the economic viability of development across its area.

3.21 The guidance provides further advice when considering this issue, as set out below.

'By providing additional infrastructure to support development of an area, CIL is expected to have a positive economic effect on development across an area in the medium to long term. In deciding the rate(s) of CIL for inclusion in its draft charging schedule, a key consideration for authorities is the balance between securing additional investment for infrastructure to support development and the potential economic effect of imposing CIL upon development across their area. The CIL regulations place this balance of considerations at the centre of the charge-setting process. In view of the wide variation in local charging circumstances, it is for charging authorities to decide on the appropriate balance for their area and how much potential development they are willing to put at risk through the imposition of CIL. The amount will vary. For example, some charging authorities may place a high premium on funding infrastructure if they see this as important to future economic growth in their area, or if they consider that they have flexibility to identify alternative development sites, or that some sites can be redesigned to make them viable. These charging authorities may be comfortable in putting a higher percentage of potential development at risk, as they expect an overall benefit……..In their background evidence on economic viability to the CIL examination, charging authorities should explain briefly why they consider that their proposed CIL rate (or rates) will not put the overall development across their area at serious risk'.

3.22 In this context the 'appropriate balance' is essentially the level of CIL which maximises the quantum of development in the area. If CIL is above this appropriate level, there will be less development than there could otherwise be; this is because CIL will make too many potential developments unviable.

Conversely, if CIL is below the appropriate level, development will also be less than it could be, because it will be constrained by insufficient infrastructure.

3.23 This is a matter of judgment rather than a rigorous calculation and charging authorities are allowed considerable discretion in this matter. For example, the guidance states:

'It is for charging authorities to decide what CIL rate, in their view, sets an appropriate balance between the need to fund infrastructure and the potential implications for the economic viability of development…'The legislation only requires a charging authority to use appropriate available evidence to 'inform the draft Charging Schedule'. A charging authority's proposed CIL rate (or rates) should appear reasonable given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence… there is room for some pragmatism'

Calculation, Payment and Enforcement

Calculation

3.24 The amount of CIL due will be calculated with reference to the Charging Schedule when a planning permission is granted. The planning permission will determine the number of chargeable units and the Charging Schedule will determine the rate per square metre (CIL is calculated on the net increase in Gross Internal Area)[11], and the CIL calculated by multiplying these two factors. An inflation index will then be applied. Landowners and developers would be advised of the amount of liability when planning permission is granted.

[11] Gross internal floor area includes everything within the external walls of the buildings and includes things like lifts, stairwells and internal circulation areas. It does not include things like external balconies or the thickness of external walls.

Payment

3.25 CIL payment is not due until the commencement of development, as defined in the Town and Country Planning Act 1990. Developers will be required to notify the charging authority of their intention to commence development and to provide details of the entity that will pay CIL in advance of commencement. If no details are provided, landowners will be liable in default. The payment of CIL will depend on when planning permission is granted, as illustrated in the scenarios below.

- If the development is issued with a planning decision notice prior to the CIL implementation date the scheme will not be liable to pay CIL. If the planning decision notice is issued after the implementation date the scheme will be liable to pay CIL. The relevant date is the date of the issuing of the planning permission notice, not when planning applications were submitted.
- If the scheme has a resolution to grant planning permission (e.g. subject to a S106 agreement or call-in) before the CIL implementation date, but the formal issue of planning permission is made after the CIL implementation date, the scheme will be liable to pay CIL. This is because any resolution to grant planning permission by the Council does not formally grant planning permission, as a decision notice cannot be issued until, for example, a S106 agreement has been signed, where required.
- If the scheme has outline planning permission before the CIL implementation date, but the approval of reserved matters / phases is made after publication of the CIL implementation date, the approval of reserved matters / phases does not trigger a liability to pay CIL.
- If the scheme has planning permission before the CIL implementation date, but the approval of pre-commencement conditions is made after the CIL implementation date, the development is not liable for CIL
- If the scheme is refused planning permission before the CIL implementation date, but an approval of planning permission on appeal is made after the CIL implementation date the development will be liable to

pay CIL

- If the scheme has a planning permission before the CIL implementation date, but an approval of a S73 application to vary or remove conditions is made after the CIL implementation date, the approval does trigger a liability to pay CIL because it results in a new planning permission. However, the CIL (Amendment) Regulations 2012 confirm that although a new CIL liability is triggered, the new additional chargeable amount is equal only to the net increase in the chargeable amount arising from the original planning permission.

3.26 In the event a CIL payment is to be made; the initial proposals set out that payment was to be required 60 days after commencement, or, if the contribution was more than £10,000, to be paid in equal instalments up to 240 days after commencement, depending on the amount. However, the Council will now be allowed to set their own flexible payment deadlines and offer developers the option to pay by instalments.

3.27 The Regulations currently allow each phase of an outline planning permission to be treated as a separate chargeable development, but do not make the same provision for each phase of a full planning permission, which is to be implemented in phases. However, the incoming Regulations in January 2014 will ensure that where full and outline permissions, and hybrid permissions combining the two, are phased development, each phase will be treated as a separate chargeable development. The new Regulations will also enable the charge to be re-calculated if the provision of affordable housing is varied after development has commenced.

Payments in Kind

3.28 The Regulations already allow charging authorities to accept land (including infrastructure on the land) as payment in respect of part or all of a charge liability. The new Regulations will give charging authorities the options to accept a combination of land payments and / or provision of infrastructure, as ‘benefit in kind’ provided they have elected to do this.[12]

3.29 This will remain solely at the discretion of the Council and should only be accepted where the Council considers it will bring cost savings and or timing or other benefits compared to the procurement of infrastructure through the use of CIL funds.

Enforcement

3.30 Enforcement measures are based on existing legislation. The CIL liability must be registered as a Local Land Charge, to ensure that subsequent purchasers of developed land and property are aware of the existence of an outstanding liability.

3.31 To ensure that those paying CIL promptly do not suffer because of late payment by others, charging authorities have powers to add interest and surcharges to CIL[13]. Other planning enforcement and Stop Notice powers may also be used.

[12] Should the Council wish to accept benefit in kind they would need to publish a policy to this effect on their website – particularly to ensure clarity and transparency about what infrastructure the Council may be willing to consider as payment in kind.

[13] Up to 20% of the applicable CIL charge (up to a maximum of £2,500) can be levied as a surcharge

4. Identifying the Infrastructure Funding Deficit

4.1 The introduction of a charge under the Community Infrastructure Levy (CIL) can only be justified if there is a shortfall/funding gap in the level of estimated funding for infrastructure that is required to support the planned growth across the Borough.

4.2 In order to establish whether the introduction of a CIL charge is justified the Council commissioned, as part of the Local Plan and CIL Viability Assessment. Fore Consulting to critically review the most up-to-date version of the Council's IDP, and confirm that this document provides a robust evidence base for the production of CIL, particularly in terms of its identification of the critical infrastructure to support the planned growth in Calderdale.

4.3 The review also identified a justifiable aggregate funding 'gap' of around £260 million. However, it is not expected that CIL will fund the entire gap, instead it is anticipated that CIL will contribute towards the funding deficit alongside other funding streams. This is recognised within the Regulations which state.

"While CIL will make a significant contribution to infrastructure provision, core public funding will continue to bear the main burden, and the Council will need to utilise CIL alongside other funding streams to deliver infrastructure plans locally".

4.4 In preparing for CIL the Council will need to consider the information contained within the IDP and outline those items of infrastructure which it intends to finance in full or in part by CIL. This is known as the Regulation 123 List.

4.5 As part of the review of the current IDP the elements of infrastructure that would be appropriate to be considered for funding through CIL (mainly local transport and education) have been considered. However, it should be recognised that this only represents a point in time and delivering infrastructure does not stand still, as planning applications are submitted, land use proposals alter, funding regimes differ, and even governments change.

4.6 To build on the good work done to date by the Council in developing the IDP, and to ensure that the Council is in the best possible position to take an early view as to which infrastructure schemes it may seek to put forward for other competitive funding rounds, such as the recent Growing Places Fund and Local Authority Highway Pinch Points, or to allow the work in progress to be used to respond to any planning applications that are received between now and the start of any CIL regime, it is recommended that the delivery plan from the IDP be taken forward as a live / working document.

4.7 Using a spread sheet approach initially, it would be possible to plot the key infrastructure schemes against timeframe, cost (including a spend profile), lead agency, funding sources and gaps, risk, alternatives and priority, to provide a ‘live’ copy of an infrastructure register that the Council could use to monitor progress across all departments.

4.8 This could be supported by a plan showing the key infrastructure needs across Calderdale, overlain on the main development sites, which, in time could be converted into a GIS-based record of key infrastructure needs, which would then be a more useful tool with Members and partner organisations.

4.9 This could even be an open source document when complete, allowing developers an upfront view of the likely infrastructure requirements of bringing forward various sites, as well as being a powerful collaborative tool with other partner agencies who the work done to date has found can be sometimes difficult to engage with.

4.10 Through this commission, a first draft of such a spread sheet-based register has been prepared to complement the review, and it is suggested that the Council now takes ownership of this as a means of tackling the delivery of the infrastructure necessary to support the growth aspirations of Calderdale and translate this into a working draft of their Regulation 123 List.

4.11 A copy of the IDP review and spread sheet is provided at Appendix 1.

5. Development Typologies

5.1 In order to test the viability of CIL and future policies within the Local Plan a series of hypothetical development schemes ('development typologies') representing the scale, nature and characteristics of the current and future development envisaged to come forward across the Borough have been created[14].

5.2 The majority of development is expected to fall within a limited number of development types, which are expected to create the greatest amount of new floor space over the plan period, or be strategically important to the broader objectives of the Local Plan.

5.3 The viability assessment focuses on these types of developments and ensures that they remain broadly viable having taken into consideration the cumulative impact of CIL and the proposed policy requirements set out within the New Local Plan. However, we do not need to prove that each and every development scenario will be deliverable. Instead, the assessment needs to demonstrate that the majority of development is viable, when seen at a strategic Borough wide level.

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[14] For the purposes of CIL the Planning Advisory Committee (PAS) previously recommended that all uses be tested but they now take a more flexible approach and advocate that assessments be restricted to the conventional / major land uses that are most commonly developed. In addition use classes which do not contribute significant levels of new floorspace are unlikely to neither have a significant impact on existing infrastructure nor contribute significant levels of CIL funding. Therefore, there is little justification for conducting a viability appraisal on such use types. The assessment should focus on the use classes which are likely to see the greatest amount of new build development over the plan period.

5.4 Our assumptions with respect to the various development typologies are set out below. These have been discussed and agreed with the Council.

Residential

5.5 The assessment has sought to align the typologies to the Housing Land Supply likely to come forward for development over the plan period. In this respect we have referred to the Councils Strategic Housing Land Availability Assessment (SHLAA) 2011 Review. This document sets out the housing sites under the following categories:

- Sites with planning permission;
- Sites under construction;
- Sites with outline planning permission;
- Schedule of other sites;
- Sites held in abeyance[15]
- Filtered sites[16]

5.6 When determining the typologies the assessment has focussed on the profile of sites set out within the schedule of 'other sites', as these will form the new supply of housing land which would be subject to New Local Plan policies, including CIL. Sites with planning permission and those under construction would be exempt from the CIL payment and would not be subject to the New Local Plan Policies.

5.7 Our analysis shows that the District has 378ha / 934 acres (net) of 'other' housing land which has the potential to deliver 13,720 dwellings. From this

[15] Sites that are considered unlikely to be developed within the timeframe of the Strategic Housing Land Availability Assessment but which are to be re assessed through the annual review to determine whether they could move forward into the period covered by the Strategic Housing Land Availability Assessment.

[16] Sites that did not have any potential for residential development

supply almost two thirds (241ha / 595 acres) is Greenfield. Almost a quarter (85ha / 210 acres) comprises a mixture of Greenfield and previously developed land (PDL) and the remaining land (52 ha / 128 acres, which constitutes less than 15% of the overall supply, is Brownfield/PDL.

Greenfield Land Supply

5.8 Calderdale does not perform as a single uniform housing market and this fact was recognised within the Affordable Housing Economic Viability Assessment (April 2011). This document identifies a series of sub market locations across the Borough, referenced by their main settlements.

5.9 The location of the Greenfield land supply, with reference to these zones, is set out in Table 1. The extent of these areas is shown in Figure 1.

Table 1 –Location of Greenfield Land Supply

Spatial Zone	Net Land	%
Zone 1 – Hebden Bridge and Rural North West	8ha (19.76 acres)	3.32%
Zone 2 - Todmorden	10ha (24.71 acres)	4.15%
Zone 3 – Mytholmroyd and Sowerby Bridge	17ha (42 acres)	7.05%
Zone 4 – Ripponden and Rishworth	-	-
Zone 5 – Elland	37ha(91 acres)	15.35%
Zone 6 – Northowram and Shelf	-	
Zone 7 – Halifax Town Centre and South	(1)	
Zone 8 - Brighouse, Southowram and Hipperholme	70ha (173 acres)	29.05%
Zone 9 – West Central and North Halifax	(1)	
(1) Halifax (includes zones 7 and 9)	99 (245 acres)	41.08%
Totals	241ha (596 acres)	100%

- The main supply of Greenfield land, at just over 41%, is located within Halifax (incorporating Zone 7 – Halifax Town Centre and South and Zone 9 – West Central and North Halifax).

- Just over 29% is within Zone 8, which includes the settlements of Brighouse, Southowram and Hipperholme.
- Around 15% of the supply is within Zone 5 (Elland);
- Zones 1, 2 and 3 each account for less than 10% of the total supply; and
- There is no Greenfield land supply within Zones 4 and 6.

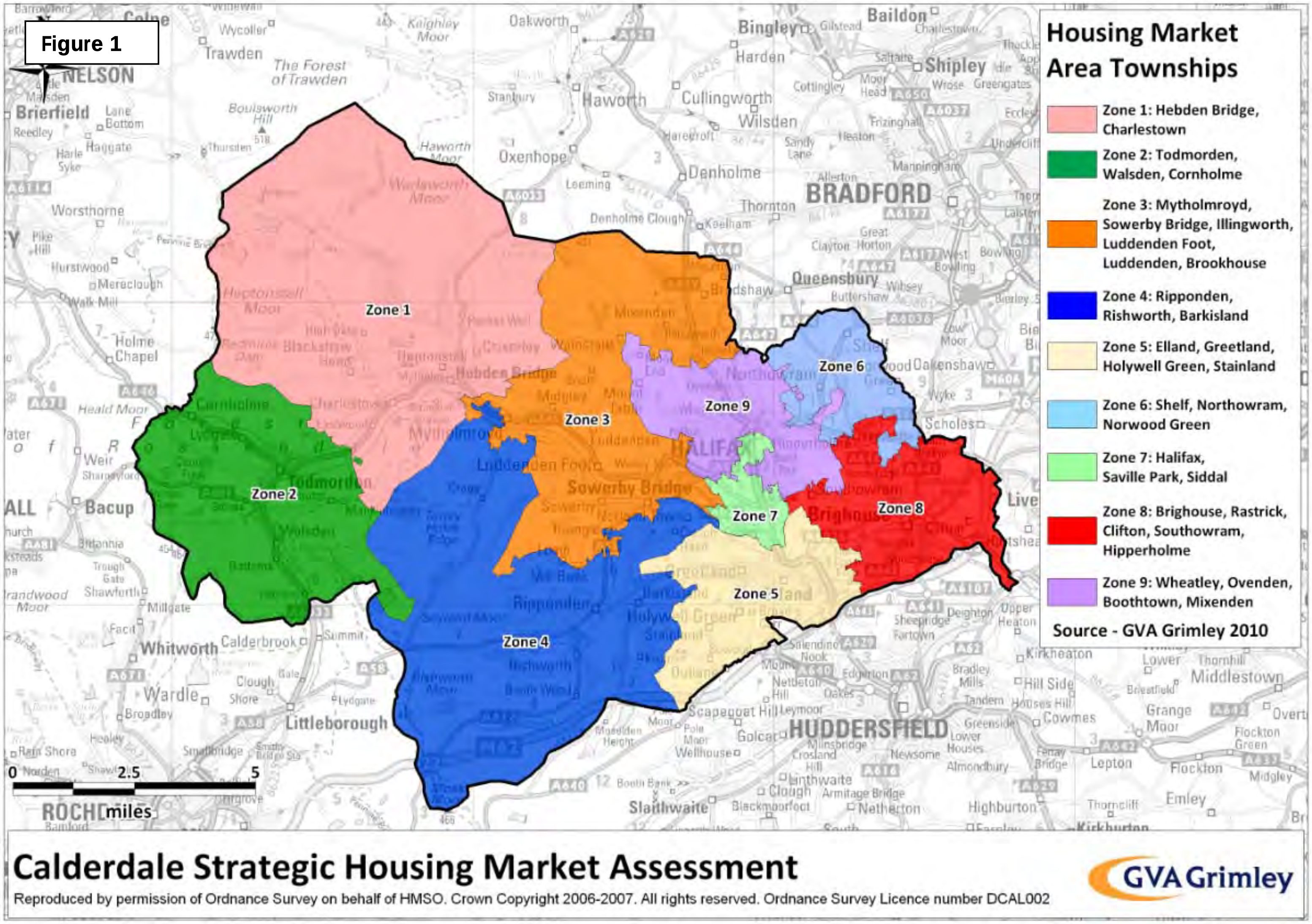
Figure 1
Housing Market Area Townships
Zone 1: Hebden Bridge, Charlestown
Zone 2: Todmorden, Walsden, Cornholme
Zone 3: Mytholmroyd, Sowerby Bridge, Illingworth, Luddenden Foot, Luddenden, Brookhouse
Zone 4: Ripponden, Rishworth, Barkisland
Zone 5: Elland, Greetland, Holywell Green, Stainland
Zone 6: Shelf, Northowram, Norwood Green
Zone 7: Halifax, Saville Park, Siddal
Zone 8: Brighouse, Rastrick, Clifton, Southowram, Hipperholme
Zone 9: Wheatley, Ovenden, Boothtown, Mixenden
Source - GVA Grimley 2010
Zone 1
Zone 2
Zone 3
Zone 4
Zone 5
Zone 6
Zone 7
Zone 8
Zone 9
0 2.5 5
miles
Calderdale Strategic Housing Market Assessment
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GVA Grimley

5.10 The profile of the Greenfield land supply, with respect to 'plot size', is summarised in Table 2.

Table 2 – Profile of Greenfield Land Supply

Size Threshold	No Sites	Net Developable Land	(%) of sites	(%) of land
<1ha (2.47 acres)	68	31.59ha (78.06 acres)	54.50%	13.10%
1.01ha to 2.5ha (2.49 to 6.18 acres)	33	54.43ha (134.50 acres)	26.40%	22.57%
2.51ha to 5ha (6.20 to 12.35 acres)	14	52.37ha (129.41 acres)	11.20%	21.72%
5.1ha to 10ha (12.6 to 24.71 acres)	6	47.08ha (116.34 acres)	4.80%	19.52%
10.1ha to 15ha (24.96 to 37.07 acres)	3	35.24ha (87.08acres)	2.40%	14.62%
>15ha (37.07 acres)	1	20.44ha (50.51 acres)	0.80%	8.47%
Totals	**125**	**241.15ha (595.9 acres)**	**100%**	**100%**

- More than half (54.50%) of the Greenfield sites are less than 1ha (2.47 acres). However, these sites only constitute 13% of the Greenfield land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for more than a quarter of the sites (26.40%) and almost 23% of the total land supply.
- Around one fifth of the land supply constitutes sites between 2.51ha (6.20 acres) and 5ha (12.35 acres). These sites comprise 11.20% of the total number of sites.
- Cumulatively, sites greater than 5ha (12.35 acres) account for less than 10% of the total number of sites but constitute 42.61% of the Greenfield land supply.

5.11 Further fined grained analysis has demonstrated a clear variation, within the supply profile, across each spatial zone[17]. This analysis is set out in Tables 3 to 6.

Table 3 – Profile of Greenfield Land Supply in Zone 1 (Hebden Bridge and Rural North West)

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	7	2.87ha (7.09 acres)	77.78%	37.59%
1.01ha to 2.5ha (2.49 to 6.18 acres)	1	1.44ha (3.59 acres)	11.11%	18.84%
2.51ha to 5ha (6.20 to 12.35 acres)	1	3.33ha (8.23 acres)	11.11%	43.57%
Totals	**9**	**7.64ha (18.91 acres)**	**100%**	**100%**

- Small sites (sub 1ha / 2.47 acres) account for more than three quarters of the total site supply but only comprise 37.59% of the available land.
- Most of the land supply (43.57%) is available within the 2.51ha (6.20 acres) to 5ha (12.35 acres) size range. However, this is provided within one site, which accounts for 11.11% of the total number of sites.
- The remaining land supply (18.84%) is provided within the 1.01ha (2.49 acres) to 2.5ha (6.18 acre) size range. However, once again, this is provided within one site, which only constitutes 11.11% of the total number of sites.

Table 4 – Profile of Greenfield Land Supply in Zone 2 (Todmorden)

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	4	1.78ha (4.40 acres)	57.14%	17.63%
1.01ha to 2.5ha	2	3.53ha (8.72 acres)	28.57%	35.08%

[17] It should be noted that there is no 'other greenfield sites' identified within the SHLAA in relation to Zones 4 and 6.

(2.49 to 6.18 acres)				
2.51ha to 5ha (6.20 to 12.35 acres)	1	4.76ha (11.76 acres)	14.29%	47.29%
Totals	**7**	**10.07ha (24.88 acres)**	**100%**	**100%**

- Small sites account for more than half (57%) of the total site supply but only constitute circa 18% of the available land supply.
- Almost half of the land supply (47.29%) is provided in the 2.51ha (6.20 acres) to 5ha (12.35 acres) size range. However, this is provided in 1 site, which accounts for 14.29% of the site supply.
- The remaining land supply (35.08%) is provided within the 1.01ha (2.49 acres) to 2.5ha (6.18 acre) size range. This constitutes two sites and accounts for 28.57% of the total number of sites.

Table 5 – Profile of Greenfield Land Supply in Zone 3 (Mytholmroyd and Sowerby Bridge)

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	12	5.13ha (12.68 acres)	66.67%	29.73%
1.01ha to 2.5ha (2.49 to 6.18 acres)	5	8.88ha (21.94 acres)	27.78%	51.48%
2.51ha to 5ha (6.20 to 12.35 acres)	1	3.24ha (8.00 acres)	5.55%	18.79%
Totals	**18**	**17.25ha (42.63 acres)**	**100%**	**100%**

- Once again Zone 3 is dominated by a proliferation of small sites. More than two thirds of the site supply is less than 1ha (2.47 acres). However, cumulatively, these sites only account for 29.73% of the land supply.
- Just over half of the land supply comprises sites ranging between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) but these sites only account for 27.78% of the total number of sites.
- There is only 1 site greater than 2.5ha (6.20acres) which constitutes 18.79% of the land supply and 5.55% of the total number of sites.

Table 2 – Profile of Greenfield Land Supply in Zone 5 - Elland

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	11	6.61ha (16.33 acres)	52.38%	17.79%
1.01ha to 2.5ha (2.49 to 6.18 acres)	4	5.79ha (14.31 acres)	19.05%	15.59%
2.51ha to 5ha (6.20 to 12.35 acres)	5	19.52 (48.24 acres)	23.81%	52.53%
5.1ha to 10ha (12.6 to 24.71 acres)	1	5.24ha (12.95 acres)	4.76%	14.09%
Totals	**21**	**37.16ha (91.8 acres)**	**100%**	**100%**

- Small sites account for just over half (52.38%) of the total site supply but only constitute around 18% of the land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for 19.05% of the site supply and 15.59% of the land supply.
- More than half of the land supply (52.53%) constitutes sites between 2.51ha (12.6 acres) and 10ha (24.71 acres). However, this only accounts for around a quarter of the site supply.
- There is 1 site greater than 5ha (12.6 acres) which accounts for 4.76% of the site supply and 14.09% of the land supply.

Table 5 – Profile of Greenfield Land Supply in Halifax (Zones 7 and 9))

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	27	12.29ha (30.37 acres)	52.94%	12.41%
1.01ha to 2.5ha (2.49 to 6.18 acres)	16	26.85ha (66.35 acres)	31.37%	27.12%
2.51ha to 5ha (6.20 to 12.35 acres)	3	11.39ha (28.15 acres)	5.88%	11.51%
5.1ha to 10ha (12.6 to 24.71 acres)	4	34.85ha (86.12 acres)	7.85%	35.19%
10.1ha to 15ha (24.96	1	13.64ha (33.71 acres)	1.96%	13.77%

to 37.07 acres)				
Totals	**51**	**99.02ha (244.69 acres)**	**100%**	**100%**

- Small sites account for just over half (52.94% of the total site supply but only constitute around 12.41% of the land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for around one third (31.37%) of the site supply and just over a quarter (27.12%) of the land supply.
- Approximately 11.5% of the land supply comprises sites between 2.51ha (12.6 acres) and 10ha (24.71 acres). However, this accounts for less than 6% the total number of sites.
- Sites between 5.1ha (12.6 acres) and 10ha (24.71 acres) comprise just over one third (35.19%) of the land supply but constitute less than 8% of the available sites.
- There is 1 site greater than 10ha (12.6 acres) which accounts for 1.96% of the site supply and 13.77% of the land supply.

Table 6 – Profile of Greenfield Land Supply in Zone 8 (Brighouse)

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	7	2.91ha (7.19 acres)	36.84%	4.15%
1.01ha to 2.5ha (2.49 to 6.18 acres)	5	7.93ha (19.60 acres)	26.32%	11.33%
2.51ha to 5ha (6.20 to 12.35 acres)	3	10.13ha (73.46 acres)	15.79%	14.46%
5.1ha to 10ha (12.6 to 24.71 acres)	1	7.00ha (17.30 acres)	5.26%	10.00%
10.1ha to 15ha (24.96 to 37.07 acres)	2	21.61ha (53.40 acres)	10.53%	30.87%
>15ha (37.07 acres)	1	20.44ha (50.51 acres)	5.26%	29.19%
Totals	**19**	**70.02ha (221.46 acres)**	**100%**	**100%**

- Small sites (sub 1ha / 2.47 acres) comprise 36.84% of the total site supply but only constitute 4.15% of the land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for around one quarter (26.32%) of the site supply but only 11.33% of the land supply.
- Approximately 14.5% of the land supply comprises sites between 2.51ha (12.6 acres) and 10ha (24.71 acres) and accounts for 15.79% of the overall number of sites.
- Sites between 5.1ha (12.6 acres) and 10ha (24.71 acres) comprise 10% of the land supply and constitute around 5% of the available sites.
- Sites between 10.1ha (24.96 acres) and 15ha (37.07 acres) provide 10.53% of the site supply and almost a third (30.87%) of the land supply.
- There is 1 site greater than 15ha (37.07 acres) which accounts for 5.26% of the site supply and 29.19% of the land supply.

5.12 The assessment has also considered the typical / average plot size within each spatial zone. This analysis has demonstrated a clear distinction / variation between the east and west of the District. In the west (inclusive of Zones 1 to 4) the supply of sites is predominantly sub 1ha / 2.47 acres. The average plot size is 0.43ha (1.06 acres). Within the 1.01ha to 2.5ha (2.49 acres to 6.18 acres) range the average plot size is 1.66ha (4.11 acres). Sites above 2.5ha (6.18 acres) are limited and none exceed 5ha (12.36). The average sized plot within this range is 3.78ha (9.33 acres). The results of this analysis are set out in Table 7.

5.13 In the east (inclusive of Zones 5 to 9) the supply is also dominated by small sites (sub 1ha / 2.47 acres). The average plot site is 0.49ha (1.22 acres). Within the 1.01ha (2.49 acres) to 2.5ha (6.18 acres) range the average plot size is 1.57ha (3.89 acres). The average plot size is 3.69ha (9.13 acres) within the size range 2.51ha (6.20 acres) to 5ha (12.35 acre), 6.98ha (17.26 acres) within the size range 5.1ha (12.6 acres) to 10ha (24.71 acres), 12.22ha (30.21 acres) within the size range 10.1ha (24.96 acres) to 15ha (37.07 acres) and the average plot size for sites greater than 15ha (37.07 acres) is 20.44ha (50.51 acres). The results of this analysis are set out in Table 8.

Table 7 – Site Profile (West Calderdale)

Site Thresholds	Zone 1			Zone 2			Zone 3		
	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)
<1ha (2.47 acres)	7	2.87 (7.09)	**0.41 (1.01)**	4	1.78 (4.40)	**0.45 (1.10)**	12	5.13 (12.68)	**0.42 (1.07)**
1.01ha to 2.5ha (2.49 to 6.18 acres)	1	1.44 (3.56)	**1.44 (3.56)**	2	3.53 (8.72)	**1.77 (4.36)**	5	8.88 (21.94)	**1.78 (4.39)**
2.51ha to 5ha (6.20 to 12.36 acres)	1	3.33 (8.23)	**3.33 (8.23)**	1	4.76 (11.76)	**4.76 (11.76)**	1	3.24 (8.00)	**3.24 (8.00)**
5.1ha to 10ha (12.60 to 24.71 acres)	-	-	-	-	-	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-	-	-	-	-	-
>15ha (>37.07 acres)	-	-	-	-	-	-	-	-	-

Table 8 – Site Profile (East Calderdale)

Site Thresholds (ha)	Zone 5			Zone 8			Zone 7 and 9		
	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)
<1ha (2.47 acres)	11	6.61 (2.67)	**0.60 (1.48)**	7	2.91 (7.19)	**0.42 (1.03)**	27	12.29 (30.37)	**0.46 (1.12)**
1.01ha to 2.5ha (2.49 to 6.18 acres)	4	5.79 (2.34)	**1.45 (3.58)**	5	7.93 (19.60)	**1.59 (3.92)**	16	26.85 (66.35)	**1.68 (4.15)**
2.51ha to 5ha (6.20 to 12.36 acres)	5	19.52 (7.90)	**3.90 (9.65)**	3	10.13 (25.03)	**3.38 (8.34)**	3	11.39 (28.15)	**3.80 (9.38)**
5.1ha to 10ha (12.60 to 24.71 acres)	1	5.24 (2.12)	**5.24 (2.12)**	1	7.00 (17.30)	**7.00 (17.30)**	4	34.85 (86.12)	**8.71 (21.53)**
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	2	21.61 (53.40)	**10.81 (26.70)**	1	13.64 (33.71)	**13.64 (33.71)**
>15ha (>37.07 acres)	-	-	-	1	20.44 (50.51)	**20.44 (50.51)**	-	-	-

5.14 Based on the analysis set out previously the assessment has identified a range of development typologies that represent the scale of development opportunities that are likely to come forward for development over the plan period. These are based on net development areas and are set out in Table 9.

Table 9 – Greenfield Development Typologies

West of District[18]	East of District[19]
0.50ha (1.24 acres)	0.50ha (1.24 acres)
1.65ha (4.08 acres)	1.65ha (4.08 acres)
3.75ha (9.27 acres)	3.75ha (9.27 acres)
-	7.00ha (17.30 acres)
-	12.25ha(30.27 acres)
-	20.44ha (50.50 acres)

Brownfield / Previously Developed Land (PDL) Supply

5.15 A similar exercise has been undertaken to understand the profile of the brownfield land supply. For the purpose of this assessment we have also included those sites that provide a mix of Brownfield and Greenfield land within this category.

5.16 The location of the Brownfield land supply, with reference to the housing market zones shown in Figure 1 is set out in Table 10.

Table 10 –Location of Brownfield Land Supply

Spatial Zone	Net Land	%
Zone 1 – Hebden Bridge and Rural North West	1.57ha (3.88 acres)	1.14%
Zone 2 - Todmorden	6.65ha (16.43 acres)	4.85%
Zone 3 – Mytholmroyd and Sowerby Bridge	30.34ha (74.97 acres)	22.12%

[18] Inclusive of Zones 1 to 4
[19] Inclusive of Zones 5 to 9

Zone 4 – Ripponden and Rishworth	-	-
Zone 5 – Elland	19.37ha (47.87 acres)	14.13%
Zone 6 – Northowram and Shelf	-	
Zone 7 – Halifax Town Centre and South	(1)	
Zone 8 - Brighouse, Southowram and Hipperholme	40.20ha (99.34 acres)	29.31%
Zone 9 – West Central and North Halifax	(1)	
(1) Halifax (includes zones 7 and 9)	39.01ha (96.40 acres)	28.45%
Totals	137.13ha (338.89 acres)	100%

- The main supply of Brownfield land, is located within Brighouse (Zone 8) and Halifax (incorporating Zone 7 – Halifax Town Centre and South and Zone 9 – West Central and North Halifax) accounting for 29.31% and 28.45%, respectively, of the total supply. This is unsurprising, as these are the main urban areas within the District.
- Zone 3 (Mytholmroyd and Sowerby Bridge) provides around a quarter of the Boroughs Brownfield land supply.
- Almost 15% of the supply is located within Zone 5 (Elland).
- The more rural areas which comprise zones 1 and 2 (including the towns of Hebden Bridge, Todmorden and the rural north west) provide around 6% of the Boroughs Brownfield land supply.
- There is no Brownfield land within Zones 4 and 6.

5.17 Mirroring the trends identified within the Greenfield land supply there is a clear variation in the profile of the Brownfield land supply, relative to each spatial zone[20]. This analysis is set out in Tables 11 to 16.

[20] It should be noted that there is no 'other Brownfield sites' identified within the SHLAA in relation to Zones 4 and 6.

Table 11 – Profile of Brownfield Land Supply in Zone 1 (Hebden Bridge and Rural North West)

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	5	1.57ha (3.88 acres)	100%	100%
1.01ha to 2.5ha (2.49 to 6.18 acres)	-	-	-	-
2.51ha to 5ha (6.20 to 12.35 acres)	-	-	-	-
Totals	**5**	**1.57ha (3.88 acres)**	**100%**	**100%**

- The Brownfield land supply exclusively comprises small sites (sub 1ha / 2.47 acres).

Table 12 – Profile of Brownfield Land Supply in Zone 2 (Todmorden)

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	11	3.97ha (9.81 acres)	92%	59.7%
1.01ha to 2.5ha (2.49 to 6.18 acres)	-	-	-	-
2.51ha to 5ha (6.20 to 12.35 acres)	1	2.68ha (6.62 acres)	8%	40.3%
Totals	**12**	**6.65ha (16.43 acres)**	**100%**	**100%**

- Small sites account for 92% of the total site supply and constitute almost 60% of the land supply.
- The remaining land supply (40.3%) comprises sites within the 2.51ha (6.20 acres) to 5ha (12.35 acre) size range. This constitutes one site and only accounts for 8% of the total site supply.

Table 13 – Profile of Brownfield Land Supply in Zone 3 (Mytholmroyd and Sowerby Bridge)

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	10	2.57ha (6.35 acres)	76.92%	8.47%
1.01ha to 2.5ha (2.49 to 6.18 acres)	2	3.05ha (7.54 acres)	15.38%	10.06%
2.51ha to 5ha (6.20 to 12.35 acres)	-	-	-	-
>15ha (37.07 acres)	1	24.72ha (61.09 acres)	7.69%	81.48%
Totals	**13**	**30.34ha (74.98 acres)**	**100%**	**100%**

- Zone 3 is dominated by a proliferation of small sites. More than three quarters of the site supply is less than 1ha (2.47 acres). However, cumulatively, these sites only account for 8.47% of the land supply.
- Around one tenth of the land supply constitutes sites ranging between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) but only accounts for 15.38% of the total number of sites.
- The overwhelming majority (81.48%) of the land supply comprises sites greater than 15ha (37.07 acres). However, this is provided within one site, which constitutes 7.69% of the total number of sites.

Table 14 – Profile of Brownfield Land Supply in Zone 5 - Elland

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	7	3.58ha (8.85 acres)	53.85%	18.49%
1.01ha to 2.5ha (2.49 to 6.18 acres)	3	4.29ha (10.60 acres)	23.08%	22.14%
2.51ha to 5ha (6.20 to 12.35 acres)	3	11.50ha (28.42 acres)	23.08%	59.37%
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-

Totals	**13**	**19.37ha (47.87 acres)**	**100%**	**100%**

- Small sites account for just over half (53.85%) of the total site supply but only constitute around 18.5% of the land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) constitute around one quarter of the land supply and the total number of sites.
- More than half of the land supply (59.37%) constitutes sites between 2.51ha (12.6 acres) and 10ha (24.71 acres). However, this only accounts for around a quarter of the site supply.

Table 15 – Profile of Brownfield Land Supply in Halifax (Zones 7 and 9))

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	26	10.45ha (25.82 acres)	65%	26.80%
1.01ha to 2.5ha (2.49 to 6.18 acres)	10	14.29ha (35.31 acres)	25%	36.63%
2.51ha to 5ha (6.20 to 12.35 acres)	4	14.27ha (35.26 acres)	10%	36.57%
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
Totals	**40**	**39.01ha (135.4 acres)**	**100%**	**100%**

- Small sites account for almost two thirds of the total number of sites but only constitute around one quarter of the land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for one quarter of the site supply and just over a third (36.64%) of the land supply.
- Just over one third of the land supply constitutes sites between 2.51ha (12.6 acres) and 10ha (24.71 acres). However, this only accounts for 10% of the site supply.

Table 16 – Profile of Brownfield Land Supply in Zone 8 (Brighouse)

Spatial Zone	No	Net Developable	Percentage	Percentage

	Sites	Land	(%) of sites	(%) of land
<1ha (2.47 acres)	8	3.13ha (7.73 acres)	40%	7.78%
1.01ha to 2.5ha (2.49 to 6.18 acres)	7	11.45ha	35%	28.48%
2.51ha to 5ha (6.20 to 12.35 acres)	3	9.98ha	15%	24.83%
5.1ha to 10ha (12.6 to 24.71 acres)	2	15.64ha	10%	38.90%
Totals	**20**	**40.20ha**	**100%**	**100%**

- Small sites (sub 1ha / 2.47 acres) comprise 40% of the total site supply but only constitute 7.78% of the land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for around one third (35%) of the total number of sites and just over a quarter (28.48%) of the land supply.
- Around one quarter of the land supply constitutes sites between 2.51ha (12.6 acres) and 10ha (24.71 acres) and accounts for 15% of the overall number of sites.
- Sites between 5.1ha (12.6 acres) and 10ha (24.71 acres) comprise the majority (38.90%) of the land supply but only constitute 10% of the available sites.

5.18 Whilst the assessment also demonstrated a clear distinction / variation in the Brownfield land supply, between the east and west of the District this was less pronounced than the Greenfield supply. In the west (inclusive of Zones 1 to 4) the supply of sites is predominantly sub 1ha / 2.47 acres. The average plot size is 0.31ha (0.77 acres). Within the 1.01ha (2.49 acres) to 2.5ha (6.18 acres) range the average plot size is 1.53ha (3.77 acres). Sites above 2.5ha (6.18 acres) are limited and only one exceeds 5ha (12.36). The average sized plot within this range is 2.68ha (6.62 acres). The results of this analysis are set out in Table 17.

Table 17 – Site Profile (West Calderdale)

Site Thresholds	Zone 1			Zone 2			Zone 3		
	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)
<1ha (2.47 acres)	5	1.57 (3.88)	**0.31 (0.78)**	11	3.97 (9.81)	**0.36 (0.89)**	10	2.57 (6.35)	**0.26 (0.64)**
1.01ha to 2.5ha (2.49 to 6.18 acres)	-		**-**	-		**-**	2	3.05 (7.54)	**1.53 (3.77)**
2.51ha to 5ha (6.20 to 12.36 acres)	-	-	**-**	1	2.68 (6.62)	**2.68 (6.62)**	-	-	**-**
5.1ha to 10ha (12.60 to 24.71 acres)	-		**-**	-	-	**-**	-	-	**-**
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	**-**	-	-	**-**	-	-	**-**
>15ha (>37.07 acres)	-	-	**-**	-	-	**-**	1	24.72 (61.08)	**24.72 (61.08)-**

Table 18 – Site Profile (East Calderdale)

Site Thresholds (ha)	Zone 5			Zone 8			Zone 7 and 9		
	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)
<1ha (2.47 acres)	7	3.58 (8.85)	**0.51 (1.26)**	8	3.13 (7.73)	**0.39 (0.97)**	26	10.45 (25.82)	**0.40 (0.99)**
1.01ha to 2.5ha (2.49 to 6.18 acres)	3	4.29 (10.60)	**1.43 (3.53)**	7	11.45 (28.29)	**1.64 (4.04)**	10	14.29 (35.31)	**1.43 (3.53)**
2.51ha to 5ha (6.20 to 12.36 acres)	2	11.50 (28.42)	**5.75 (14.21)**	3	9.98 (24.66)	**3.32 (8.22)**	4	14.27 (35.26)	**3.56 (8.82)**
5.1ha to 10ha (12.60 to 24.71 acres)	-	-	**-**	2	15.64 (38.65)	**7.82 (19.32)**	-	-	**-**
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-	-	-	-	-	**-**
>15ha (>37.07 acres)	-	-	-	-	-	**-**			

5.19 In the east (inclusive of Zones 5 to 9) the supply is also dominated by small sites (sub 1ha / 2.47 acres). The average plot site is 0.43ha (1.06 acres). Within the 1.01ha (2.49 acres) to 2.5ha (6.18 acres) range the average plot size is 1.5ha (3.71 acres). The average plot size is 4.21ha (10.40 acres) within the size range 2.51ha (6.20 acres) to 5ha (12.35 acre) and 7.82ha (19.32 acres) within the size range 5.1ha (12.6 acres) to 10ha (24.71 acres). This analysis is set out within Table 18.

5.20 Based on the analysis set out previously the assessment has identified a range of Brownfield typologies that represent the scale of development opportunities that are likely to come forward for development over the plan period. These are based on net development areas and are set out in Table 19.

Table 19 – Brownfield Development Typologies[21]

West of District[22]	East of District[23]
0.35ha (0.86 acres)	0.35ha (0.86 acres)
1.50ha (3.71 acres)	1.50ha (3.71 acres)
3.50ha (8.65 acres)	3.50ha (8.65 acres)
7.85ha (19.40 acres)	7.85ha (19.40 acres)

Density

5.21 The Core Strategy (Preferred Options 2012) sets out the density requirements in relation to site location and size. In particular policy TPH 3 (Residential Density) requires all new housing developments to be constructed in accordance with

[21] The SHLAA does identify a site within Sowerby Bridge (Zone 3), which extends to 24.72ha (see Table 17). However, this relates to the Copley Bridge Development Opportunity which has planning permission. In this context the development would not be liable for CIL. In this respect we have ignored this site when determining the Brownfield typologies.

[22] Inclusive of Zones 1 to 4

[23] Inclusive of Zones 5 to 9

the densities shown in Table 20, except where circumstances justify a different density. Such circumstances include:

- The character of the site itself;
- The character of the surrounding area;
- The need to preserve the amenity of existing or future residents;
- The availability of local facilities and infrastructure; and
- The need to influence the housing mix of an area.

Table 20 – Policy TPH 3 (Residential Density)

Location	Site Size	0.4ha	0.4 – 2ha	>2ha
Gross to Net Ratio[24]		100%	90%	75%
Town Centre (as defined on proposals map)	Gross Density	60dph	60dph	60dph
	Net Density	60dph	54dph	45dph
Near public transport nodes (e.g. Rail Station 750m)	Gross Density	50dph	50dph	50dph
	Net Density	50dph	45dph	38dph
Walking distance of town centres (750m from edge of town centre notation on proposals map)	Gross Density	50dph	50dph	50dph
	Net Density	50dph	45dph	38dph
Other urban areas (remaining areas shown on Proposals Map and sites immediately adjacent urban areas	Gross Density	40dph	40dph	40dph
	Net Density	40dph	36dph	30dph
Rural areas (within and adjacent smaller settlements in Green Belt and Area around Todmorden – washed over of inset on Proposals Map)	Gross Density	35dph	35dph	35dph
	Net Density	35dph	32dph	26dph

Source: Core Strategy Preferred Options 2012

[24] The gross / net conversion is based on recognised research into density as provided in 'Tapping the Potential'

5.22 In exercises such as this it is extremely difficult to apply these densities to hypothetical developments, especially those densities which are influenced by prescribed distances from transport nodes. Instead this assessment has applied a density, which best fits / reflects the character of each spatial zone, as identified in Figure 1. Within this context the densities set out in Table 21 have been incorporated into the assessment.

Table 21 – Densities

Spatial Zone	Net Density		
	<0.4ha	0.4 – 2ha	>2ha
Zone 1 – Hebden Bridge and Rural North West	35dph	32dph	26dph
Zone 2 - Todmorden	35dph	32dph	26dph
Zone 3 – Mytholmroyd and Sowerby Bridge	35dph	32dph	26dph
Zone 4 – Ripponden and Rishworth	35dph	32dph	26dph
Zone 5 – Elland	40dph	36dph	30dph
Zone 6 – Northowram and Shelf	35dph	32dph	26dph
Zone 7 – Halifax Town Centre and South	60dph	54dph	45dph
Zone 8 - Brighouse, Southowram and Hipperholme	40dph	36dph	30dph
Zone 9 – West Central and North Halifax	40dph	36dph	30dph

Development Mix

5.23 Policy TPH5 of Core Strategy (Preferred Options 2012) requires that the provision of new dwellings should assist in both retaining and achieving a balanced housing market. In particular, it states that proposals for residential development on sites of 12 or more dwellings should include provision for a mix of housing in terms of size and type in order to ensure sustainable, inclusive and mixed communities.

5.24 The Strategic Housing Market Assessment (SHMA) April 2011 concluded that a rising demand for smaller properties, based solely on the size of households (the District is likely to see an increase in single person households) is likely although it also acknowledged that if Calderdale wishes to retain family households then there will be a sustained demand to deliver additional family housing (particularly smaller semi – detached family housing) across the Borough. There is also a demonstrable demand, albeit to a lesser extent, for larger family and aspirational (3 and 4 bedroom housing) across the Borough. Table 22 shows the proportional split with respect to the size of property required in the market sector[25].

Table 22 – Property Required (Market Sector)

Tenure Expectation	**Number of Bedrooms Required**				
	1	**2**	**3**	**4**	**5+**
Own outright	26%	10%	3%	1%	0%
Own outright with mortgage	33%	19%	5%	0%	0%
Shared Ownership	1%	0%	1%	0%	0%
Shared Equity	1%	0%	0%	0%	0%
Total	**61%**	**29%**	**9%**	**1%**	**0%**

5.25 Within this context the following breakdown has been applied to the market sector units.

Table 23 – Market Sector Housing Mix

House Type	**Zone 7 [26]**	**Remaining Zones[27]**
1 bed flat	60%	-
2 bed flat	30%	-

[25] The SHMA Recommended that these proportions will require careful monitoring as they are likely to vary over the medium to long term.

[26] Zone 7 covers Halifax Town Centre and South and for the purpose of this assessment it is assumed that developments will be mainly apartments, which is reflected in the density assumptions (see Table 21).

[27] For all other zones, excluding zone 7, we have assumed that all developments will be housing biased, which is also reflected in the density assumptions in Table 21.

House Type	Zone 7 [26]	Remaining Zones[27]
3 bed flat	10%	-
1 bed house / starter home	-	61%
2 bed house	-	29%
3 bed house	-	9%
4 + bed house	-	1%
Totals	**100%**	**100%**

Property / Unit Sizes

5.26 Policy TPH4 of the Core Strategy (Preferred Options 2012) requires that all housing should be built to the minimum space standards set out in Table 24, unless this is demonstrated to be inappropriate or not feasible.

Table 24 – Property / Unit Sizes set out within TPH4

Property Type	Gross Size	
	Sq.m	Sq.ft
1 bed / 2 person flat	50	538
2 bed / 4 person flat	70	753
2 bed / 4 person house	83	893
3 bed / 5 person house	96	1,033
4 bed / 6 person house	107	1,152

5.27 These standards have been incorporated within the assessment. In addition the assessment has made an assumption with respect to space standards for the 3 bed flat and 1 bed house typologies, as these are not covered under policy TPH4. The assessment has also applied a gross to net ratio for the flats / apartments at 85%. No distinction has made between affordable and private sale dwellings.

5.28 In summary the following unit sizes have been incorporated within the assessment.

Table 25 – Property / Unit Sizes

Property Type	Size	
	Sq.m (net)	Sq.ft (net)
1 bed / 2 person flat	50 (43)	538 (463
2 bed / 4 person flat	70 (60)	753 (646)
3 bed / 5 person flat	80 (68)	861 (732)
1 bed / 2 person house	58	624
2 bed / 4 person house	83	893
3 bed / 5 person house	96	1,033
4 bed / 6 person house	107	1,152

Affordable Housing

5.29 Policy TPH6 requires that all new housing developments make the maximum viable contribution towards the provision of affordable housing. However, Policy TPH6 b recognises that the amount of affordable housing will be influenced by a number of factors including market location, site size threshold, practicality and financial viability and the specific needs of an area as set out in the Councils Housing Needs Statements.

5.30 Indicative levels of affordable housing, having regard to market conditions at the time of publishing the Core Strategy Preferred Options 2012 are set out in Table 26.

Table 26 – Affordable Housing Thresholds

Zone	Housing Market Locations	Size Threshold (no dwellings)	Proportion of affordable housing
Zone 1	Hebden Bridge, Charlestown	5	35%
Zone 4	Ripponden, Rishworth, Barkisland	5	35%
Zone 6	Northowram, Shelf, Norwood Green	5	30%

Zone	Housing Market Locations	Size Threshold (no dwellings)	Proportion of affordable housing
Zone 7	Halifax Town Centre	5	30%
Zone 2	Todmorden, Walsden, Cornholme	15	25%
Zone 3	Mytholmroyd, Sowerby Bridge, Illingworth, Luddendenfoot, Luddenden, Bradshaw	15	25%
Zone 8	Brighouse, Rastrick, Clifton, Southowram, Hipperholme	15	25%
Zone 5	Elland, Greetland, Holywell Green, Stainland	15	20%
Zone 9	Wheatley, Ovenden, Mixenden, Boothtown, West Halifax	15	20%

Source: Core Strategy Preferred Options 2012

5.31 The viability of delivering these affordable housing thresholds was tested and demonstrated as being achievable through an economic viability assessment, which was undertaken as part of the Strategic Housing Market Assessment (SHMA) April 2011.

5.32 The rates set out in Table 26, therefore, form a starting point for negotiation but actual viability will be assessed at the time planning applications are submitted[28]. The affordable housing will also be provided on site unless the Council agree that special circumstances justify a contribution in lieu.

[28] Proposing parties (developers/agents/landowners) will be required to undertake an open – book financial appraisal to demonstrate that the maximum reasonable and viable contribution to affordable housing is being provided.

5.33 For the purpose of this assessment the thresholds and proportions of affordable housing outlined previously have been incorporated into the assessment.

Affordable Tenure

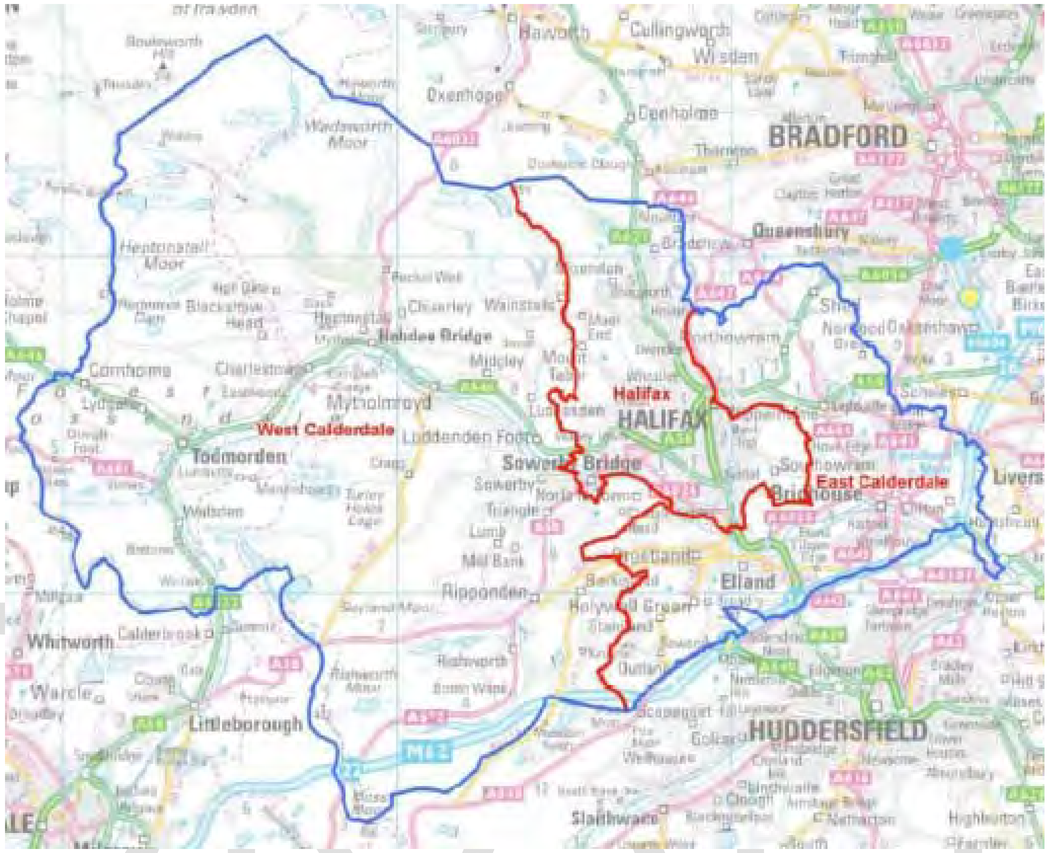
5.34 The Strategic Housing Market Assessment (SHMA) April 2011 recommended that, to support development viability and affordable housing supply, affordable housing sought through policy should target a tenure split of 25% social rented housing and 75% intermediate housing. These requirements have been incorporated within the assessment. However, it is also recognised that flexibility should be retained in order to facilitate variation to this tenure split where exceptional circumstances are demonstrable on a site by site basis and to take account of the tenure mix within the area in which the site is located.

Employment (incorporating B1, B2 and B8 uses)

5.35 The 2012 Employment Land Review update anticipates a gross need for 98,000sq.m (1,054,900sq.ft) of (B1a) office space and 215,000sq.m (2,314,250sq.ft) of (B1b, c B2 and B8) industrial / warehouse space across the Borough over the plan period. These requirements are taken forward into Policy CP2 of the Core Strategy Preferred Options 2012.

5.36 In order to ensure a strong, competitive and diverse economy this space will need to be delivered in appropriate locations. The Employment Land Review (ELR) 2008 identified three economic markets within Calderdale. These are shown in Figure 2 and include, East Calderdale, West Calderdale; and Halifax

Figure 2– Economic Markets within Calderdale



Source: Calderdale Employment Land Review (ELR) 2008.

East Calderdale

5.37 The East Calderdale area comprises the towns of Brighouse and Elland. There is a good potential supply of office and industry / warehousing accommodation. The area benefits from having less topographical constraints, relevant to the rest of the District, and convenient access to the M62 making it an attractive location. Successful business and industrial parks within the area include Lowfields and Armytage Road.

- Lowfields Business Park is one of the most successful industrial and office parks on the M62 corridor and has seen over 111,480sq.m (1.2m sq.ft) of office and industrial accommodation constructed since 1996. Although most of Lowfields is in industrial use the flat land in this area has enabled purpose built office accommodation to be constructed, which is the only location in East Calderdale with modern office buildings. The park provides prime quality accommodation for both footloose and indigenous West Yorkshire occupiers. It was intended that Lowfields would provide a long term supply of land for B1/B2, however, the park is now virtually fully developed. The majority of completed developments have already been leased or sold. Key demand features have included strong demand for both industrial and office units primarily due to the business park's location and lack of supply of high quality units elsewhere in Calderdale; strong demand for B2/B8 industrial units with the majority of enquiries requiring 1,858 to 4,645sq.m (20,000 – 50,000 sq.ft) and strong demand for freehold interest.

- Armytage Road Industrial Estate is a large estate situated between the M62 and Brighouse town centre. The buildings provide a mixture of modern industrial and warehouse units and older large scale factories/warehouses. The park is also almost fully developed.

5.38 The area also contains the most significant RCUDP employment site in the Wakefield Road, Clifton allocation, which has the potential to provide significant inward investment for Calderdale. In total the allocation provides 25.5ha (63 acres) of development land with the potential for 89,250sq.m (960,710sq.ft) of development.

5.39 In addition the town centres of Elland and Brighouse provide opportunities, through regeneration, for increased office accommodation.

5.40 Brighouse (including Bailiff Bridge, Hipperholme, Hove Edge, Lightcliffe and Rastrick) is expected to accommodate a significant proportion of the Boroughs employment needs. The Core Strategy Preferred Options Summary Document (Autumn 2012) indicates that 35,000sq.m (376,750sq.ft) of office space and 40,000sq.m (430,570sq.ft) of industry and warehouse space is required by 2029. Further employment growth is also planned in Elland with

8,000sq.m (86,114sq.ft) of offices and 50,000sq.m (538,213sq.ft) of industry / warehousing space required by 2029.

5.41 In terms of demand the ELR 2008 identified a shortage of very large industrial units over 1,858sq.m (20,000sq.ft) and small units below 232sq.m (2,500sq.ft). A shortage of small offices suites sub 232sq.m (2,500sq.ft) was also identified.

Halifax

5.42 Halifax (including Sowerby Bridge and Southowram) has a good potential supply of both office and industrial / warehousing accommodation. The area is considered to be the prime area for office accommodation being home to Lloyds and Dean Clough. There are also significant developments in the pipeline at Copley where around 7,500sq.m (80,731sq.ft) of offices and 13,000sq.m (139,935sq.ft) of industrial floorspace is proposed.

5.43 The Core Strategy Preferred Options Summary Document (Autumn 2012) indicates that 45,000sq.m (484,392sq.ft) of offices and 85,000sq.m (914,962sq.ft) of industrial and warehousing space is proposed within Halifax by 2029. Most of this will be in Halifax but there will also be small amounts of development in Southowram. Within Sowerby Bridge 1000sq.m (10,764sq.ft) of office space and 9,000sq.m (96,878sq.ft) of industry / warehousing space is proposed to be brought forward by 2029.

West Calderdale

5.44 Within the western parts of the Borough there is a limited supply of sites and premises. There is believed to be some potential for small scale office development within the town centres, particularly Todmorden. The following amounts of development are proposed within the area by 2029.

- Luddenden Dean, Mytholmroyd and Cragg Value: 1000sq.m (10,765sq.ft) of industry and warehousing space.

- Hebden Bridge: 1000sq.m (10,765sq.ft) of new small scale office development and 500sq.m (5,382sq.ft) of industrial and warehouse accommodation.
- Todmorden (including Walsden): 2,000sq.m (21,529sq.ft) of new office development and 3,000sq.m (32,292sq.ft) of new industrial and warehouse accommodation.

5.45 Within this context a range of 'development typologies', reflecting the scale of opportunities within each market value area, have been appraised within the assessment. These are set out within Table 27.

Table 27 – Employment Typologies

Description	Gross Size sq.m (sq.ft)	Market Area		
		East Calderdale	Halifax	West Calderdale
Offices (B1a)	2,787 (30,000)	✓	✓	✗
	1,393 (15,000)	✓	✓	✗
	465 (5,000)	✓	✓	✓
	232 (2,500)	✓	✓	✓
Industrial (B1, b, c and B2)	4,645 (50,000)	✓	✓	✗
	2,322 (25,000)	✓	✓	✗
	1,394 (15,000)	✓	✓	✗
	929 (10,000)	✓	✓	✗
	232 (2,500)	✓	✓	✓
Storage and Distribution (B8)	13,935 (150,000)	✓	✓	✗
	6,968 (75,000)	✓	✓	✗

Description	Gross Size sq.m (sq.ft)	Market Area		
		East Calderdale	Halifax	West Calderdale
	2,322 (25,000)	✓	✓	✗
	232 (2,500)	✓	✓	✓

5.46 Site areas have been derived through reference to the plot densities set out in the 'Yorkshire and the Humber Translating Jobs into Land' Final Report (2010). The report concludes the following:

- The plot ratios of both B8 (warehousing) and B2 (general industrial) development are generally similar at around 3,500sq.m (37,675sq.ft) per hectare.
- For offices, typical plot ratios are in the range of 3,500 to 4,000sq.m (37,675 to 43,057sq.ft) per hectare; with the exception of town centre office development where 6,000sq.m (64,586sq.ft) per hectare is often considered a reasonable assumption. At this density developers can offer three or four storey office with limited car parking on most town centre sites.

5.47 The site areas relating to each typology are set out in Table 28.

Table 28 – Employment Typologies Site Areas

Description	Gross Size sq.m (sq.ft)	Town / Urban Centre	Other Areas
Offices (B1a)	2,787 (30,000)	0.46ha (1.14 acres)	0.70ha (1.73 acres)
	1,393 (15,000)	0.23ha (0.57 acres)	0.35ha (0.86 acres)
	465 (5,000)	0.08ha (0.20 acres)	0.12ha (0.29 acres)
	232 (2,500)	0.04ha (0.10 acres)	0.06ha (0.14 acres)
Industrial (B1, b, c and B2)	4,645 (50,000)	n/a	1.33ha (3.29 acre)
	2,322 (25,000)	n/a	0.66ha (1.63 acres)
	1,394 (15,000)	n/a	0.40ha (0.96 acres)

Description	Gross Size sq.m (sq.ft)	Town / Urban Centre	Other Areas
	929 (10,000)	n/a	0.27ha (0.68 acres)
	232 (2,500)	n/a	0.07ha (0.17 acres)
Storage and Distribution (B8)	13,935 (150,000)	n/a	3.98ha (9.83 acres)
	6,968 (75,000)	n/a	1.99ha (4.92 acres)
	2,322 (25,000)	n/a	0.66ha (1.63 acres)
	232 (2,500)	n/a	0.07ha (0.17 acres)

Retail

5.48 The Calderdale Retail Needs Assessment (RNA) – September 2009 sets out the retail requirements / needs, in terms of new floor space, over the short (to 2014), medium (to 2019) and long term (to 2026) periods. However, since the publication of the NRA there have been significant changes in the economic context; locally, nationally and globally, which have impacted significantly on the Boroughs centres and retailing.

5.49 For these reasons an update to the NRA was published in January 2012. The update provides adjusted retail requirements / needs, for new floor space, across the Borough within the context of the economic situation and development changes[29] that have taken place since the publication of the previous NRA. The updated retail needs are set out in Table 29.

[29] Since the publication of the RNA in 2009 a number of planning permissions have been granted consent involving new retail uses or the loss of retail units.

Table 29 – Potential Requirements (sq.m net)

Convenience (net sq.m)

	2014	2019	2026
Calderdale District	**5,979 – 14,316**	**7,246 – 17,349**	**9,239 – 22,123**
Halifax	3,696 – 8,849	4,362 – 10,443	5,408 – 12,948
Brighouse	834 – 1,996	1,061 – 2,540	1,421 – 3,403
Elland	-	-	-
Hebden Bridge	184 - 441	223 - 533	291 - 696
Sowerby Bridge	n/a[30]	n/a	n/a
Todmorden	495 – 1,185	621 – 1,487	786 – 1,882

Comparison (net sq.m)

	2014	2019	2026
Calderdale District	**(-1,516) –(-2,526)**	**10,287 – 17,145**	**32,243 – 53,738**
Halifax	(-1,176) – (-1,959)	7,940 – 13,234	24,859 – 41,431
Brighouse	(-120) – (-200)	802 – 1,337	2,481 – 4,134
Elland	(-26) – (-43)	245 – 409	745 – 1,242
Hebden Bridge	(-70) – (-117)	361 – 601	1,137 – 1,894
Sowerby Bridge	(-17) – (-28)	85 – 142	234 – 390
Todmorden	(-52) – (-87)	487 - 811	1,499 – 2,498

Retail Needs Assessment – January 2012 Update

5.50 In response to these requirements Policy CP3 of the Core Strategy Preferred Options (2012) states that sufficient land and premises will be sought within town centres[31] to accommodate the anticipated need for between

[30] Expenditure figures for 2014 onwards were not supplied due to there being no quantitative or qualitative needs, therefore the needs / requirements are shown as n/a within the table.

[31] New retail floorspace will be accommodated and supported in town centres to at least meet the latest forecast need, and to maintain existing market shares of expenditure. Development beyond the estimated need for new floorspace will be permitted where the proposal will claw back expenditure currently leaking to other centres, and subject to the

9,000sq.m (96,878sq.ft) and 22,000sq.m (236,813sq.ft) of new convenience floorspace to 2026 and between32,000sq.m (344,456sq.ft) and 54,000sq.m (581,270sq.ft) of new comparison goods floorspace.

5.51 Indicative new floorspace requirements for the principal centres identified in the Calderdale Retail hierarchy are set out in Table 30.

Table 30 – Spatial Distribution of Retail Requirements to 2026

Retail Centre	Comparison Floorspace sq.m (sq.ft)	Convenience Floorspace sq.m (sq.ft)
Halifax	25,000 – 40,000 (269,106 – 430,570)	5,500 – 13,000 (59,203 – 139,935)
Brighouse	2,500 – 4,000 (26,910 – 43,057)	1,500 – 3,500 (16,146 – 37,675)
Elland	750 – 1,250 (8,073 – 13,455)	Nil
Hebden Bridge	1,100 – 1,900 (11,840 – 20,452)	300 – 700 (3,229 – 7,535)
Sowerby Bridge	250 – 400 (2,291 – 4,306)	Nil
Todmorden	1,500 – 2,500 (16,146 – 26,911)	800 – 1,900 (8,611 – 20,452)

Source: Core Strategy Preferred Options 2012

5.52 In this context the assessment has incorporated a range of typologies that could represent the scale / types of development that are likely to come forward over the plan period. These are set out within Table 31.

proposals impacts being considered in line with the criteria set out in Policy TPE 'Retail Impact Assessments and local thresholds'.

Table 31 – Retail Typologies

Description	Gross Size sq.m (sq.ft)	Site Area (Ha)
Town Centre (Halifax) comparison retail[32]	4,645 (50,000)	1.16
Town Centre (Brighouse) comparison retail[33]	1,500 (16,146)	0.37
Town Centre (Elland) comparison	750 (8,074)	0.19
Town Centre (Hebden Bridge) comparison	1,100 (11,840)	0.27
Town Centre (Sowerby Bridge) comparison	250 (2,691)	0.06
Town Centre (Todmorden) comparison	1,500 (16,146)	0.37
Convenience Stores[34] - Borough wide[35]	372 (4,000)	0.09
Supermarkets[36] - Borough wide	2,500 (26,900)	0.63
Superstores (13) – Borough wide	4,000 (43,000)	1.00

[32] The typology is based on the remodelling or extension of existing floor space / arcades.

[33] The typology is based on a traditional mall style layout.

[34] Typical stores with a net trading area of less than 280sq.m (3,000sq.ft) open for long hours (including Sundays) and selling products from at least 8 different grocery categories (e.g. SPAR, Co-Operative Group and Londis etc.

[35] We accept that that not all of the convenience formats will be applicable across the borough but for the purpose of modelling the costs and values (see later) are homogeneous, therefore, there is no need to breakdown the convenience typologies to reflect the retail needs of the principal settlements.

[36] Supermarkets generally have a sales area of 280 – 2,325sq.m (3,000 – 25,000sq.ft). The PPS4 glossary for supermarkets included stores up to 2,500sq.m (26,910sq.ft) and superstores were stores above 2,500sq.m (26,910sq.ft). Although superseded by the NPPF, which no longer includes definitions, it does still use the 2,500sq.m (26,910sq.ft) size category as the impact test threshold and, therefore, this distinction is implicit. Hypermarkets are over 5,575sq.m (60,000sq.ft). All sell a broad range of mainly grocery items, non-food is also available (e.g. Tesco, Sainsbury's and ASDA).

Description	Gross Size sq.m (sq.ft)	Site Area (Ha)
Hypermarket (13) – Borough Wide	6,000 (64,500)	1.50
Retail Warehouse[37] - Borough Wide	1,500 (16,146)	0.38

A3 and A4 Leisure Uses

5.53 The following typologies have been incorporated into the assessment

Table 32 – A3/A4 Typologies

Description	Gross Size sq.m (sq.ft)	Site Area (Ha)
Restaurants and Cafes (A3)[38]	140(1,500)	0.20
Drinking Establishments – Pub (A4)	300 (3,230)	0.42

D2 Leisure Uses

5.54 The Calderdale Town Centres Reports – Qualitative Assessments (April 2012) identified that all of the main centres, with the exception of Hebden Bridge and Todmorden, were lacking in their cultural, leisure and tourism offer. However, it was accepted that the opening of the Broad Street Plaza would significantly address the leisure deficiencies in Halifax. We are not aware of any identified need for further D2 (Assembly and Leisure) related uses.

[37] A large store, typically on a single level and ranging in size between 743sq.m and 1,858sq.m (8,000 and 20,000sq.ft). Specialising in the sale of bulky goods, such as carpets, furniture, electrical goods or bulky DIY items.

[38] Based on typical fast food restaurant format – most other restaurants will generally comprise change of use and will, therefore, be exempt from the CIL and most of the Local Plan policies.

5.55 In addition most of the schemes which have come forward have comprised change of use and would, therefore, be exempt from the CIL charge. In addition such uses, in our experience, are valued on a profits / sales basis and not the residual approach, which forms the basis of our methodology (see later). Consequently such uses show marginal viability and rarely show a land receipt. Also 'big box' leisure uses such as cinemas and bowling alleys are increasingly recognised as enabling development and anchors to larger mixed use schemes, based on their ability to generate high levels of footfall. In some circumstances operators are, therefore, able to negotiate favourable lease terms particularly in terms of the passing rent(s).

5.56 It could also be reasonably expected that health and fitness clubs would come forward over the plan period. However, the latest trend enveloping this industry is budget gyms which offer a 'stripped down' package. Current operators include Pure Gym and Exercise for Less, amongst others. In the current climate these formats are more viable / cost effective than traditional forms of development. A key requirement of the budget operator is conversion of existing space, often non – prime (basements and old retail / industrial units), which enables operators to be extremely competitive on membership fees. In this context health and fitness clubs would be exempt from CIL as the conversion of existing buildings is not liable for the charge.

5.57 Taking these factors into account the assessment has not incorporated D2 (assembly and leisure) uses.

Hotels

5.58 Whilst there is no evidence of an established need for further hotel development a new full-service hotel[39] typology has been included within the assessment. This has been derived from our experience on similar studies and is considered to represent the type of development(s) which are likely to come forward across the Borough of the plan period. In this context the following typology has been tested.

Table 33 – Hotel Typology

		Site Area Ha	
Description	Gross Size sq.m (sq.ft)	Urban[40] Area	Other Areas
Hotels	100 bed - 2,323sq.m (25,000sq.ft)[41]	0.58	0.58

Care Homes

5.59 Whilst our research indicates that Calderdale has an established provision of care homes there is a strong probability that further provision could be developed over the plan period. For this reason the assessment has included care homes with the analysis. This is based on a 65 bed nursing home providing nursing and dementia care. The building would be over two storeys with 65 single en suite bedrooms.

[39] Full-service hotels are generally mid-price, upscale or luxury hotels with a restaurant, lounge facilities and meeting space as well as minimum service levels often including room service. These hotels report food-and-beverage revenue

[40] Halifax or Brighouse Town Centres

[41] Based on an average room size of (23sq.m) 250sq.ft GIA (inclusive of circulation space etc.).

Sui Generis Uses

5.60 As outlined previously; for the purposes of CIL all uses are potentially liable. In this context the assessment has considered a range of Sui Generis and non-commercial land uses but not included them within the analysis for the reasons set out below.

5.61 By their very nature these uses cover a very wide range of development types. Our approach to this issue, which is consistent with other CIL viability assessments, has been to consider the types of properties and locations that may be used for Sui generis uses and assess whether the costs and value implications have any similarities with other uses. Within this assessment we have considered the following uses:

5.62 Hostels – these are likely to be either charitable (CIL exempt) or public sector uses such as probation hostels, half-way houses, refuges etc., or low cost visitor accommodation such as youth hostels. The charitable uses are dependent upon public subsidy for development and operation, and therefore not viable in any commercial sense. They are also exempt from CIL under the current Regulations. Youth Hostels generally don't offer the prospect for significant commercial returns / viability and invariably don't generate positive land values.

5.63 Scrap yards – it is considered unlikely that there would be new scrap yard/recycling uses in the future due to the relatively low value compared to existing and alternative use values. A further consideration is that these uses are likely to occupy the same sorts of premises as many industrial uses and, therefore, the viability will be covered by our viability assessment of industrial uses. It is also more likely that these uses will come forward through a change of use and, therefore, would not liable for CIL.

5.64 Petrol filling stations – new filling stations generally come forward as part of larger supermarket developments. It seems very unlikely that there will be significant new stand-alone filling station development across the Borough over the plan period and in this context the CIL assessment excludes these uses. Again it is more likely that these uses will come forward through a change of use and, therefore, would not be liable for CIL.

5.65 Selling and/or displaying motor vehicles – sales of vehicles are likely to occupy the same sorts of premises and locations as many industrial uses and, therefore, the viability will be covered by our viability assessment of industrial uses.

5.66 Nightclubs, launderettes, taxi businesses and amusement arcades – these uses are likely to be in the same type of premises as A1 town centre uses and exhibit similar purchase or rental costs. Therefore they are covered under our assessment of the A1 to A5 use classes. Again they may also be brought forward via a change of use and would, therefore, be exempt from CIL.

Other Non-Commercial Land Uses

5.67 In addition to the residential, commercial and sui generis land uses the city is also likely to see traditional forms of non-commercial development, including:

- Schools (including free schools);
- Community facilities, including community halls, community arts centres, and libraries;
- Medical facilities; and
- Emergency services facilities.

5.68 Whilst it is recognised that these forms of development could come forward they have not been included (tested) within the CIL assessment for the following reasons:

5.69 Both the state-funded health and education sectors face the pressure of on-going constrained public resources and this is likely to have an effect on the viability of development of such uses. These facilities could be developed across the Borough over the plan period and, therefore, will occupy net additional floor space, which would be liable for CIL.

5.70 Ordinarily it is not possible to deliver new capital build state-led community, health, emergency services or education projects (including free schools, which are state provided) without public sector funding support.

5.71 Completed developments of these types are also not commercial in nature. They do not have a commercial value in themselves and, therefore, do not create a residual site value. In this context, such developments are not viable when considered from a commercial perspective.

5.72 Non-state education projects such as private schools generally have charitable status. They will therefore be exempt from CIL meaning there is little point in appraising these uses. Again this approach accords with the approach adopted by other Local Authorities.

5.73 There is a commercial market for primary care facilities that are predominantly occupied by GPs. However, the sites used are usually sourced on a preferential basis and the land values generated are not significant in most cases.

6. Methodology

6.1 The purpose of this assessment is to determine what local plan policies can justifiably be included within the New Local Plan, without significant adverse impact on viability, and against this what level of CIL charge might be applied for the various land uses across the Borough.

Appraisal Model

6.2 When undertaking area wide viability assessments the common approach is to adopt a residual development appraisal model. This model assumes that the land value is the difference between Gross Development Value and the Development Costs, once an element of developer profit has been taken into account. This can be expressed through the following calculation.

Gross Development Value (GDV) – Total Costs – Developers Profit = Residual Land Value (RLV)

- Gross Development Value includes all income generated by the development, including temporary revenue(s) and grants;
- Total Costs include construction costs, fees, planning, finance charges, and also payments under S106, S278 and CIL.
- Developer's Profit is expressed by reference to a percentage of the Total Development Costs or Gross Development Value. It can also be expressed by reference to an Internal Rate of Return (IRR)[42].

[42] Internal rate of return (IRR) is the interest rate at which the net present value of all the cash flows (both positive and negative) from a project or investment equal zero. Internal rate of return is used to evaluate the attractiveness of a project or investment. If the IRR of a new

Establishing the Benchmark

6.3 The benchmark represents a judgement on the level of value required in order to incentive a landowner to sell land for development; establishing this value is one of the most significant challenges. The RICS Guidance (Financial Viability in Planning) defines 'site value', whether this is an input into a scheme specific appraisal or as a benchmark, as:

The market value[43] subject to the following assumption: That the value has regard to development plan policies and all other material planning consideration and disregards that which is contrary to the development plan'

6.4 In this context we have used the appraisal model to establish the land value benchmark for each category of development/development typology. This mimics the approach of virtually all developers when purchasing land and establishes / determines the 'true' market value for the category of development under consideration. These market values are then used as the benchmarks for assessing the impact of future local plan policies (including CIL).

Impact of Future Policy Requirements

6.5 When undertaking Local Plan or CIL (area wide) viability testing it is accepted that the market value (benchmarks) will need to be adjusted to reflect the emerging Local Plan policies and CIL charging level(s). However, it is also recognised that the adjustment should not be so excessive that it undermines

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project exceeds a company's required rate of return, that project is desirable. If IRR falls below the required rate of return, the project should be rejected

[43] The RICS Valuation – Professional Standards 2012 (Red Book) definition of market value is as follows: *The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after properly marketing and where the parties had each acted knowledgeably, prudently and without compulsion*

competitive returns to a willing landowner (this point is recognised in the NPPF – para 173). This is a judgement for the practitioner, which must be reasonable, having regard to the workings of the property market.

6.6 It is normal practice to compare the adjusted land value with the Existing Use Value (EUV) of a site. For example the adjusted land value of a Greenfield site may still offer a significant uplift on the sites Existing Use Value, which is often based on low value agricultural use – typically ranging between £12,355 and £24,711 per hectare (£5,000 and £10,000 per acre).

6.7 The overall approach adopted within this assessment is summarised in Figure 3.

Step 1 Establish MV /Benchmark

Step 2 – test the impact of CIL and other LP policies on the Benchmark

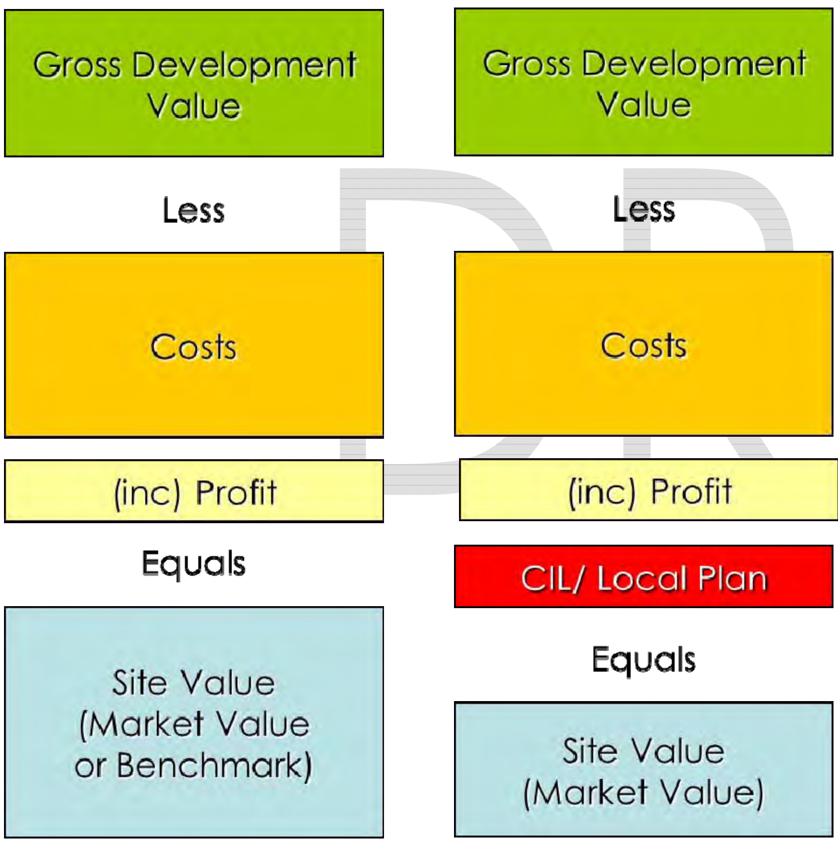


Figure 3

Gross Development Value includes all income generated by the development, including temporary revenue(s) and grants;

Costs include construction costs, fees, planning, finance charges, incentives and also payments under S106, S278

Profit – expressed by reference to % of GDV of Total Development Costs

Assuming all else remains equal the cost of introducing CIL and other emerging Local Plan policies adds an extra layer of costs to the project which reduces the site value (market value). This is to be expected but the adjustment in market value should not prevent competitive returns to a landowner – this is a matter of judgement for the practitioner who will ordinarily refer to the sites EUV to assess the reasonableness of the adjusted land value.

7. Establishing the Market Values / Benchmarks

7.1 As outlined previously the market value(s) / benchmark(s) have been determined via the appraisal model[44]. In arriving at our opinions of value we have had regard to a range of standard assumptions, as set out below, in order to ensure that the results of our viability testing enable a straight forward comparison to be made of the consequence of applying various levels of CIL and other emerging local plan policies.

7.2 To ensure consistency with the existing evidence base we have also sought to align our assumptions, where appropriate, with those incorporated within the Affordable Housing Economic Viability Assessment (EVA) April 2011. The assumptions incorporated within the EVA were agreed following detailed stakeholder engagement[45]. However, where necessary, this assessment has updated a number of the assumptions to take account of more recent information/guidance. The justification / rationale for any changes are clearly set out where necessary.

7.3 However, even at this stage, it must also be recognised that whilst these assumptions will generally align with normal or usual figures expected in the majority of developments they may differ, in some cases, from the figures that may be used in actual development schemes.

[44] Step 1 in Figure 2

[45] A stakeholder's event was held on 8th July 2010 at Elsie Whiteley Innovation Centre, Halifax. In total 20 people attended the event, representing 12 different stakeholder organisations.

Residential

Base Construction Costs

7.4 The valuations within this assessment have been prepared based on the following costs:

- £785psm (73psf) for estate housing generally[46]; and
- £897psm (£83psf) for apartments generally[47].

7.5 The costs reflect compliance with Part L 2010 Building Regulations and include allowances for:

- Developer on costs including preliminaries, site set up costs etc.
- Standard development costs – substructures;
- Standard development costs – superstructures;
- On site external works; and
- Utility services / connection charges.

7.6 No distinction has been made between private and affordable units.

Project / Professional Fees

7.7 Project fees have been included at a rate 5% for sites greater than 50 units and 10% for sites less than 50 units. A higher rate is included on smaller sites as it is assumed (in the majority of cases) that larger sites will be developed by large volume house builders, who have internal design teams and standard unit designs, which will result in significant cost savings. These rates are applied to the total construction costs (construction costs and external works). These assumptions mirror those adopted within the EVS.

[46] (the EVS applied costs ranging between £628psm (58psf) and £680psm (£63psf)) but these were exclusive of external works;

[47] The EVA applied costs of £818psm (76psf) but again these were exclusive of external works

Highways and Public Transport Contributions

7.8 The standard approach for the Council is to consider highways and other off site infrastructure on a site by site basis (i.e. if there is a particular need for a contribution in the locality the Council will seek a contribution). The EVA included a range of allowances that were calculated based on an occupancy per unit basis and which also included a maintenance charge. The rates applied within the EVA were £458per unit for apartments and between £600 and £875per unit for housing. These rates were applied to the market sale and intermediate units. Higher rates were adopted for social rented properties; £583 per unit for apartments and between £700 and £916per unit for housing.

7.9 For the purpose of this assessment, we have taken the upper figures from the social rented allowances within the EVS and applied these to the private and affordable units. This translates into an allowance of £585 per unit for the apartments and £1,000 per unit for traditional housing.

Remediation / Ground Conditions

7.10 In exercises like this it is very difficult to make allowances for such costs which are invariably subject to the sites previous use etc. The EVA included allowances ranging from between 2% and 5% of build costs[48]. However, for the purpose of this assessment we have considered guidance previously issued by English Partnerships within their Best Practice Note (BPN) 27 (revised February 2008); Contamination and Dereliction Remediation Costs.

7.11 It is assumed that most sites will fall under Category A[49], which comprises industrial sites, colliery / mine spoil heaps, factories and 'works' (the

[48] These were based on appraisals submitted by developers for a number of schemes across the Borough

[49] Other categories include Category B – Garages, pithead sites, railways, textiles, timber treatment and sewage works; Category C – Metal workings, scrap yards and shipyards, paint

classification ‘works’ was included as this is often used in maps to indicate previous industrial use).

7.12 The assessment makes a second assumption that all of the Brownfield sites fall within the low water risk category. On this basis the costs of remediation range between 75,000 and 200,000 per ha (£30,350 and £80,935 per acre). Reflecting the fact that some sites may also exhibit adverse ground conditions the assessment has applied the median rate of £130,625 per ha (£52,861 per acre) and applied this allowance to the net developable areas of the Brownfield typologies.

Site Preparation / Demolition

7.13 It is also assumed that a proportion of the Brownfield / Previously Development Land will also require an element of site preparation and demolition to facilitate their redevelopment. Assuming a non-complex site[50] the costs are split between small and large sites, as set out in Table 34.

Table 34 – Derelict Land Preparation Costs (non-complex sites)

	Small Sites(1)	Large Sites(2)
Range per ha	£114,000 to £190,000	£95,000 to £190,000
(a) Mid point per ha	£147,200	£142,500
Fixed cost range	£142,500 to £261,250	£308,750 to £475,000
(b) Mid point fixed cost per site	£201,875	£391,875

and insolvents; and Category D – Gas, iron, steel work, chemical works, refineries, ship breaking and building.

[50] A non-complex site is categorised as having the following characteristics: a) services stopping up and removal predominantly small and few; b) demolitions above ground would relate to stand alone buildings with little in the way of known contaminants and there would be some residual value in salvaged materials; c) demolition below ground would be related to conventional sub structures with little in the way of obstructions to remove d) the level of specialist advice needed would rely on easily available information; and e) the site would have ready access on more than one side and is unlikely to be in a large urban environment.

(1) Sites up to and including 5ha (12.36 acres)
(2) Sites greater than 5ha (12.36 acres)

7.14 The assessment applies the mid point cost estimate (per ha) and then multiples this by the site area. This is then added to the mid point fixed cost estimate to derive the total costs. By way of example a small site (1ha in area) will result in total site preparation costs of £349,075, calculated as follows; (1ha * £147,200 = £147,200) + £201,875 = £349,075

Contingencies

7.15 Contingencies are an allowance for unexpected development costs. Within the assessment contingencies of 3% are included for Greenfield sites and these are applied to the total construction.

7.16 A higher contingency of 5% has been applied to the Brownfield sites to reflect the increased likelihood of unexpected development costs.

S106 Contributions[51]

Education

7.17 The Councils Supplementary Planning Document (SPD): Developer Contributions towards Meeting Education Needs (adopted February 2008) sets out the requirements in relation to developer contributions for education needs. In particular the document states that capital contributions will only be required where the development will produce relevant dwellings and a local need is identified. The calculation for the amount is based upon DFES capital building cost multipliers, taking into account regional variations. The basis for calculating contributions for school places is shown in Table 35.

[51] Allowances for S106 have been included to establish the current land value benchmarks. However, with effect from April 2014 (or April 2015) the Council will no longer be able to charge these tariff styles obligations (from more than 5 sites), which will be directly superseded by CIL the viability of CIL is considered further within Section 8.

Table 35 – Costs Involved in Creating Spaces at Schools

2008/09 DfES Cost Multiplier[52]	Primary - £12,113 Secondary - £18,239
Regional Factor	0.95
Fee / Furniture	5%
Contribution sought per primary school place	£12,082
Contribution sought per secondary school place	£18,193

7.18 The above table gives an indication of the costs involved in creating a child's place at schools. It is these costs that the Council is seeking to recover from developers. The Council will seek contributions for each new residential dwellings, containing two or more bedrooms, on the basis of the 'child yields' set out in Table 36.

Table 36 – Child Yields

	Primary School Places	**Secondary School Places**
Housing Developments	0.24	0.17
Apartment Developments	0.05	0.04

[52] The SPD utilises cost multipliers from 2006/2007. However, the DfE no longer use these multipliers and the last published figures, which were on the *teachernet* website (now archived), were released for 2008-09. Whilst the DFE no longer uses these multipliers we have updated the contribution costs that would be applicable from Q4 2013 taking into consideration the location factor and changes in construction costs since 2008/09. These are produced by; a) updating the DCSF to 2008/09 building costs multipliers by reference to; i) the regional factor; and, ii) the Building Costs Information Service All-in Tender Price Index figures (the BCIS All-in TPI) for the 4th quarter of 2008 and the 4th quarter of 2013, as published in November 2013 (i.e. £12,267 x 237 (BCIS All-in TPI for Q4 2013) ÷ 240 (BCIS All-in TPI for Q4 2008) = £12,114 for primary and £18,239 for secondary (i.e. £18,469 x 237 (BCIS All-in TPI for Q4 2013) ÷ 240 (BCIS All-in TPI for Q4 2008).

7.19 In this context the following contributions will be sought:

- Apartments – primary contribution of £604 per qualifying unit;
- Apartments – secondary contribution of £728 per qualifying unit;
- Housing – primary contribution of £2,900 per qualifying unit; and
- Housing – secondary contribution of £3,093 per qualifying unit.

7.20 Contributions towards primary school places will only be sought if the development provides 5 or more houses or 20 or more apartments. Where a development has 7 or more houses or 25 or more apartments, then contributions will also be sought for secondary school places.

Open Space, Sport and Recreational Facilities

7.21 The requirements for providing contributions towards meeting open space, sport and recreational facilities are also set out in a Supplementary Planning Document (SPD). The contributions for new and enhanced provision are set out in Table 37. This shows that the costs of new provision are significantly more expensive than enhancements to existing space / facilities. The EVA assumed contributions that were based on enhancements to existing facilities and made a further assumption that the full suite of contributions would be required. For the purpose of this assessment we have aligned our assumptions with those adopted within the EVA.

7.22 In this context the maximum contributions, included within this assessment, are set out in Table 38.

Table 37 – Costs for Enhancements to existing Provision

Property Type	Enhancement - Cost per unit				New Provision Cost per unit			
	Formal Open Space	Informal Open Space	Formal Sports Facilities	Children and Young People	Formal Open Space	Informal Open Space	Formal Sports Facilities	Children and Young People
1 bed / 2 person flat	£220	£24	£186	-	£177	£37	£911	-
2 bed / 4 person flat	£442	£48	£373	£180	£357	£74	£1,822	£215
3 bed / 5 person flat	£663	£73	£559	£269	£534	£111	£2,732	£323
1 bed / 2 person house	£220	£24	£186	-	£177	£37	£911	-
2 bed / 4 person house	£442	£48	£373	£180	£357	£74	£1,822	£215
3 bed / 5 person house	£663	£73	£559	£269	£534	£111	£2,732	£323
4 bed / 6 person house	£884	£97	£745	£359	£713	£148	£3,643	£430

Source: Open Space, Sport and Recreation SPD April 2008

Table 38 - Open Space, Sport and Recreational Contributions (£ per unit)

Property Type	Cost per unit[53]
1 bed / 2 person flat	£430
2 bed / 4 person flat	£1,043
3 bed / 5 person flat	£1,564
1 bed / 2 person house	£430
2 bed / 4 person house	£1,043
3 bed / 5 person house	£1,564
4 bed / 6 person house	£2,085

Source: Open Space, Sport and Recreation SPD April 2008

Sale and Marketing

7.23 The EVA adopted an allowance of 3.5% for marketing costs and 1.50% for sale agent's fees. Within this assessment we have applied a cumulative allowance of 3% as this is more in keeping with the industry norm.

Legal Fees

7.24 The EVA adopted an allowance of 0.5% for legal fees. However, this assessment has updated the previous assumption and included legal fees at the rate of £150 per property.

Finance Charges / Interest Rate

7.25 The EVA applied finance charges at the rate of 6.5%. However, it is difficult to establish what the appropriate rate of interest would be in the current market. Current margins are substantial despite the current Bank of England base rate being 0.5%. An appropriate rate may fall somewhere between 6% and 7%.

[53] The costs are based on enhancements to existing spaces and not

7.26 It is also widely recognised that the approach to development varies widely and is influenced by the equity invested in the site along with the financial organisation / strength of the developer. For example, a larger plc. developer may access debt finance from a revolving corporate structure whilst a smaller developer may access debt finance on a site by site basis. The interest rates can therefore differ widely between these approaches.

7.27 For the purpose of this assessment we have adopted a gross profit margin, which would be inclusive of finance charges (see below).

Value Added Tax

7.28 VAT is incorporated within the costs stated.

Tax Relief and Grants

7.29 No tax relief or grants are assumed within the assessment. Affordable housing revenues (see later) are also based on a nil-grant approach.

Holding costs

7.30 No holding costs are assumed / included within the assessment.

Gross Profit Margin

7.31 A key element of viability is to allow a risk adjusted market return to the developer. Without this there is no commercial justification to a developer investing money into a site. Most residential developers operate on the basis of a Gross developer margin (inclusive of overhead recovery and interest/finance charges). For the purpose of this assessment we have applied a gross margin equal to 20% of the Gross Development Value (GDV).

Stamp Duty and Legal Fees on Residual Land Value

Stamp Duty

7.32 The Gross Residual Land Value would be subject to Stamp duty at the rates which are consistent with current HM Revenue and Customs requirements. These are set out in Table 39.

Table 39 - Stamp Duty Thresholds for Non-Residential[54] Land or Property

Purchase Price	SDLT
Up to £150,000 (annual rent is under £1,000)	0%
Up to £150,000 (annual rent is £1,000 or more)	1%
£150,000 to £250,000	1%
£250,000 to £500,000	3%
Over £500,000	4%

Legal Fees

7.33 An allowance of 1.75% of the gross residual land value has been included within the assessments. This aligns with the allowance included in the EVA.

Private Sales Values

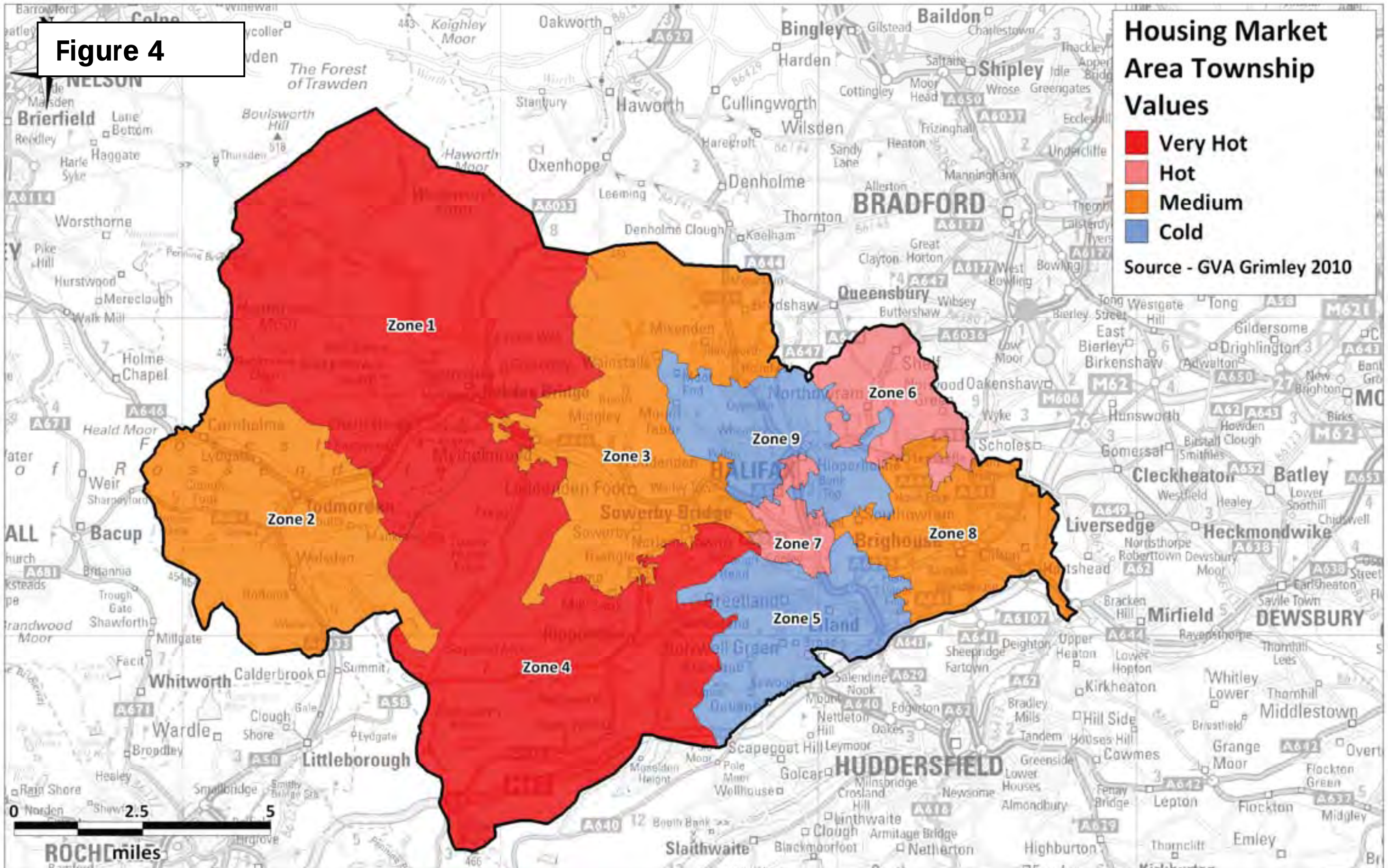
7.34 It is accepted that different land and sale values will apply in various locations across the Borough. This fact was also recognised in the affordable housing EVA which divided the Borough into four ‘value areas’, as shown in Figure 4. The market value areas were categorised as very hot, hot, medium and cold.

[54] The HMRC Guidance states that non-residential properties include commercial property such as shops or offices, agricultural land, forests, any other land or property which is not used as a dwelling and six or more residential properties bought in a single transaction.

7.35 This assessment carries forward these defined zones and has calculated the all average property price[55], as at December 2013, for the various housing typologies. The results of this analysis are set out in Table 40.

[55] The average value for all property types, including modern, new build and re sale.

Figure 4



Calderdale Strategic Housing Market Assessment

Table 40 – Average all Property Price (December 2013)

House Type	Size (sq.ft)	Very Hot[56]	Hot[57]	Medium[58]	Cold[59]
Flats – Value psf		£160psf	£155psf	£130psf	£115psf
House – value psf		£190psf	£165psf	£140psf	£125psf
1 bed / 2 person flat	538	£86,080	£83,390	£69,940	£61,870
2 bed / 4 person flat	753	£120,480	£116,715	£97,890	£86,595
3 bed / 5 person flat	861	£137,760	£133,455	£111,930	£99,015
1 bed / 2 person house	624	£118,560	£102,960	£87,360	£78,000
2 bed / 4 person house	893	£169,670	£147,345	£125,020	£111,625
3 bed / 5 person house	1,033	£196,270	£170,445	£144,620	£129,125
4 bed / 6 person house	1,152	£218,880	£190,080	£161,280	£144,000

Affordable Housing Revenue

7.36 For the purposes of this assessment it has been assumed that the preferred delivery mechanism for the affordable housing would be to transfer the units to a nominated provider.

Social Rented

7.37 The values for the social rented units are considerably below the open market rental values. The Councils Housing Strategy 2012 to 2017 shows the market rents for various housing forms across the Borough. These are set out in Table 41.

7.38 Typically social apartments are 30% below market rents and housing is generally around 40% below the market rents. On this basis the rents for the social rented units are shown in Table 42.

56 Includes Zones 1 and 4

57 Includes Zones 6 and 7

58 Includes Zones 2,3 and 8

59 Includes Zones 5 and 9

Table 41 – Average Weekly Market Rents

Property Type	1 bed	2 bed	3 bed	4 bed	5 bed
Apartment / flat	87.69	116.99	131.15	-	-
Terraced	86.97	99.48	119.73	142.88	160.38
Semi Detached	80.00	117.05	134.90	173.94	-
Detached	80.77	115.28	152.02	203.69	254.23

Source: Calderdale Housing Strategy 2012 - 2017

Table 42 – Social Rental Values

Property Type	1 bed	2 bed	3 bed	4 bed	5 bed
Apartment / flat	60.32	80.47	90.22	-	-
Terraced	35.42	40.51	48.76	58.19	65.31
Semi Detached	32.58	47.67	54.94	70.84	-
Detached	32.89	46.95	61.91	82.95	103.54

Source: Calderdale Housing Strategy 2012 - 2017

7.39 Taking the above into consideration the following rental values have been applied to the social rented units.

Table 43 – Social Rent Values

House Type	Weekly Rent
1 bed / 2 person flat	60.32
2 bed / 4 person flat	80.47
3 bed / 5 person flat	90.22
1 bed / 2 person house	33.63
2 bed / 4 person house	45.04
3 bed / 5 person house	55.30
4 bed / 6 person house	70.66

7.40 To determine the capital / transfer values we have deducted a 10% management charge from the annual rental income and then the net rent is capitalised using a yield of 5.25%.

Intermediate Tenures

7.41 The assessment is based on shared ownership units and we have assumed that a Registered Provider (RP) will sell 50% initial equity stakes and charge a rent of 2.75% on the retained equity. A 10% charge for management is deducted from the rental income and the net rent is then capitalised using a yield of 5.25%.

Residential Baseline Results

Greenfield

7.42 Taking into consideration the aforementioned assumptions the assessment has calculated the benchmark land values (market values), against which the impact of future local plan policies (including CIL) will be appraised. The results of this exercise are set out in Table 44 and a summary of the main findings are set out below.

- Land values within the low value areas range between £31,975 per ha (£12,940 per acre) and £79,085 per ha (£32,004 per acre).
- Within the medium value zones land values range between £185,762 per ha (£75,174 per acre) up to £308,651 per ha (£124,904 per acre).
- Values within the hot zone range from £322,139 per ha (£130,363 per acre) up to £571,539 per ha (£231,330 per acre).
- Within the 'very hot' value zone land values range between£576,533 per ha (£233,310 per acre) and £851,495 per ha (£344,581 per acre).

7.43 Despite all the scenarios generating positive land values this does not guarantee that land will be brought forward for development. The results of our analysis have merely served to demonstrate what a developer would be willing to pay for the land taking in to consideration the cost and value assumptions set out previously. The second test is to consider whether the land value(s) provide a reasonable return to the landowner, as there will need to be sufficient incentive for them to sell / release the land for development.

In undertaking this exercise the assessment refers to guidance[60] published by the Local Housing Delivery Group. The guidance states that:

.....The land value should represent the value at which a typical willing landowner is likely to release land for development…

7.44 The guidance also states that the land value should reflect a premium over current use values. In this context the assessment has assumed that the majority of Greenfield sites will be used for agricultural purposes. Whilst there is a dearth of information, agricultural land values are thought to fall within a range from £7,413per ha (£3,000per acre) to circa £19,769 per ha (£8,000 per acre)[61]. The assessment has incorporated the median value of £13,591per ha (£5,500 per acre). When considering a suitable premium over and above the current use value the assessment refers to guidance issued by the HCA[62], which acknowledges that premiums for agricultural land (assuming residential development) should be in the range of 10 to 20 times the current use value.

7.45 In this context and assuming the median value (£5,500 per acre) the benchmark would range between £135,910 and £271,821per ha (£55,000 and £110,000 per acre). For the purpose of this assessment we have adopted a median benchmark of £203,865 per ha (£82,500 per acre).

7.46 As shown in Table 44; the low value area is unable to generate land values in excess of this figure. Development within the rest of the Borough generates land values which exceed the benchmark. The exception is Scenario C, within the medium value zone, which generates land values that are slightly below the benchmark figure.

[60] Viability Testing Local Plans – June 2012

[61] Based on information from UK Land and Farms (UKLAF)

[62] The HCA Area Wide Viability Model (Annex 1 Transparent Viability Assumptions)

Brownfield

7.47 The Brownfield benchmark / market values are shown in Table 45. This assessment has demonstrated that Brownfield development is viable in the 'very hot' value zone with land values ranging from £65,246 per ha (£26,404 per acre) up to £380,657 per ha (£154,044 per acre)

7.48 Development is also viable within the 'hot' value zone, but only under scenarios B, C and D (i.e. around 50 dwellings or more). This is not surprising and highlights the fact that Brownfield schemes require a critical mass / minimum number of units to offset the abnormal costs typically associated with such forms of development[63]. Even under Scenarios B, C and D the land values are marginal, ranging between £40,478 per ha (£16,381 per acre) and £141,578 per ha (£57,578 per acre).

7.49 In making a judgement as to whether these values reflect an appropriate uplift over Existing Use Value (EUV) it should be recognised that the majority of Brownfield land will be former / redundant industrial / employment land. In this context the EUV will be based on employment use (B1, B2 and B8). However, this assessment has demonstrated that traditional employment uses are currently unviable (see later). Therefore, Brownfield sites, arguably, do not have an existing use value. Instead their value is derived from alternative uses. In this context the assessment has not applied a EUV (plus premium) benchmark to the Brownfield typologies.

[63] This trend is also evident within the very hot value area with the larger sites generating the highest land values.

Table 44 – Greenfield Residential Benchmarks £ / Hectare

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	£786,065 (£318,103)	£207,061 (£83,793)	£207,061 (£83,793)	£786,065 (£318,103)	£31,975 (£12,940)	£503,239 (£203,650)	£353,579 (£143,086)	£232,943 (£94,267)	£31,975 (£12,940)
B	1.65ha (4.08 acres)	£851,495 (£344,581)	£274,357 (£111,026)	£274,357 (£111,026)	£851,495 (£344,581)	£117,507 (£47,553)	£571,639 (£231,330)	£463,880 (£187,722)	£308,651 (£124,904)	£117,507 (£47,553)
C	3.75ha (9.27 acres)	£576,533 (£233,310)	£185,762 (£75,174)	£185,762 (£75,174)	£576,533 (£233,310)	£79,924 (£32,343)	£387,047 (£156,630)	£322,139 (£130,363)	£214,341 (£86,739)	£79,924 (£32,343)
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	£79,085 (£32,004)	£387,047 (£156,630)	£322,139 (£130,363)	£214,341 (£86,739)	£79,085 (£32,004)
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	£79,085 (£32,004)	£387,047 (£156,630)	£322,139 (£130,363)	£214,341 (£86,739)	£79,085 (£32,004)
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	£79,085 (£32,004)	£387,047 (£156,630)	£322,139 (£130,363)	£214,341 (£86,739)	£79,085 (£32,004)

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Table 45 – Brownfield Residential Benchmarks £ / Hectare

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.35ha (0.86 acres)	£65,246 (£26,404)	-£424,066 (-£171,610)	-£424,066 (-£171,610)	£65,246 (£26,404)	-£700,260 (-£283,380)	-£293,760 (-£118,878)	-£495,007 (-£200,319)	-£356,486 (-£144,262)	-£700,260 (-£283,380)
B	1.50ha (3.71 acres)	£380,657 (£154,044)	-£208,468 (-£84,363)	-£208,468 (-£84,363)	£380,657 (£154,044)	-£304,535 (-£123,239)	£104,010 (£42,091)	£49,242 (£19,927)	-£97,884 (-£39,611)	-£304,535 (-£123,239)
C	3.50ha (8.65 acres)	£307,341 (£124,374)	-£88,520 (-£35,822)	-£88,520 (-£35,822)	£307,341 (£124,374)	-£205,023 (-£82,968)	£117,855 (£47,693)	£40,478 (£16,381)	-£61,515 (-£24,894)	-£205,023 (-£82,968)
D	7.85ha (19.40 acres)	£331,064 (£133,974)	-£63,350 (-£25,636)	-£63,350 (-£25,636)	£331,064 (£133,974)	-£179,853 (-£72,782)	£141,578 (£57,294)	£69,952 (£25,475)	-£36,345 (-£14,708)	-£179,853 (-£72,782)

Other Commercial Land Uses

Base Construction Costs

7.50 The appraisals have been prepared based on the construction rates set out in Table 46. These rates reflect compliance with Part L 2010 Building Regulations and include include allowances for:

- Developer on costs including preliminaries, site set up costs etc.
- Standard development costs – substructures;
- Standard development costs – superstructures;
- On site external works; and
- Utility services / connection charges.

Table 46 – Employment Typologies

Description	Median Costs	
	£psm	£psf
Offices (B1)	£1,102	£102
Industrial (B2)	£562	£52
Storage and Distribution (B8)	£422	£39
Town Centre Comparison Retail	£830	£77
Convenience Stores	£487	£45
Supermarkets	£936	£87
Superstores	£936	£87
Hypermarket	£936	£87
Retail Warehouse	£487	£45
Restaurants and Cafes (A3)	£1,567	£146
Drinking Establishments (A4)	£1,370	£127
Hotels	£2,024	£188
Care Homes	£928	£86

Remediation / Ground Conditions

7.51 For the purpose of this assessment we have considered guidance previously issued by English Partnerships within their Best Practice Note (BPN) 27 (revised February 2008); Contamination and Dereliction Remediation Costs. Mirroring the residential assessment(s) it is assumed that most sites will fall under Category A[64], which comprises industrial sites, colliery / mine spoil heaps, factories and 'works' and fall within the low water risk category. On this basis the cost of remediation ranges between £47,500per ha (£19,222 per acre) and £118,750 per ha (£48,055 per acre). The assessment has applied the median rate of £83,125 per ha (£33,639 per acre).

Site Preparation / Demolition

7.52 Assuming non-complex sites[65] the costs are split between small and large sites, as set out in Tables 47 and 48.

Table 47 – Derelict Land Preparation Costs (non-complex sites) – Employment (B1, B2 and B8)

	Small Sites(1)	Large Sites(2)
Range per ha	£120,000 to £200,000	£100,000 to £175,000
(a) Mid point per ha	£160,000	£137,500
Fixed cost range	£125,000 to £225,000	£275,000 to £425,000

[64] Other categories include Category B – Garages, pithead sites, railways, textiles, timber treatment and sewage works; Category C – Metal workings, scrap yards and shipyards, paint and insolvents; and Category D – Gas, iron, steel work, chemical works, refineries, ship breaking and building.

[65] A non-complex site is categorised as having the following characteristics: a) services stopping up and removal predominantly small and few; b) demolitions above ground would relate to stand alone buildings with little in the way of known contaminants and there would be some residual value in salvaged materials; c) demolition below ground would be related to conventional sub structures with little in the way of obstructions to remove d) the level of specialist advice needed would rely on easily available information; and e) the site would have ready access on more than one side and is unlikely to be in a large urban environment.

(b) Mid point fixed cost per site	£175,000	£350,000

(1) Sites up to and including 5ha (12.36 acres)

(2) Sites greater than 5ha (12.36 acres)

Table 48 – Derelict Land Preparation Costs (non-complex sites) – Other Commercial Uses

	Small Sites(1)	Large Sites(2)
Range per ha	£125,000 to £200,000	£75,000 to £175,000
(a) Mid point per ha	£162,500	£125,000
Fixed cost range	£125,000 to £275,000	£275,000 to £425,000
(b) Mid point fixed cost per site	£200,000	£350,000

(1) Sites up to and including 5ha (12.36 acres)

(2) Sites greater than 5ha (12.36 acres

7.53 The assessment applies the mid point cost estimates (per ha) and then multiples this by the site area. This is then added to the mid point fixed cost estimate to derive the total costs.

Contingencies

7.54 The assessment has adopted a contingency of 3% for the Greenfield sites and 5% for the Brownfield sites. These allowances are applied to the total construction and abnormal costs. A higher contingency has been applied to the Brownfield sites to reflect the increased likelihood of incurring unexpected development costs.

Project Fees (including planning and building regulations)

7.55 Project fees have been included at a rate 12% and applied to the total construction costs (construction costs and external works).

S106 Contributions

7.56 Given the lack of development there is little evidence on the type and amount of contributions that have been sought from commercial developments. For the purpose of this assessment no allowances have been included.

Disposal Costs

7.57 Letting agent's fees have been included at 15% of the estimated first years rental value (ERV). This assumes joint agency. A further allowance of 5% has been included for letting legal fees.

7.58 Investment agents and legal fees are also included at 1% and 0.25%, respectively, of the schemes net development value.

Marketing

7.59 Marketing costs are included at 3% of Net Development Value. This is a standard allowance that has been applied to all commercial land uses.

Finance Charges / Interest Rate

7.60 For the purpose of this assessment, and mirroring the approach adopted in the residential assessments, we have adopted a gross profit margin, which would be inclusive of finance charges (see below).

Value Added Tax

7.61 VAT is incorporated within the costs stated.

Tax Relief and Grants

7.62 No tax relief or grants are asusmed within the commercial assessments.

Holding costs

7.63 No holding costs are assumed within the commercial assessments.

Gross Profit Margin

7.64 For the purpose of this assessment we have applied a 25% gross margin, which is inclusive of overhead and finance recovery. This is applied to the total construction costs.

Stamp Duty

7.65 The Gross Residual Land Value would be subject to Stamp duty at the rates which are consistent with current HM Revenue and Customs requirements. The rates for non-residential and mixed use land or property are set out in Table 49.

Table 49 - Stamp Duty Thresholds for Non-Residential / Mixed Use Land or Property

Purchase Price	Stamp Duty Land Tax Rate
Up to £150,000 (annual rent under £1,000)	0%
Up to £150,000 (annual rent is £1,000 or more)	1%
£150,000 - £250,000	1%
£250,001 - £500,000	3%
Over £500,000	4%

Legal Fees

7.66 An allowance of 1.75% of the gross residual land value has also been included within the assessments for legal fees / purchasers costs.

Commercial Values

7.67 A summary of the value inputs for the respective land uses is summarised in Table 50.

Table 50 - Commercial Value Inputs

Sector	Typology	Headline Rent £ per sq.ft	Yield	Incentives
Office	East Calderdale	£108psm (£10psf)	10.00%	6 months rent free
Office	West Calderdale	£54 - £108psm (£5 -10psf)	10.00%	6 months rent free
Office	Halifax	£161 psm (£15psf)	10.00%	6 months rent free
Industrial, Storage & Distribution	Borough wide	£48psm (£4.50psf)	10.00%	6 months rent free
Retail	Town Centre (Halifax) comparison retail	Zone A - £800psm Overall £463psm (£43.00psf)	9.50%	18 months rent free
	Town Centre (Brighouse) comparison retail	Zone A - £350psm Overall £205psm (£19.00psf)	9.50%	18 months rent free
	Town Centre (Elland) comparison retail	Zone A - £160psm Overall £97psm (£9.00psf)	9.50%	18 months rent free
	Town Centre (Hebden Bridge) comparison retail	Zone A - £336psm Overall £194psm (£18.00psf)	9.50%	18 months rent free
	Town Centre (Sowerby Bridge) comparison retail	Zone A £200 psm Overall £118psm (£11,00psf)	9.50%	18 months rent free

Sector	Typology	Headline Rent £ per sq.ft	Yield	Incentives
	Town centre (Todmorden) comparison retail	Zone A £250psm Overall £151psm (£14.00psf)	9.50%	18 months rent free
	Retail warehouses	£215psm (£20.00psf)	8.50%	24 months rent free
	Borough wide supermarkets/superstores/hypermarkets	£172psm (£16.00psf)	6.50%	12 months rent free
	Borough wide convenience retail	£129psm (£12.00psf)	7.50%	12 months rent free
A3 – A5 uses	Borough wide	£129psm - £215psm (£12 - £20.00psf)	9.00%	12 months rent free
Hotels	Borough wide	£50 AARR[66] per night	8.50%	50% occupancy
Care Home	Borough wide	£5,000 pa per bed space	8.50%	6 months rent free

66 Average Annual Room Rate

Commercial Baseline Results

7.68 Once again the market values have been derived via the residual appraisal model, which determines the residual value of the site after deducting development profit and all development expenses (as set out previously) from the GDV of the proposed scheme.

Greenfield

7.69 The current market values / benchmarks for each land use are shown in Table 51.

Table 51 - Other Development Typologies[67]

Description	Gross Size sq.m (sq.ft)	MV Benchmark £/pha (acre)
Offices (B1) East Calderdale	2,787 (30,000)	-£2,659,420 (-£1,076,209)
	1,393 (15,000)	-£2,659,420 (-£1,076,209)
	465 (5,000)	-£2,634,392 (-£1,066,081)
	232 (2,500)	-£2,582,877 (-£1,045,234)
Offices (B1) West Calderdale	465 (5,000)	-£3,243,094 (-£1,312,409)
	232 (2,500)	-£3,204,458 (-£1,296,774)
Offices (B1) Halifax	2,787 (30,000)	-£1,454,529 (-£588,616)
	1,393 (15,000)	-£1,454,529 (-£588,616)

[67] Development Appraisals are provided at Appendix 2.

Description	Gross Size sq.m (sq.ft)	MV Benchmark £/pha (acre)
	465 (5,000)	-£1,454,529 (-£588,616)
	232 (2,500)	-£1,416,989 (-£573,424)
Industrial (B2)	4,645 (50,000)	-£1,145,755 (-£463,662)
	2,322 (25,000)	-£1,145,755 (-£463,662)
	1,394 (15,005)	-£1,145,755 (-£463,662)
	929 (10,000)	-£1,134,161 (-£458,970)
	232 (2,500)	-£1,098,014 (-£444,342)
Storage and Distribution (B8)	13,935 (150,000)	-£582,255 (-£235,626)
	6,968 (75,000)	-£582,255 (-£235,626)
	2,322 (25,000)	-£582,255 (-£235,626)
	232 (2,500)	-£534,514 (-£216,306)
Town Centre Comparison Retail	4,645 (50,000)	n/a[68]
Convenience Store	372 (4,000)	£1,707,551 (£691,008)
Supermarkets	2,500 (26,900)	£1,822,306 (£737,447)

[68] There will be no Greenfield sites within the town centres of Halifax, Brighouse, Elland, Hebden Bridge, Sowerby Bridge and Todmorden

Description	Gross Size sq.m (sq.ft)	MV Benchmark £/pha (acre)
Superstore	4,000 (43,000)	£1,822,306 (£737,447)
Hypermarkets	6,000 (65,000)	£1,822,306 (£737,447)
Retail Warehouse	1,500 (16,146)	£3,336,404 (£1,350,170)
Restaurants and Cafes (A3)	140 (1,500)	-£354,844 (-£143,598)
Drinking Establishments (A4)	300 (3,230)	-£205,992 (-£83,360)
Hotel (100 beds)	100 beds	£3,415,548 (£1,382,197)
Care Home (65 beds)	65 beds	£2,346,658 (£949,641)

Offices and Industrial

7.70 Table 51 clearly shows that speculative office and industrial schemes are currently unviable. This is a trend which is mirrored across the Country. It is accepted that specialist / bespoke forms of development, typically built for owner occupiers, are likely to be viable but such developments only account for a small proportion of the market.

Retail

7.71 All forms of convenience retail are viable with land values ranging from £1,707,551 per ha (£691,008 per acre) for small conveince retail up to £1,882,306 per ha (£737,447 per acre) for large format convenience stores. Retail warehousing is also viable, demonstrating land values of £3,336,404 per ha (£1,350,170 per acre).

Restaurants and Cafes (A3) and Food and Drink (A4) Establishments

7.72 The assessment has demonstarted that both forms of development are currentlty unviable.

Hotel

7.73 Hotel schemes are viable generating land values of £3,415,548 per ha (£1,382,197 per acre).

Care Homes

7.74 The assessment demonstrates that care home development is viable and capable of generating land values of approximately £2,346,658 per ha (£949,641 per acre).

Brownfield

7.75 The assessment has also considered the MV / Benchmarks of Brownfield sites. However, this has only focussed on those typologies that generated positive land values for Greenfield sites, as logically the viability of those typologies that are not viable on a Greenfield basis will simply be compounded when taking into consideration the issues and associated costs of developing Brownfield land. The assessment also considers the typologies which relate to town centre comparison retail.

7.76 The market values / benchmarks for each land use are shown in Table 52.

Table 52 - Other Development Typologies[69]

Description	Gross Size sq.m (sq.ft)	MV Benchmark £/pha (acre)
Town Centre (Halifax) comparison retail[70]	4,645 (50,000)	£4,586,019 (£1,855,862)

[69] Development Appraisals are provided at Appendix 2.

[70] The typology is based on the remodelling or extension of existing floor space / arcades.

Description	Gross Size sq.m (sq.ft)	MV Benchmark £/pha (acre)
Town Centre (Brighouse) comparison retail[71]	1,500 (16,146)	-£642,075 (-£259,834)
Town Centre (Elland) comparison	750 (8,074)	-£3,339,041 (-£1,351,237)
Town Centre (Hebden Bridge) comparison	1,100 (11,840)	-£1,059,410 (-£428,720)
Town Centre (Sowerby Bridge) comparison	250 (2,691)	-£5,068,235 (-£2,051,003)
Town Centre (Todmorden) comparison	1,500 (16,146)	-£1,710,561 (£692,227)
Convenience Store	372 (4,000)	-£799,095 (-£323,376)
Supermarkets	2,500 (26,900)	£1,191,975 (£482,366)
Superstore	4,000 (43,057)	£1,310,730 (£530,424)
Hypermarkets	6,000 (65,000)	£1,376,705 (£557,122)
Retail Warehouse	1,500 (16,146)	£2,528,808 (£1,023,353)
Hotel (100 beds)	100 beds	£2,679,128 (£1,084,184)
Care Home (65 beds)	65 beds	£1,509,175 (£610,730)

- Town Centre comparison retail is only viable in Halifax and demonstrates land values of £4,586,019 per ha (£1,855,862 per acre)
- Convenience retail becomes unviable on brownfield land.

[71] The typology is based on a traditional mall style layout.

- Large convenience retail (i.e. Supermarkets, superstores and hypermarkets) remain viable but the land values are reduced to an average value of £1,293,137per ha(£523,304 per acre);
- Retail warehousing also remains viable but the land values fall to £2,528,808per ha (£1,023,353 per acre)
- Hotel development remains a viable form of development but land values fall to £2,679,128per ha (£1,084,184).
- Care Home development remains viable with land values of £1,509,175per ha (£610,730 per acre)

8. Viability of Local Plan (including CIL)

8.1 The NPPF promotes sustainable development, ensuring that the appropriate balance is struck between economic, social and environmental dimensions of growth, and that appropriate necessary infrastructure is delivered. The NPPF also emphasises that plans must be deliverable and the economic viability of development is critical for this. In particular the guidance states at para 173 …..

Pursuing sustainable development requires careful attention to viability and costs in plan making and decision taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, design 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.

8.2 Paragraph 174 further states that…..

Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative *impacts on development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put the implementation of the plan at serious risk, and should facilitate development throughout the economic cycle. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.*

Definition of viability

8.3 The Harman Report provides the definition of viability in the context of testing local plans, and also establishes the link between viability and the concept of deliverability. The documents states that ………

An individual development can be said to be viable, if after taking account of all costs, including central and local government policy and regulatory costs and availability of development fiancé, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered.

At Local Plan level, viability is very closely linked to the concept of deliverability. In the case of housing, a Local Plan can be said to be deliverable if sufficient sites are viable – as *defined previously – to deliver the plan's housing requirements over the plan period.*

8.4 The Harman Report identifies that the primary role of the Local Plan viability assessment is to provide evidence that the requirements of the NPPF have been met. As such it should consider the cumulative impact of national and local policies upon the economic viability of development. This assessment should include consideration of existing policy requirements that will be carried forward, along with new policies proposed in the plan.

8.5 The report recognises that Local Plan viability assessment is not conducted to give a precise answer as to the viability of every development likely to take place during the plan period, nor is it there to provide a definitive 'yes or no' to the likelihood of development across the whole plan area or plan period. It is rather to provide a high level assurance that the policies within the plan have been considered for their cumulative impacts, and that these are not likely to compromise the economic viability of development needed to deliver the plan.

The Community Infrastructure Levy

8.6 The NPPF states that where practical, Community Infrastructure Levy charges should be worked up and tested alongside the Local Plan. The Harman Report also recognises the parallels between viability testing of local plans and preparation of Community Infrastructure Levy charging schedules. In light of this, and the recognition that the CIL is a potential further cost that affects the economic viability of development, it is prudent to test CIL charges alongside the other cumulative policy requirements of the plan.

The New Local Plan

8.7 The Core Strategy Preferred Options 2012 sets out the Councils favoured spatial approach for the amount and location of new development within

Calderdale together with its preferred policies, which will help guide and control development until 2029.

8.8 The Council consulted on the Preferred Options version of the Core Strategy in autumn 2012. A large number of comments were received and these have been given individual consideration. However, further work on the evidence and documentation supporting the Core Strategy is needed before the next round of consultation, which will be for the "publication" draft plan later in 2014. The Council is currently in the process of refining its evidence base.

8.9 This assessment provides further technical research on the viability of the planned development and the policy approaches, as set out within the Core Strategy Preferred Options 2012, and the findings set out herein should be taken into account, along with the representations received and other technical evidence, when preparing the publication draft version of the plan.

8.10 In order to be able to identify the full implications of local policies on development viability a scoping exercise has been undertaken, of the Core Strategy Preferred Options document (2012), to identify all policies for consideration within this assessment. Those that were considered relevant and, therefore, incorporated within the assessment are set out below.

Housing

Distribution of Growth

8.11 The overall pattern of growth is set out in Policy CP1. In particular this policy states that:

- The sub regional town of Halifax will continue to be the prime focus for housing…..
- The principal town of Brighouse will be a main local focus for housing….

- The local towns of Elland, Sowerby Bridge, Todmorden and Hebden Bridge will provide housing that serve the needs of, and are accessible to, residents of the town and surrounding lower order settlements.
- The local centres of Southowram, Holywell Green and Stainland, Ripponden & Rishworth, Luddenden & Luddenenfoot and Mythomolroyd are to provide for locally generated needs for housing….
- The local centres of Shelf and Nothowram will see appropriate levels of growth to take advantage of their strategic location between Halifax and Bradford…..
- Limited development will occur in other settlements.

8.12 The baseline assessment has demonstrated that Greenfield development is viable across the Borough. The only exception is schemes within the cold market areas, including:

- Zone 5, which includes the settlements of Elland, Greetland, Holywell Green and Stainland; and
- Zone 9, which includes the settlements of Wheatley, Ovenden, Boothtown, Mixenden and West Halifax.

8.13 Based on the spatial distribution of housing[72] these areas accommodate 1,000 new homes, from which around 200 homes are to be provided on Greenfield sites. The total housing allocation figure for the Borough is 10,500 from which 6,300 (60%) are to be provided on Greenfield sites. In this context the cold market value areas will only provide 3.17% of the Greenfield supply.

8.14 From the total housing allocation figure 40% (4,200 dwellings) are to be provided on Brownfield land. However, as demonstrated in Table 45,

[72] Table 6.12 of the Core Strategy Preferred Options 2012 sets out the distribution of housing (new land allocations only) assuming a housing allocation figure of 10,500.

Brownfield development is only viable in the very hot and hot market value areas. These areas include:

- Zone 1, which includes the settlements of Hebden Bridge and Charlestown;
- Zone 4, which the settlements of Ripponden, Rishworth and Barkisland;
- Zone 6, which includes the settlements of Shelf, Northowram and Norwood Green; and
- Zone 7, which includes the settlements of Halifax, Saville Park and Siddal.

8.15 Cumulatively these areas provide 1,400 dwellings which equates to 33.33% of the total Brownfield supply.

8.16 At Local Plan level; viability is very closely linked to the concept of deliverability. In the case of housing, a Local Plan can be said to be deliverable if sufficient sites are viable to deliver the plans housing requirements over the plan period. Through this assessment we have demonstrated that circa 3,000 units are currently at risk of not being delivered due to viability issues. This accounts for 28.58% of the total housing allocation figure. However, most of these (2,800 dwellings) relate to development on Brownfield land and this to be expected, especially in light of current market conditions.

8.17 In this context 71.42% of the plans housing targets are currently deliverable. Whilst the remaining 28.58% are arguably undeliverable, in the current market, it is anticipated that these viability issues will diminish over the life of the plan as the market continues to improve. In addition the Council are also willing to help facilitate development by taking a more flexible approach to planning obligations. Taking these facts into consideration we conclude that the distribution / locations for housing growth are generally sustainable.

Allocating land for housing

8.18 Policy TPH1 states that when determining specific land allocations to deliver the housing requirement …..the Council will give first priority to the re-use of brownfield land. Policy CP4 reinforces the emphasis and sets an interim target of 55%[73] of all new housing to be built on brownfield land.

8.19 This assessment has previously demonstrated that Brownfield development is only viable in the very hot and hot market value areas. Cumulatively these areas provide 1,400 dwellings, which equates to 33.33% of the total Brownfield supply.

8.20 However, the assessment has assumed that all Brownfield sites will be contaminated when in reality this may not be the case. For this reason the Brownfield assessments were re-run excluding the contamination costs. The results of this exercise are shown in Table 53 and demonstrate that even when land is not contaminated Brownfield development is still only viable in the very hot and hot market value areas. Some scenarios are viable in the medium value area[74] but the land values are very low and in our opinion would not provide any incentive for a landowner to release their site for development.

8.21 Within this context; policies TPH1 and CP4 could be considered unsound. For the same reasons Policy CP8 (Locations for Sustainable Growth)[75] could also be considered unsound. However, we appreciate that the Council has had a target for the use of brownfield land since 2006 and in all subsequent years has exceeded the current target (55%). Therefore, whilst this technical assessment may suggest that Brownfield development is unviable, in all but the hot and very hot market areas, the Council has physical evidence of delivery, which supports their interim target of 55%.

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[73] This contradicts Table 6.12 of the Core Strategy which sets out the spatial distribution of housing and outlines a requirement for 40% of all new housing to be on Brownfield sites.

[74] Incorporating Zones 2, 3 and 8

[75] Policy CP8 states that all new development should be sited with regard to the following sequence of locational preferences ……1. On brownfield land within an urban area which is well related to the road network, accessible by good quality public transport, cycling and walking and to services / facilities within the urban area;….

Table 53 – Brownfield Residential Benchmarks £ / Hectare (assuming no contamination)

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.35ha (0.86 acres)	£198,630 (£80,381)	-£286,910 (-£116,106)	-£286,910 (-£116,106)	£198,630 (£80,381)	-£563,104 (-£227,876)	-£156,604 (-£63,374)	-£357,851 (£144,815)	-£219,329 (-£88,758)	-£563,104 (-£227,876)
B	1.50ha (3.71 acres)	£497,000 (£201,125)	-£85,028 (-£34,409)	-£85,028 (-£34,409)	£497,000 (£201,125)	-£181,095 (-£73,285)	£219,448 (£88,806)	£165,806 (£67,098)	£24,854 (£10,058)	-£181,095 (-£73,285)
C	3.50ha (8.65 acres)	£404,293 (£163,609)	£13,953 (5,646)	£13,953 (£5,646)	£404,293 (£163,609)	-£102,155 (-£41,340)	£214,808 (£86,928)	£136,182 (£55,110)	£40,215 (£16,274)	-£102,155 (-£41,340)
D	7.85ha (19.40 acres)	£428,016 (£173,209)	£37,640 (£15,232)	£37,640 (£15,232)	£428,016 (£173,209)	-£76,985 (-£31,154)	£238,531 (£96,528)	£159,904 (£64,710)	£62,697 (£25,372)	-£76,985 (-£31,154)

Energy

Sustainable Construction

8.22 The Governments Carbon Plan[76] made it clear that a key Government priority is to reduce the energy demand and carbon emissions created by both new and existing homes. It outlined the progress already made due to improved thermal insulation and better performing boilers, and set out what more needs to be achieved to minimise the impact from homes (and other buildings) on the climate and to help reduce the price paid by consumers for heating and running homes.

8.23 The Government reaffirmed in the 2013 Budget its commitment to implement zero carbon homes from 2016. On 30th July the Government took an important step towards zero carbon homes by announcing changes to Part L of the Building Regulations, which set out the energy performance targets for homes and other buildings. For new homes, the changes require a modest but meaningful strengthening of these requirements.

8.24 On 6th August the Government also published a separate consultation on the options for using allowable solutions to implement zero carbon homes from 2016.

8.25 Under Part L of the Building Regulations, developers have to achieve energy performance targets which are set through the National Calculation Methodology. Developers have to demonstrate that their buildings will meet those targets. These targets are expressed in terms of a Target Emissions Rate (TER) in kgC)2/m2yr and an energy demand target in kilowatt hours per square meter per year or kWh/m2yr.

[76] The Carbon Plan: Delivering our low carbon future, HM Government, December 2011

8.26 Building Regulations, and the statutory guidance which supports them (set out in Approved Document L) do not prescribe the measures developers should use to meet these carbon and energy targets, and therefore, allow a combination of good fabric insulation, efficient fixed building services and / or building integrated renewables. The energy demand target emphasises the need for robust fabric performance.

8.27 Separate national standards are in the Code for Sustainable Homes, which has nine energy related standards. Two of these – a carbon emissions requirement and an energy demand requirement – cover the same ground as Building Regulations.

8.28 As with other aspects of the Code, there are six levels relating to energy (EN1). In many ways the Code energy levels were designed to point the way for future Building Regulation requirements. The relationship between the Building Regulation targets and the Code energy levels is set out in Table 54.

Table 54 – Relationship between Code and Building Regulations

Code Level Category (EN1)	Building Regulations requirement
1 – 10% improvement from 2006 Part L Building Regulations	No equivalent
2 - 18% improvement from 2006 Part L Building Regulations	No equivalent
3 – 25% improvement from 2006 Part L Building Regulations	Same requirement in 2010 Part L Building Regulations
4 – 44% improvement from 2006 Part L Building Regulations	2013 Part L set between Code levels 3 and 4
5 – All emissions from regulated energy use (100% improvement from 2006 Part L Building Regulations)	Equivalent to zero carbon standard – noting however, that the zero carbon standard allows for a mechanism to account for emissions that are not expected to be achieved on site to

Code Level Category (EN1)	Building Regulations requirement
	be abated by off-site measures through 'allowable solutions'. The Code does not include allowable solutions
6. All emissions from all energy use	No equivalent

8.29 As outlined above the latest changes to Part L Regulations raise the national minimum requirements for all new homes to between Code levels 3 and 4.

8.30 The Council have set out a number of local plan policies that govern how new homes should perform in relation to energy performance. Policy TPH4 requires that all new residential developments be constructed to meet high standards of design including appropriate sustainability measures and space standards and in accordance with Core Policies CP7 (Climate Change), CP12 (High quality inclusive design) and CP13 (Sustainable Design and Construction).

- Policy CP 7 (Climate Change) requires all new development to contribute to mitigating and adapting to the predicted impacts of climate change by:
    - Supporting sustainable transport networks.....
    - Locating developments in areas accessible by public transport....
    - Adopting sustainable design and construction methods, meeting national standards as a minimum;
    - Increasing levels of renewable and low carbon energy generation, through a range of technologies and domestic, community and commercial scale schemes, whilst taking account of cumulative and environmental impacts.
    - Protecting and enhancing green infrastructure networks...
    - Minimising flood risk, limiting surface water run off; and
    - Protecting and enhancing biodiversity habitats.

- Policy CP12 (High quality, inclusive design) requires that all new developments demonstrate consideration of the aesthetics, function and sustainability of proposed developments over the lifetime of the development… In terms of sustainability policy CP12 states that climate change and energy efficiency measures will be central to the design of new developments in line with the requirements set out in Policy CP13 (Sustainable Design and Construction).

- Policy CP13 (Sustainable Design and Construction) requires all new residential development on Brownfield land to meet the Code for Sustainable Homes Level 3 (or any future equivalent national requirements), rising to level 4 by 2013, and level 6 by 2016, in line with national standards, whilst supporting proposals that demonstrate energy efficiency measures beyond the national minimum standards. In terms of Greenfield developments Policy CP13 requires all new schemes to meet Code for Sustainable Homes Level 4 (or any future equivalent national requirements) and Level 6 by 2015, unless evidence is provided which demonstrates this cannot be met.

8.31 The typical costs associated with achieving the various Code ratings, over and above Building Regulations Part L, and relevant to the development typologies are set out in Table 55.

Table 55– Code for Sustainable Homes Costs

Property Size	Code 4	Code 6
1 bed flat	£3,950	£27,870
2 bed flat	£3,950	£27,870
3 bed flat	£3,950	£27,870
1 bed House	£3,400	£27,050
2 bed House	£3,500	£31,870
3 Bed House	£4,220	£33,770

Property Size	Code 4	Code 6
4 Bed House	£5,140	£38,170

Source: Davis Langdon

8.32 The assessment has considered the impact of these requirements on the market value benchmarks[77].

8.33 The impact of Code 4 on the viability of Greenfield sites is set out in Table 56. This analysis demonstrates that:

- The introduction of Code 4 standards renders schemes unviable within the low value areas.
- Schemes remain viable within the medium value area but land values have fallen by an average of 43%. Value typically range between £95,650 per ha (£38,707 per acre) and £194,598 per ha (£78,750 per acre). In our opinion these values do not provide sufficient incentive for landowners to bring sites forward for development.
- Within the hot value area land values fall by an average of 18.5% within Zone 6 with the average land value around £356,590 per ha (£144,304 per acre). Within Zone 7 land values fall by an average of 48% which translates into an average value of £192,800 per ha (£78,026per acre), which is considered marginal. Despite being in the hot value area the value profile for Zone 7 is very different to Zone 6. This is because Zone 7 comprises Halifax and the assessment assumes apartments in this location. Traditional housing would have a very similar value profile to that shown in Zone 6.
- Schemes within the very hot value areas remain viable albeit the land values are reduced by around 12.5%. Land values range between £506,660 per ha (£205,034 per acre) and £676,945 per ha (£273,945 per acre).

[77] Refer to Tables 44 and 45

8.34 The impact of Code 4 on the viability of Brownfield development has also been considered. The results are shown in Table 57. Unsurprisingly the introduction of Code 4 renders all development unviable outside of the very hot value areas. The average land value in the very hotel value area is £173,780 per ha (£70,325 per acre)

8.35 The introduction of Code 6 standards renders all developments (Greenfield and Brownfield) unviable. This analysis is set out in Tables 58 and 59.

8.36 The Councils policies on sustainable construction, particular Policy CP13, could be found unsound based on the viability issues identified previously. In addition the Government is moving away from the Code for Sustainable Homes approach towards achieving zero carbon proposals. The Government considers that due to the progressive strengthening of Building Regulations alongside national policy for zero carbon homes, the time is right for a review of the relationship between Building Regulations, the Code, the Planning and Energy Act 2008 and local standards. It is believed that the current relationship presents the following issues:

- National and local policies can clash – local requirements / policies are layered onto the Building Regulations and requirements vary by area, causing confusion and potentially extra cost;
- The higher levels of Code may be applied inappropriately without considerations of viability (notwithstanding the Planning and Energy Act requirements for policies applying standards to be reasonable). This in turn can drive developers to develop design solutions which are not cost effective, become redundant and in the worst case can drive developers up technological dead ends; and
- The impact can be to make development unviable. This then causes delays in getting planning permission because of the lengthy and costly negotiations needed to try and resolve the viability questions.

8.37 For new homes (and other buildings) the Government is now committed to driving up energy performance standards through Building Regulations. As can be seen in Table 54 Building Regulations have already surpassed the lower levels of Code and are now set at between Code levels 3 and 4. The government has set a clear end point for strengthening Building Regulations, with the zero carbon standard equivalent of Code 5, with a further strengthening anticipated in 2016 of both carbon and energy targets.

8.38 On this basis, the Governments conclusion is that the Code has been successful in doing its job, in terms of pointing the way forward. However, they no longer see the need for levels or separate carbon and energy targets in the Code. Instead the Government want carbon and energy targets set out in the Building Regulations, as we move towards zero carbon homes.

8.39 The Government are also exploring the concept of 'allowable solutions', which is the overarching term used for carbon offsetting. This is where the developer / builder would pay into an allowable solutions fund, to pump prime carbon saving projects elsewhere, and in return would be granted a lower on site emissions target while preserving the zero carbon policy goal at a much reduced cost.

8.40 This approach will have a knock on effect to the current relationship between national standards and the planning system which has tended to set local standards through plan policies, such as the Council has elected to do. In this context all those policies which make reference to sustainable design, and particularly those which refer to Code for Sustainable Homes, are at risk of becoming outdated / superseded. We recommend that all energy related policies are reviewed and be reworded, to simply require compliance with Building Regulations, or deleted. This will ensure the policies remain extant / relevant throughout the life of the local plan.

Table 56– Greenfield Residential Benchmarks £ / Hectare including Code 4

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	£676,945 (£273,945)	£95,650 (£38,707)	£95,650 (£38,707)	£676,945 (£273,945)	-£96,002 (-£38,850)	£402,395 (£162,841)	£142,619 (£57,715)	£107,606 (£43,546)	-£96,002 (-£38,850)
B	1.65ha (4.08 acres)	£748,299 (£302,820)	£172,976 (£70,000)	£172,967 (£70,000)	£748,299 (£302,820)	-£2,349 (-£951)	£468,443 (£189,569)	£268,474 (£108,646)	£194,598 (£78,750)	-£2,349 (-£951)
C	3.75ha (9.27 acres)	£506,660 (£205,034)	£115,890 (£46,898)	£115,890 (£46,898)	£506,660 (£205,034)	-£1,631 (-£660)	£317,175 (£128,354)	£186,440 (£75,448)	£133,719 (£54,113)	-£1,631 (-£660)
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	-£1,631 (-£660)	£317,175 (£128,354)	£186,440 (£75,448)	£133,719 (£54,113)	-£1,631 (-£660)
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	-£1,631 (-£660)	£317,175 (£128,354)	£186,440 (£75,448)	£133,719 (£54,113)	-£1,631 (-£660)
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	-£1,631 (-£660)	£317,175 (£128,354)	£186,440 (£75,448)	£133,719 (£54,113)	-£1,631 (-£660)

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Table 57 – Brownfield Residential Benchmarks £ / Hectare including Code 4

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.35ha (0.86 acres)	-£74,597 (-£30,188)	-£565,754 (-£228,948)	-£565,754 (-£228,948)	-£74,597 (-£30,188)	-£862,189 (-£348,909)	-£435,449 (-£176,216)	-£767,557 (-£310,614)	-£518,415 (-£209,791)	-£862,189 (-£348,909)
B	1.50ha (3.71 acres)	£273,645 (£110,738)	-£325,057 (-£131,544)	-£325,057 (-£131,544)	£273,645 (£110,738)	-£429,995 (-£174,010)	-£9,638 (-£3,900)	-£160,533 (-£64,964)	-£223,344 (-£90,382)	-£429,995 (-£174,010)
C	3.50ha (8.65 acres)	£236,175 (£95,575)	-£164,028 (-£66,379)	-£164,028 (-£66,379)	£236,175 (£95,575)	-£292,148 (-£118,226)	-£48,175 (-£19,495)	-£105,021 (-£42,500)	-£148,640 (-£60,151)	-£292,148 (-£118,226)
D	7.85ha (19.40 acres)	£259,897 (£105,175)	-£138,858 (-£56,193)	-£138,858 (-£56,193)	£259,897 (£105,175)	-£266,977 (-£108,040)	£70,412 (£28,494)	-£79,851 (-£32,314)	-£123,470 (-£49,965)	-£266,977 (-£108,040)

Table 58– Greenfield Residential Benchmarks £ / Hectare including Code 6

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	-£123,842 (-£50,116)	-£736,191 (-£297,920)	-£736,191 (-£297,920)	-£123,842 (-£50,116)	-£1,034,866 (-£418,788)	-£420,771 (-£170,277)	-£1,166,987 (-£472,254)	-£828,215 (-£335,160)	-£1,034,866 (-£418,788)
B	1.65ha (4.08 acres)	-£3,668 (-£1,484)	-£616,016 (-£249,288)	-£616,016 (-£249,288)	-£3,668 (-£1,484)	-£899,670 (-£364,077)	-£300,597 (-£121,645)	-£970,660 (-£393,805)	-£693,018 (-£280,449)	-£899,670 (-£364,077)
C	3.75ha (9.27 acres)	-£2,483 (-£1,005)	-£417,094 (-£168,789)	-£417,094 (-£168,789)	-£2,483 (-£1,005)	-£624,771 (-£252,831)	-£203,529 (-£82,364)	-£674,069 (-£272,781)	-£481,263 (-£194,757)	-£624,771 (-£252,831)
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	-£624,771 (-£252,831)	-£203,529 (-£82,364)	-£674,069 (-£272,781)	-£481,263 (-£194,757)	-£624,771 (-£252,831)
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	-£624,771 (-£252,831)	-£203,529 (-£82,364)	-£674,069 (-£272,781)	-£481,263 (-£194,757)	-£624,771 (-£252,831)
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	-£624,771 (-£252,831)	-£203,529 (-£82,364)	-£674,069 (-£272,781)	-£481,263 (-£194,757)	-£624,771 (-£252,831)

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Table 59 – Brownfield Residential Benchmarks £ / Hectare including Code 6

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.35ha (0.86 acres)	-£1,106,752 (-£447,878)	-£1,597,909 (-£646,639)	-£1,597,909 (-£646,639)	-£1,106,752 (-£447,878)	-£2,041,795 (-£826,270)	-£1,467,603 (-£593,907)	-£2,418,037 (-£978,527)	-£1,698,020 (-£687,152)	-£2,041,795 (-£826,270)
B	1.50ha (3.71 acres)	-£562,025 (-£227,439)	-£1,174,373 (-£475,243)	-£1,174,373 (-£475,243)	-£562,025 (-£227,439)	-£1,343,933 (-£543,860)	-£858,954 (-£347,600)	-£1,439,296 (-£582,452)	-£1,137,282 (-£460,233)	-£1,343,933 (-£543,860)
C	3.50ha (8.65 acres)	-£299,472 (-£121,190)	-£714,083 (-£288,974)	-£714,083 (-£288,974)	-£299,472 (-£121,190)	-£926,827 (-£375,066)	-£500,518 (-£202,549)	-£993,051 (-£401,866)	-£783,319 (-£316,992)	-£926,827 (-£375,066)
D	7.85ha (19.40 acres)	-£274,302 (-£111,004)	-£688,913 (-£278,788)	-£688,913 (-£278,788)	-£274,302 (-£111,004)	-£901,657 (-£364,881)	-£475,348 (-£192,363)	-£967,881 (-£391,680)	-£758,149 (-£306,806)	-£901,657 (-£364,881)

Renewable and Low Carbon Energy

8.41 Policy TPRE 1 requires all new residential developments in excess of 10 dwellings to source 15% of their energy demand from on site or decentralised renewable and low carbon sources until the end of 2015 and 20% from 2016 until the end of 2020 (or meet future national standards where these are higher).

8.42 In view of the progressive strengthening of Building Regulations the Government believe it is no longer appropriate for local plan policies to specify additional standards for how much energy use from homes should come from on – site renewables. The Government believe that developers should be free to decide the most appropriate solutions to meet stronger Building Regulations.

8.43 However, it should be noted that the Government is not proposing to limit the ability of local planning authorities to set strategic policies in relation to the locations and relationship between new housing developments and how they should connect to low carbon and renewable energy infrastructure (i.e. district heating systems).

8.44 In this context we have not reviewed the viability of Policy TPRE 1, as this is currently not in conformity with emerging guidelines. It is recommended that this policy be deleted or re-worded.

High Quality Housing

Space Standards

8.45 Policy TPH4 requires that all developments be built to the following minimum space standards unless they are demonstrated to be in appropriate or not feasible.

Table 60 – Property / Unit Sizes

Property Type	Size	
	Sq.m (net)	Sq.ft (net)
1 bed / 2 person flat	50 (43)	538 (463
2 bed / 4 person flat	70 (60)	753 (646)
2 bed / 4 person house	83	893
3 bed / 5 person house	96	1,033
4 bed / 6 person house	107	1,152

8.46 These standards have been incorporated into our assessments. However, the Government has recently sought views[78] on whether space standards are necessary or desirable in principle. The Government prefers a market led, voluntary approach such as space labelling[79] in order to meet purchasers needs rather than the mandatory application of space standards.

8.47 The Housing Standards Review Consultation ended on 22nd October 2013 and the results /findings have yet to be published. If the Government decide to abolish space standards in favour of a voluntary market led approach Policy TPH4 would need to be deleted or re worded, as appropriate.

Lifetime Homes Standards

8.48 Policy TPH5 requires that 40% of new dwellings, on sites of 1ha (2.47 acres) or larger, be constructed to Lifetime Homes Standards. The typical add on costs for achieving these standards are shown in Table 61.

[78] Housing Standards Review Consultation – August 2013 to 22nd October 2013

[79] Space labelling is a process whereby the overall internal floor area (and potentially individual room sizes) of new homes are presented in a consistent and visible manner at point of sale to potential home buyers so they can make a more informed choice / comparison between similar properties.

Table 61 - Lifetime Home Costs

Property Size	Size (sq.m)	Rate -£psm	Cost per unit
1 bed flat	50	13	£650
2 bed flat	70	14	£980
3 bed flat	80	15	£1,200
1 bed House	58	15	£870
2 bed House	83	17	£1,411
3 Bed House	96	12	£1,152
4 Bed House	107	9	£963

Source: Davis Langdon

8.49 We have modelled the impact of these additional costs and the results of this exercise are shown in Table 62[80]. The key findings are summarised below.

- The introduction of Lifetime Homes reduces the benchmark land value of viable Greenfield sites (refer to table 44) by between 4% and 11%. The impact is felt hardest in the low value areas as the standards simply compound the viability issues and manifest themselves in a 30% reduction in land values.

8.50 Whilst the impact of Lifetime Homes is generally considered to be within acceptable tolerances the Government recently sought views [81] on whether there was a need for new dwellings to meet adaptability and accessibility requirements above Part M or the Building Regulations; and if so what the higher standard or standards should be.

8.51 The results of the consultation have not yet been published but if it is determined that additional requirements for accessibility are appropriate, the

[80] It should be noted that this assessment has been limited to the Greenfield scenarios, as the baseline / benchmark figures for Brownfield developments (See table 45) clearly show that the majority of Brownfield schemes are unviable even without these standards.

next question that arises is how many levels of performance above the Building Regulation minimum are required?

8.52 There is a general consensus that wheelchair accessible housing standards impose significant additional requirements, which would be disproportionate in widespread application and would go far beyond the needs of most older or disabled households. However, it is also accepted that these requirements are entirely necessary to ensure that a wheelchair user is not disadvantaged by the resultant design.

8.53 The question which then follows is whether provision for accessible and adaptable housing or age friendly housing – such as Lifetime Homes – should be delivered as a separate, intermediate standard (sitting between Approved Document M and Wheelchair Housing Standards) or whether these requirements should be introduced in part or in full into regulation, resulting in only two levels of provision.

8.54 The Government has taken the view that introducing all aspects of the Lifetime Home Standard as a requirement for all new housing through Regulation is too onerous, given the likely cost of the standards and the level of predicted need. On the other hand, adopting only some of the Lifetime Home requirements (and not having an intermediate standard) would create a gap in provision between Building Regulations and wheelchair housing. In this context the Government believe that an intermediate standard such as Lifetime Homes could be important in terms of bridging the gap - in a cost effective manner – between minimum standards and wheelchair accessible standards.

8.55 As part of the Consultation the Government sought views on whether they should develop a national set of accessibility standards consisting of a

[81] Housing Standards Review Consultation – August 2013 to 22nd October 2013.

national regulatory baseline, and optional higher standards consisting of an intermediate and wheelchair accessible standard. It is envisaged that (if adopted) any level above the baseline contained in the Regulations would only be required as a proportion of overall development through requirements in local planning policy, based on local needs and viability assessments.

8.56 Within this context Policy TPH5 would appear to confirm with emerging guidance. However, reflecting the viability issues, in certain areas of the Borough, it is recommended that a clause be inserted into the policy which makes this requirement subject to local viability factors.

Table 62– Greenfield Residential Benchmarks £ / Hectare (inclusive of Lifetime Homes)

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
B	1.65ha (4.08 acres)	£820,620 (£332,087)	£246,065 (£99,577)	£246,065 (£99,577)	£820,620 (£332,087)	£81,667 (£33,049)	£540,764 (£218,835)	£424,106 (£171,627)	£273,917 (£110,848)	£81,667 (£33,049)
C	3.75ha (9.27 acres)	£555,628 (£224,851)	£164,857 (£66,714)	£164,857 (£66,714)	£555,628 (£224,851)	£55,547 (£22,479)	£366,142 (£148,170)	£294,518 (£119,185)	£190,220 (£76,978)	£55,547 (£22,479)
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	£54,964 (£22,243)	£366,142 (£148,170)	£294,518 (£119,185)	£190,220 (£76,978)	£54,964 (£22,243)
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	£54,964 (£22,243)	£366,142 (£148,170)	£294,518 (£119,185)	£190,220 (£76,978)	£54,964 (£22,243)
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	£54,964 (£22,243)	£366,142 (£148,170)	£294,518 (£119,185)	£190,220 (£76,978)	£54,964 (£22,243)

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Affordable Housing

8.57 Policy TPH6 requires that all new housing developments make the maximum viable contribution towards the provision of affordable housing. The indicative levels of affordable housing are set out in Table 63.

Table 63– Affordable Housing Thresholds

Zone	Housing Market Locations	Size Threshold (no dwellings)	Proportion of affordable housing
Zone 1	Hebden Bridge, Charlestown	5	35%
Zone 4	Ripponden, Rishworth, Barkisland	5	35%
Zone 6	Northowram, Shelf, Norwood Green	5	30%
Zone 7	Halifax Town Centre	5	30%
Zone 2	Todmorden, Walsden, Cornholme	15	25%
Zone 3	Mytholmroyd, Sowerby Bridge, Illingworth, Luddendenfoot, Luddenden, Bradshaw	15	25%
Zone 8	Brighouse, Rastrick, Clifton, Southowram, Hipperholme	15	25%
Zone 5	Elland, Greetland, Holywell Green, Stainland	15	20%
Zone 9	Wheatley, Ovenden, Mixenden, Boothtown, West Halifax	15	20%

Source: Core Strategy Preferred Options 2012

8.58 The Strategic Housing Market Assessment (SHMA) April 2011 recommended that, to support development viability and affordable housing supply, affordable housing sought through policy should target a tenure split of 25% social rented housing and 75% intermediate housing.

8.59 These standards have been applied within the baseline assessment, as set out within Section 5 (Tables 44 and 45). This analysis demonstrated that only developments in the 'cold market value area (Zones 5 and 6) could not sustain the affordable housing thresholds shown in Table 63.

8.60 Brownfield sites were unable to sustain the affordable housing targets in all but the very hot market value area, but this is not surprising.

8.61 This demonstrates that the affordable targets are too high in the cold market areas and for brownfield sites. However, Policy TPH6 recognises that the amount of affordable housing will be influenced by a number of factors including market location, site size threshold, practicality and financial viability and the specific needs of an area as set out in the Councils Housing Needs Statements. In this context the policy is flexible and allows applicants to seek a reduction in the affordable housing contributions subject to local viability considerations.

Viability of CIL

8.62 Policy CP14 (Infrastructure Provision) states that the Council will consider the introduction of a Community Infrastructure Levy (CIL) to ensure the delivery of strategic infrastructure across the Borough.

8.63 When testing the viability of CIL is should be recognised that when establishing the market value benchmarks (refer to Tables 44 and 45) the assessment made allowances for S106 contributions, which included tariff style obligations relating to education, open space, sport and recreation. However, from April 2015 the Council will no longer be able to charge these tariff style obligations (for more than five pooled obligations), which will be directly superseded by CIL.

8.64 In this context the assessment has modelled the potential CIL charges excluding the S106 payments as these will be replaced by CIL. The assessment has also applied:

- Current affordable housing targets, as set out at Policy TPH6; and
- The costs for achieving Code Level 4 design standards[82].

8.65 Taking these factors into consideration the results of the assessment are shown in Tables 65 to 70 and demonstrate the following:

- CIL is viable within Zones 1 and 4 at a maximum charge of £300psm;
- CIL is viable within Zone 6 at a maximum charge of £135psm; and
- In all other areas of the Borough the maximum charge would be a nominal rate of £5psm and even at this level certain areas would still not be able to sustain this charge.

8.66 However, the revenue from CIL can be maximised by taking a more flexible approach to affordable housing, as set out in Table 64.

[82] The NPPF is clear in that the cumulative impact of local plan policies and national legislation must be taken into account when determining viability. In this respect the assessment of CIL must acknowledge the costs associated with the zero carbon agenda, which will be imposed from 2016. Whilst the policy / guidance is currently in a state of transition it is envisaged that the costs of achieving Zero Carbon standards (via the emerging allowable solutions approach) would be similar to the current cost allowances for Code Level 4.

Table 64– Affordable Housing Thresholds[83]

Zone	AH – TPH6	Max CIL Charge	Updated AH	Max CIL Charge
Zone 1	35%	£300psm		
Zone 4	35%	£300psm		
Zone 6	30%	£135psm		
Zone 7	30%	£5psm	15%	£50psm
Zone 2	25%	£5psm	15%	£25psm
Zone 3	25%	£5psm	15%	£25psm
Zone 8	25%	£5psm	15%	£40psm
Zone 5	20%	£5psm	10%	£5psm
Zone 9	20%	£5psm	10%	£5psm

- Even with lower targets for affordable housing nothing more than a nominal CIL charge is sustainable in Zones 5 and 9. This is not surprising as together these zones comprise the cold market value area.
- A maximum CIL charge of £50psm is sustainable within Zone 7 but only if the affordable housing threshold is halved to 15%.
- A charge of £25psm is sustainable within Zones 2 and 3 if affordable housing is capped at 15%.
- A charge of £40psm is sustainable in Zone 8, again on the basis that affordable housing is capped at 15%.

8.67 In this context the Council will need to carefully consider what their priority is. If it is to maintain the current levels of affordable housing then there must be an acceptance that CIL revenue will be severely restricted. If on the other hand the priority is to maximise CIL revenue the Council will need to refresh their affordable housing targets and seek contributions that are significantly below the current targets,

[83] The analysis supporting these figures is set out in Tables 71 to 74

Table 65 – Greenfield Residential Benchmarks £ / Hectare - CIL at £5psm

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	£752,331 (£304,452)	£172,377 (£69,757)	£172,377 (£69,757)	£752,331 (£304,452)	-£7,384 (-£2,988)	£469,387 (£189,951)	£164,096 (£66,406)	£193,924 (£78,477)	-£7,384 (-£2,988)
B	1.65ha (4.08 acres)	£822,893 (£333,007)	£248,125 (£100,411)	£248,125 (£100,411)	£822,893 (£333,007)	£83,897 (£33,951)	£542,920 (£219,708)	£289,289 (£117,069)	£276,210 (£111,776)	£83,897 (£33,951)
C	3.75ha (9.27 acres)	£557,167 (£225,473)	£166,237 (£67,273)	£166,237 (£67,273)	£557,167 (£225,473)	£57,064 (£23,092)	£367,602 (£148,761)	£200,895 (£81,298)	£191,812 (£77,622)	£57,064 (£23,092)
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	£56,465 (£22,850)	£367,602 (£148,761)	£200,895 (£81,298)	£191,812 (£77,622)	£56,465 (£22,850)
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	£56,465 (£22,850)	£367,602 (£148,761)	£200,895 (£81,298)	£191,812 (£77,622)	£56,465 (£22,850)
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	£56,465 (£22,850)	£367,602 (£148,761)	£200,895 (£81,298)	£191,812 (£77,622)	£56,465 (£22,850)

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Table 66 – Greenfield Residential Benchmarks £ / Hectare - CIL at £25psm

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	£717,707 (£290,440)	£136,057 (£55,059)	£136,057 (£55,059)	£717,707 (£290,440)	-£49,959 (-£20,217)	£434,289 (£175,747)	£112,508 (£45,530)	£153,065 (£61,942)	-£49,959 (-£20,217)
B	1.65ha (4.08 acres)	£788,633 (£319,142)	£212,553 (£86,015)	£212,553 (£86,015)	£788,633 (£319,142)	£42,493 (£17,196)	£508,190 (£205,654)	£241,831 (£97,864)	£239,122 (£96,767)	£42,493 (£17,196)
C	3.75ha (9.27 acres)	£533,970 (£216,086)	£142,405 (£57,628)	£142,405 (£57,628)	£533,970 (£216,086)	£29,509 (£11,942)	£344,087 (£139,245)	£166,175 (£67,247)	£164,313 (£66,494)	£29,509 (£11,942)
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	£28,902 (£11,696)	£344,087 (£139,245)	£166,175 (£67,247)	£164,313 (£66,494)	£28,902 (£11,696)
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	£28,902 (£11,696)	£344,087 (£139,245)	£166,175 (£67,247)	£164,313 (£66,494)	£28,902 (£11,696)
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	£28,599 (£11,573)	£344,087 (£139,245)	£166,175 (£67,247)	£164,313 (£66,494)	£28,599 (£11,573)

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Table 67 – Greenfield Residential Benchmarks £ / Hectare - CIL at £50psm[84]

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	£674,427 (£272,926)			£674,427 (£272,926)		£398,614 (£161310)			
B	1.65ha (4.08 acres)	£745,807 (£301,812)	£168,087 (£68,021)	£168,087 (£68,021)	£745,807 (£301,812)		£464,778 (£188,086)	£178,672 (£72,305)	£189,098 (£76,524)	
C	3.75ha (9.27 acres)	£504,974 (£204,352)			£504,974 (£204,352)		£314,694 (£127,350)			
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a		£314,694 (£127,350)			
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a		£314,694 (£127,350)			
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a		£314,694 (£127,350)			

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

[84] When assessing the viability of a CIL charge at £50psm we have only considered those scenarios that were viable with a charge at £25psm (refer to Table 64).

Table 68 – Greenfield Residential Benchmarks £ / Hectare - CIL at £75psm[85]

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	£631,147 (£255,412)			£631,147 (£255,412)		£353,820 (£143,183)			
B	1.65ha (4.08 acres)	£702,982 (£284,481)			£702,982 (£284,481)		£421,366 (£170,518)			
C	3.75ha (9.27 acres)	£475,977 (£192,618)			£475,977 (£192,618)		£285,300 (£115,455)			
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a		£285,300 (£115,455)			
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a		£285,300 (£115,455)			
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a		£285,300 (£115,455)			

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

[85] When assessing the viability of a CIL charge at £75psm we have only considered those scenarios that were viable with a charge at £50psm (refer to Table 65).

Table 69 – Greenfield Residential Benchmarks £ / Hectare - CIL at £135psm

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	£527,276 (£213,377)			£527,276 (£213,377)		£246,315 (£99,678)			
B	1.65ha (4.08 acres)	£600,201 (£242,888)			£600,201 (£242,888)		£317,177 (£128,355)			
C	3.75ha (9.27 acres)	£406,386 (£164,456)			£406,386 (£164,456)		£214,755 (£86,907)			
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a		£214,755 (£86,907)			
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a		£214,755 (£86,907)			
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a		£214,755 (£86,907)			

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Table 70 – Greenfield Residential Benchmarks £ / Hectare - CIL at £300psm

Scenario	Site Area – ha (acres)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.5ha (1.24 acres)	£246,703 (£99,835)			£246,703 (£99,835)					
B	1.65ha (4.08 acres)	£317,553 (£128,507)			£317,553 (£128,507)					
C	3.75ha (9.27 acres)	£215,010 (£87,010)			£215,010 (£87,010)					
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a					
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a					
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a					

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Table 71 – Greenfield Residential Benchmarks £ / Hectare - CIL at £5psm

Scenario	Site Area – ha (acres)	Zone 1	Zone 2 (15% affordable housing)	Zone 3 (15% affordable housing)	Zone 4	Zone 5 (10% affordable housing)	Zone 6	Zone 7 (15% affordable housing)	Zone 8 (15% affordable housing)	Zone 9 (10% affordable housing)
A	0.5ha (1.24 acres)	-	£253,123 (£102,433)	£253,123 (£102,433)	-	£71,521 (£28,943)	-	£316,393 (£128,037)	£284,763 (£115,237)	£71,521 (£28,943)
B	1.65ha (4.08 acres)	-	£323,775 (£131,025)	£323,775 (£131,025)	-	£159,255 (£64,447)	-	£436,888 (£176,799)	£364,247 (£147,403)	£159,255 (£64,447)
C	3.75ha (9.27 acres)	-	£219,223 (£88,715)	£219,223 (£88,715)	-	£109,433 (£44,285)	-	£303,394 (£122,777)	£252,949 (£102,363)	£109,433 (£44,285)
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	£109,433 (£44,285)	-	£303,394 (£122,777)	£252,949 (£102,363)	£109,433 (£44,285)
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	£109,433 (£44,285)	-	£303,394 (£122,777)	£252,949 (£102,363)	£109,433 (£44,285)
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	£109,433 (£44,285)	-	£303,394 (£122,777)	£252,949 (£102,363)	£109,433 (£44,285)

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Table 72 – Greenfield Residential Benchmarks £ / Hectare - CIL at £25psm[86]

Scenario	Site Area – ha (acres)	Zone 1	Zone 2 (15% affordable housing)	Zone 3 (15% affordable housing)	Zone 4	Zone 5 (10% affordable housing)	Zone 6	Zone 7 (15% affordable housing)	Zone 8 (15% affordable housing)	Zone 9 (10% affordable housing)
A	0.5ha (1.24 acres)	-	£215,835 (£87,344)	£215,835 (£87,344)	-	-	-	£262,714 (£106,315)	£242,814 (£98,262)	-
B	1.65ha (4.08 acres)	-	£287,638 (£116,401)	£287,638 (£116,401)	-	-	-	£384,864 (£155,746)	£323,592 (£130,951)	-
C	3.75ha (9.27 acres)	-	£194,755 (£78,813)	£194,755 (£78,813)	-	-	-	£267,267 (£108,157)	£224,717 (£90,938)	-
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	-	-	£267,267 (£108,157)	£224,717 (£90,938)	-
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	-	-	£267,267 (£108,157)	£224,717 (£90,938)	-
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	-	-	£267,267 (£108,157)	£224,717 (£90,938)	-

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

[86] We have not appraised Zones 5 and 9 because development was unviable with a nominal CIL charge of £5psm

Table 73 – Greenfield Residential Benchmarks £ / Hectare - CIL at £35psm[87]

Scenario	Site Area – ha (acres)	Zone 1	Zone 2 (15% affordable housing)	Zone 3 (15% affordable housing)	Zone 4	Zone 5 (10% affordable housing)	Zone 6	Zone 7 (15% affordable housing)	Zone 8 (15% affordable housing)	Zone 9 (10% affordable housing)
A	0.5ha (1.24 acres)	-	£197,191 (£79,799)	£197,191 (£79,799)	-	-	-	£235,874 (£95,453)	£221,840 (£89,774)	-
B	1.65ha (4.08 acres)	-	£269,569 (£109,089)	£269,569 (£109,089)	-	-	-	£358,853 (£145,220)	£303,265 (£122,725)	-
C	3.75ha (9.27 acres)	-	£182,521 (£73,862)	£182,521 (£73,862)	-	-	-	£249,203 (£100,847)	£210,601 (£85,225)	-
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	-	-	£249,203 (£100,847)	£210,601 (£85,225)	-
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	-	-	£249,203 (£100,847)	£210,601 (£85,225)	-
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	-	-	£249,203 (£100,847)	£210,601 (£85,225)	-

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

[87] We have not appraised Zones 5 and 9 because development was unviable with a nominal CIL charge of £5psm

Table 74– Greenfield Residential Benchmarks £ / Hectare - CIL at £50psm[88]

Scenario	Site Area – ha (acres)	Zone 1	Zone 2 (15% affordable housing)	Zone 3 (15% affordable housing)	Zone 4	Zone 5 (10% affordable housing)	Zone 6	Zone 7 (15% affordable housing)	Zone 8[89] (15% affordable housing)	Zone 9 (10% affordable housing)
A	0.5ha (1.24 acres)	-	£169,225 (£68,482)	£169,225 (£68,482)	-	-	-	£195,614 (£79,161)	£190,378 (£77,042)	-
B	1.65ha (4.08 acres)	-	£245,038 (£99,162)	£245,038 (£99,162)	-	-	-	£319,835 (£129,430)	£272,774 (£110,386)	-
C	3.75ha (9.27 acres)	-	£164,169 (£66,436)	£164,169 (£66,436)	-	-	-	£222,108 (£89,882)	£189,426 (£76,657)	-
D	7.00ha (17.30 acres)	n/a	n/a	n/a	n/a	-	-	£222,108 (£89,882)	£189,426 (£76,657)	-
E	12.25ha (30.27 acres)	n/a	n/a	n/a	n/a	-	-	£222,108 (£89,882)	£189,426 (£76,657)	-
F	20.44ha (50.50 acres)	n/a	n/a	n/a	n/a	-	-	£222,108 (£89,882)	£189,426 (£76,657)	-

Greater than the current use value (CUV) plus premium benchmark (£82,500 per acre)

Close to the current use value (CUV) plus premium benchmark (£82,500per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£82,500 per acre)

[88] We have not appraised Zones 5 and 9 because development was unviable with a nominal CIL charge of £5psm

[89] The maximum CIL rate assuming 15% affordable housing is £40psm

Non Domestic Uses

Sustainable Construction

8.68 The Labour budget in 2008 announced the government's intention that all new non-domestic buildings should also be zero carbon from 2019. This commitment was confirmed by the Coalition government in December 2010. This means that the timeframe for zero carbon non-domestic buildings is three years behind that for zero carbon homes. Consequently, progress towards defining a zero carbon standard for non-domestic buildings is similarly behind, with a series of consultations ongoing.

8.69 Policy CP13 (Sustainable Design and Construction) requires all non-residential development to meet the governments zero carbon standard by 2019. In the interim the following will apply to developments in excess of 1,000sq.m (10,764sq.ft):

- 2013 – 2016 BREEAM Very Good or equivalent standards, unless evidence is provided which demonstrates this cannot be met;
- 2016 – 2019 BREEAM Excellent or equivalent standards, unless evidence is provided which demonstrates this cannot be met.

8.70 At present, it is considered that the overall approach to achieving zero carbon non-domestic buildings will adopt a similar 'fabric first' hierarchy of measures to those proposed for domestic buildings[90]:

- Fabric efficiency to reduce the demand for heating, cooling, mechanical ventilation and electric lighting.
- Meeting the remaining demand for services with high efficiency equipment.

[90] This approach is currently being reviewed and the Government are currently consulting on the more cost efficient allowable solutions process.

- Supplying that equipment with low carbon energy.
- Offsetting remaining emissions by generating further renewable energy off site (such offsetting measures are called 'allowable solutions').

8.71 However, there are a number of key questions that must then be answered relating to the application of these measures:

- What standards should be set for the different levels of the hierarchy? A range of possible standards exist for 'carbon compliance' (the first two elements of the hierarchy) each achieving different overall reductions in carbon emissions compared to the 2006 Building Regulations;
- How those standards should be defined and assessed;
- Whether minimum standards should be set for different elements; and
- How to differentiate between types of non-domestic building.

8.72 These questions are highly complex and involve detailed cost benefit analysis.

8.73 For example, technically, it may be possible to comply with a zero carbon requirement by adopting low carbon technologies rather than by a creating an energy efficient fabric, and from the developers perspective this might be cheaper in the short term. However this might not minimise whole-life costs (due to the ongoing costs of fuel, maintenance and replacement). In addition, technological solutions are prone to operate below their optimal level of efficiency because of the behaviour of occupants, poor commissioning and maintenance. Furthermore, optimising the building fabric would be likely to give a building better resilience to climate change and continuity of energy supply.

8.74 On the other hand, build quality has a big impact on the effectiveness of energy efficient fabric, and is much more difficult to correct than user behaviour. Also, technology replacement offers the potential for future improvement in efficiencies that are difficult to achieve with building fabric.

8.75 These are more difficult questions to answer than for domestic buildings, as there are such a diverse range of possible building sizes, forms, types and locations to consider. In addition, unlike domestic buildings, electric lighting is a very significant component of energy use and this will result in a more complex tradeoff between natural lighting and fabric thermal efficiency. It is also becoming apparent that continually increasingly standards for U-values has a diminishing return relative to cost whilst there is considerable scope for efficiency in services equipment.

8.76 There are also a number of options for how a zero carbon standard might be enforced, however it is likely to be based on assessing carbon compliance using existing techniques which compare the relative performance of the proposed building with a notional building of the same size, shape and use. Notional buildings may be defined as 'mixed mode' as standard to give some incentive for developing an energy efficient building form. In addition, minimum efficiencies are likely to be set for key measures such as U-values and solar gain as well as the main services equipment and electric lighting.

8.77 As with zero carbon homes, unregulated energy (such as appliances) are likely to be excluded from emissions calculations.

8.78 The standards to be achieved will be set out in the Building Regulations and associated approved documents, in particular Part L, the conservation of fuel and power.

8.79 This is clearly a very complex and evolving arena and it has been difficult to quantify the impact, in terms of extra over costs, against current base requirements. In this respect we have sourced information from Target Zero[91]

[91] Target Zero is a programme of work, funded by Tata Steel and The British Constructional Association (BCSA). The research has been undertaken by a consortium of leading organisations in the field of sustainable construction including AECOM and Cyril Sweet with

who have issued guidance on the design and construction of sustainable, low and zero carbon buildings in the UK. This guidance also includes an estimate of the likely cost increases associated with achieving the various BREEAM standards. The typical over costs are set out in Table 75.

Table 75 – BREEAM Cost Increases (over base case)

Development Type	Very Good	Excellent	Outstanding
Offices	0.2%	0.8%	9.8%
Industrial Buildings (including Warehousing)	0.1%	0.4%	4.8%
Retail	0.2%	1.8%	10.1%
Mixed / Other Use[92]	0.1%	1.5%	4.8%

Source: Target Zero

8.80 The assessment has appraised the impact of the various BREEAM ratings by reference to their impact on the current market value benchmarks. However, as outlined in Tables 51 and 52, the forms of development which are viable /generate positive land values, in the current market, are limited. The assessment, therefore, only applies this analysis to the viable land uses. The results of this analysis are set out in Tables 76 and 77 and summarised below.

- The Impact of achieving BREEAM Very Good is minimal, with a reduction in land values of no more than 1% for both the Greenfield and Brownfield typologies.

steel construction expertise provided by Tata Steel RD&T and the Steel Construction Institute (SCI)

[92] In the absence of any other information this data is assumed to be applicable for all other forms of development.

- The impact of achieving BREEAM Excellent is also within acceptable tolerances with benchmark land values falling between 1.1% and 4.1% for Greenfield sites and between 1.4% and 6.24% for Brownfield sites.

8.81 The analysis has clearly demonstrated that sustainability standards will not adversely impact on scheme viability. However, reflecting the fact that not all commercial uses are viable we support the policy position in that these standards will only be sought when there is demonstrable evidence that these can be achieved.

Table 76: Impact of Sustainable Design on Land Values (Greenfield)

Description	Gross Size sq.m (sq.ft)	MV Benchmark £/pha (acre)	V Good	Excellent
Convenience Store	372 (4,000)	£1,707,551 (£691,008)	£1,703,193 (£689,245) -0.3%	£1,668,336 (£675,139) -2.3%
Supermarkets	2,500 (26,900)	£1,822,306 (£737,447)	£1,814,190 (£734,163) -0.4%	£1,749,262 (£707,888) -4.1%
Superstore	4,000 (43,057)	£1,822,306 (£737,447)	£1,814,190 (£734,163) -0.4%	£1,749,262 (£707,888) -4.1%
Hypermarkets	6,000 (65,000)	£1,822,306 (£737,447)	£1,814,190 (£734,163) -0.4%	£1,749,262 (£707,888) -4.1%
Retail Warehouse	1,500 (16,146)	£3,336,404 (£1,350,170)	£3,332,181 (£1,348,461) -0.1%	£3,298,399 (£1,334,790) -1.1%
Hotel (100 beds)	100 beds	£3,415,548 (£1,382,197)	£3,406,777 (£1,378,648) -0.3%	£3,283,987 (£1,328,958) -3.9%
Care Home (65 beds)	65 beds	£2,346,658 (£949,641)	£2,342,635 (£948,013) -0.2%	£2,286,308 (£925,219) -2.6%

Table 77: Impact of Sustainable Design on land value (Brownfield)

Description	Gross Size sq.m (sq.ft)	MV Benchmark £/pha (acre)	V Good	Excellent
Town Centre (Halifax) comparison retail	4,645 (50,000)	£4,586,019 (£1,855,862)	£4,578,697 (£1,852,898) -0.2%	£4,520,121 (£1,829,194) -1.4%
Supermarkets	2,500 (26,900)	£1,191,975 (£482,366)	£1,183,718 (£479,025) -0.7%	£1,117,661 (£452,293) -6.24%
Superstore	4,000 (43,057)	£1,310,730 (£530,424)	£1,302,473 (£527,082) -0.6%	£1,236,416 (£500,350) -5.67%
Hypermarkets	6,000 (65,000)	£1,376,705 (£557,122)	£1,368,448 (£553,781) -0.6%	£1,302,391 (£527,049) -5.4%
Retail Warehouse	1,500 (16,146)	£2,528,808 (£1,023,353)	£2,524,511 (£1,021,614) -0.2%	£2,490,142 (£1,007,706) -1.53%
Hotel (100 beds)	100 beds	£2,679,128 (£1,084,184)	£2,670,204 (£1,080,573) -0.3%	£2,545,279 (£1,030,019) -5%
Care Home (65 beds)	65 beds	£1,509,175 (£610,730)	£1,505,082 (£609,074) -0.3%	£1,447,775 (£585,883) -4.1%

Renewable and Low Carbon Energy

8.82 Policy TPRE 1 requires that all non-residential developments in excess of 1,000sq.m (10,764sq.ft) source 15% of their energy demand from on site or decentralised renewable and low carbon sources until the end of 2015 and 20% from 2016 until the end of 2020 (or meet future national standards where these are higher).

8.83 In view of the progressive strengthening of Building Regulations the Government believe it is no longer appropriate for local plan policies to seek specific additional standards for how much energy use comes from on – site renewables. The Government believe that developers should be free to decide the most appropriate solutions to meet stronger Building Regulations.

8.84 However, it should be noted that the Government is not proposing to limit the ability of local planning authorities to set strategic policies in relation to the locations and relationship between developments and how they should connect to low carbon and renewable energy infrastructure.

8.85 In this context we have not reviewed the viability of Policy TPRE 1 as this is currently not in conformity with emerging guidelines. It is recommended that this policy be deleted or re-worded.

Viability of CIL

8.86 When establishing the viability of CIL it should be noted that, with the exception of Hotels and Care Homes, retail is the only viable non-domestic land use. Most forms of retail will take place on Brownfield land or will be promoted as enabling development and in this regard it is recommended that the CIL rates be assessed with reference to the Brownfield benchmarks (refer to Table 52). By adopting this approach it is hoped that the enabling qualities of retail developments are preserved.

8.87 The assessment is also based on the principle that if the cumulative impact of Local Plan Polices (including CIL) are promoted that reduce the benchmark values by more than 25%, at the present time, then this risks the land being withheld from development, or delayed in coming forward. It is acknowledged that there may be schemes that are promoted even with a larger decline in the benchmark value but on balance we believe this approach and the threshold adopted is a reasonable reflection of the likely market reaction across the Borough.

8.88 In light of the Councils aspiration for high standards of sustainable construction and the requirement for zero carbon development by 2019 it is recommended that the CIL rates be set having considered the cumulative impact of BREEAM Excellent. This analysis is set out in Table 78 and presents a worst case scenario, albeit this approach should ensure that the Councils design aspirations are not prejudiced. Equally it should also ensure that development viability is not impacted / undermined as national legislation (i.e. Building Regulations) moves towards zero carbon. On this basis the following observations are made:

- The maximum CIL rate for Town Centre Comparison Retail is £250psm.
- The maximum CIL for large convenience retail is approximately £50psm
- The maximum charge for retail warehousing is £150psm
- Hotels are able to sustain a maximum CIL of around £125psm
- Care Homes are able to sustain a charge of circa £75psm

Table 78: Other Development Typologies (Brownfield): Impact of Sustainable Design (BREEAM EXCELLENT) and CIL on Land Values

Description	Gross Size sq.m (sq.ft)	MV Benchmark £/pha (acre)	CIL £10psm	CIL £25psm	CIL £35psm	CIL £50psm	CIL £75psm	CIL £100psm	CIL £150psm	CIL £175psm	CIL £250psm	CIL £300psm
Town Centre (Halifax) comparison retail	4,645 (50,000)	£4,586,019 (£1,855,862)	£4,482,421 (£1,813,937) -2.3%	£4,425,871 (£1,791,053) -3.5%	£4,388,171 (£1,775,796) -4.3%	£4,331,621 (£1,752,912) -5.5%	£4,237,371 (£1,714,771) -7.6%	£4,143,121 (£1,676,630) -9.7%	£3,954,621 (£1,600,348) -13.8%	£3,860,371 (£1,562,207) -15.8%	£3,483,371 (£1,409,644) -24.1%	£3,389,121 (£1,371,503) -26.1%
Supermarkets	2,500 (26,900)	£1,191,975 (£482,366)	£1,079,961 (£437,036) -9.4%	£1,023,411 (£414,152) -14.1%	£985,711 (£398,895) -17.3%	£929,161 (£376,011) -22%	£834,911 (£337,870) -30%	-	-	-	-	-
Superstore	4,000 (43,057)	£1,310,730 (£530,424)	£1,198,716 (£485,094) -8.5%	£1,142,166 (£462,209) -12.9%	£1,104,466 (£446,953) -15.7%	£1,047,916 (£424,068) -20.1%	£953,666 (£385,928) -27.2%	-	-	-	-	-
Hypermarkets	6,000 (65,000)	£1,376,705 (£557,122)	£1,264,691 (£511,793) -8.2%	£1,208,141 (£488,908) -12.2%	£1,170,441 (£473,652) -15%	£1,113,891 (£450,767) -19.1%	£1,019,641 (£412,626) -25.9%	-	-	-	-	-
Retail Warehouse	1,500 (16,146)	£2,528,808 (£1,023,353)	£2,452,442 (£992,449) -3.1%	£2,395,892 (£969,565) -5.2%	£2,358,192 (£954,308) -6.7%	£2,301,642 (£931,424) -9%	£2,207,392 (£893,283) -12.7%	£2,113,142 (£855,142) -16.4%	£1,924,642 (£778,860) -23.9%	£1,830,392 (£740,719) -27.6%	-	-
Hotel (100 beds)	100 beds	£2,679,128 (£1,084,184)	£2,507,579 (£1,014,762) -6.4%	£2,451,029 (£991,878) -8.5%	£2,413,329 (£976,621) -10%	£2,356,779 (£953,737) -12%	£2,262,529 (£915,596) -15.5%	£2,168,279 (£877,455) -19.1%	£1,979,779 (£801,173) -26.1%	-	-	-
Care Home (65 beds)	65 beds	£1,509,175 (£610,730)	£1,410,075 (£570,627) -6.6%	£1,353,525 (£547,742) -10.3%	£1,315,825 (£532,486) -12.8%	£1,259,275 (£509,601) -16.6%	£1,177,387 (£476,463) -22%	£1,082,137 (£437,917) -28.3%	-	-	-	-

9. Conclusions and Recommendations

9.1 The Viability Study is intended to establish an understanding of the approach, evaluation and implications of applying certain Local Plan standards, as well as establishing a Community Infrastructure Levy to fund necessary infrastructure in support of future growth across the Borough.

9.2 The timing of the Local Plan / CIL Viability Study coincides with a significant economic downturn coupled with a prolonged period of economic uncertainty and periods of recession. The Council therefore faces a dilemma: how to encourage the levels of future growth envisaged by the New Local Plan whilst raising design quality and delivering an appropriate proportion of affordable housing as well as ensuring that the necessary infrastructure is delivered in tandem. This has to be undertaken against a background of public sector capital and revenue funding cuts, and difficulties in the private sector, especially for the development of new housing and commercial accommodation.

9.3 The conclusions and recommendations in this section address this context, as well as the underlying economic and policy drivers which point towards a medium and long term need for residential and economic development across the Borough for which a CIL can play a limited role in funding infrastructure.

The Development Market Context

9.4 Determining an appropriate policy framework and setting a Community Infrastructure Levy must take account of the area's market context. For both residential and commercial development the market remains fragile and subject to volatility as a result of the economic recession affecting demand. There have been some periods of relatively, short lived stability, but little evidence that represents a solid signal of sustained and strong market recovery.

Setting Policy Requirements (including CIL)

9.5 The NPPF promotes sustainable development, ensuring that the appropriate balance is struck between economic, social and environmental dimensions of growth, and that appropriate necessary infrastructure is delivered. The NPPF also emphasises that plans must be deliverable and the economic viability of development is critical for this. In particular the guidance states at para 173 .....

Pursuing sustainable development requires careful attention to viability and costs in plan making and decision taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, design 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.

9.6 Paragraph 174 further states that.....

Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on development in their area of all existing and *proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put the implementation of the plan at serious risk, and should facilitate development throughout the economic cycle. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.*

Definition of viability

9.7 The Harman Report provides the definition of viability in the context of testing local plans, and also establishes the link between viability and the concept of deliverability. The documents states that ....

An individual development can be said to be viable, if after taking account of all costs, including central and local government policy and regulatory costs and availability of development fiancé, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered.

At Local Plan level, viability is very closely linked to the concept of deliverability. In the case of housing, a Local Plan can be said to be deliverable if sufficient sites are viable – as *defined previously – to deliver the plan's housing requirements over the plan period.*

9.8 The Harman Report identifies that the primary role of the Local Plan viability assessment is to provide evidence that the requirements of the NPPF have been met. As such it should consider the cumulative impact of national and local policies upon the economic viability of development. This assessment should include consideration of existing policy requirements that will be carried forward, along with new policies proposed in the plan.

9.9 The report recognises that Local Plan viability assessment is not conducted to give a precise answer as to the viability of every development likely to take place during the plan period, nor is it there to provide a definitive 'yes or no' to the likelihood of development across the whole plan area or plan period. It is rather to provide a high level assurance that the policies within the plan have been considered for their cumulative impacts, and that these are not likely to compromise the economic viability of development needed to deliver the plan.

The Community Infrastructure Levy

9.10 The NPPF states that…..where practical, Community Infrastructure Levy charges should be worked up and tested alongside the Local Plan. The Harman Report recognises the parallels between viability testing of local plans and preparation of Community Infrastructure Levy charging schedules. In light of this, and the recognition that the CIL is a potential further cost that affects the economic viability of development, it is prudent to test CIL charges alongside the other cumulative policy requirements of the plan.

The New Local Plan

9.11 The Core Strategy Preferred Options 2012 sets out the Councils favoured spatial approach for the amount and location of new development within Calderdale together with its preferred policies, which will help guide and control development until 2029.

9.12 The Council consulted on the Preferred Options version of the Core Strategy in autumn 2012. A large number of comments were received and these have been given individual consideration. However, further work on the evidence and documentation supporting the Core Strategy is needed before the next round of consultation, which will be for the "publication" draft plan later in 2014. The Council is currently in the process of refining its evidence base.

9.13 This assessment provides further technical research on the viability of the planned development and the policy approaches, as set out within the Core Strategy Preferred Options 2012, and the findings set out herein should be taken into account, along with the representations received and other technical evidence, when preparing the publication draft version of the plan.

Housing

Distribution of growth

9.14 The overall pattern of growth is set out in Policy CP1. In particular this policy states that:

- The sub regional town of Halifax will continue to be the prime focus for housing…..
- The principal town of Brighouse will be a main local focus for housing….

- The local towns of Elland, Sowerby Bridge, Todmorden and Hebden Bridge will provide housing that serve the needs of, and are accessible to, residents of the town and surrounding lower order settlements.
- The local centres of Southowram, Holywell Green and Stainland, Ripponden & Rishworth, Luddenden & Luddenenfoot and Mythomolroyd are to provide for locally generated needs for housing….
- The local centres of Shelf and Nothowram will see appropriate levels of growth to take advantage of their strategic location between Halifax and Bradford…..
- Limited development will occur in other settlements.

9.15 The baseline assessment has demonstrated that the majority of Greenfield development is viable across the Borough. The only exception is schemes within the cold market areas but these areas only account for 3.17% of the future Greenfield allocations. Brownfield development is only viable in the very hot and hot market value areas. These areas account for 33.33% of the future Brownfield allocations.

9.16 At Local Plan level; viability is very closely linked to the concept of deliverability. In the case of housing, a Local Plan can be said to be deliverable if sufficient sites are viable to deliver the plans housing requirements over the plan period. Through this assessment we have demonstrated that 71.42% of the plans housing targets are deliverable. Whilst the remaining 28.58% are arguably undeliverable, in the current market, it is anticipated that these viability issues will diminish over the life of the plan as the market continues to improve. In addition the Council are also willing to help facilitate development by taking a more flexible approach to planning obligations, such as affordable housing. Taking these facts into consideration we conclude that the distribution / locations for housing growth are sustainable.

Allocating land for housing

9.17 Policy TPH1 states that when determining specific land allocations to deliver the housing requirement …..the Council will give first priority to the re-use of brownfield land. Policy CP4 reinforces the emphasis and sets an interim target of 55% of all new housing to be built on brownfield land.

9.18 However, this assessment has demonstrated that Brownfield development is not viable outside of the hot and very hot market value areas. This means that two thirds of the future Brownfield allocations are at risk of being undeliverable due to viability issues. Within this context; policies TPH1 and CP4 could be found unsound. For the same reasons Policy CP8 (Locations for Sustainable Growth) could also be considered unsound. However, we appreciate that the Council has had a target for the use of brownfield land since 2006 and in all subsequent years has exceeded the current target (55%). Therefore, whilst this technical assessment may infer that the majority of Brownfield development is unviable the Council has physical evidence of delivery, which supersedes this assessment and supports the interim target of 55%.

Sustainable Construction

9.19 The analysis carried out within this report has clearly demonstrated that sustainability standards impact on scheme viability, particularly Code 6. Whilst this does not mean that the Council should not strive for these standards the Government is now moving away from the Code for Sustainable Homes approach towards achieving zero carbon proposals.

9.20 The Government considers that due to the progressive strengthening of Building Regulations, alongside national policy for zero carbon homes, the time is now right for a review of the relationship between Building Regulations, the Code, the Planning and Energy Act 2008 and local standards.

9.21 For new homes (and other buildings) the Government is now committed to driving up energy performance standards through Building Regulations, which already surpassed the lower levels of Code and are now set at between Code levels 3 and 4. The government has set a clear end point for strengthening Building Regulations, with the zero carbon standard equivalent of Code 5, with a further strengthening anticipated in 2016 of both carbon and energy targets.

9.22 On this basis, the Governments conclusion is that the Code has been successful in doing its job, in terms of pointing the way forward. However, they no longer see the need for levels or separate carbon and energy targets in the Code. Instead the Government want carbon and energy targets set out in the Building Regulations, as we move towards zero carbon homes.

9.23 The Government are also exploring the concept of 'allowable solutions', which is the overarching term used for carbon offsetting. This is where the developer / builder would pay into an allowable solutions fund, to pump prime carbon saving projects elsewhere, and in return would be granted a lower on site emissions target while preserving the zero carbon policy goal at a much reduced cost.

9.24 This approach will have a knock on effect to the current relationship between national standards and the planning system which has tended to set local standards through plan policies, such as the Council has elected to do. In this context all those policies which make reference to sustainable design, and particularly those which refer to Code for Sustainable Homes, are at risk of becoming outdated / superseded. We recommend that all energy related policies are reviewed and be reworded, to simply require compliance with Building Regulations, or deleted. This will ensure the policies remain extant / relevant throughout the life of the local plan.

Renewable and Low Carbon Energy

9.25 In view of the progressive strengthening of Building Regulations the Government believe it is no longer appropriate for local plan policies to require specific additional standards for how much energy use from homes should come from on-site renewables. The Government believe that developers should be free to decide the most appropriate solutions to meet stronger Building Regulations. However, it should be noted that the Government is not proposing to limit the ability of local planning authorities to set strategic policies in relation to the locations and relationship between new housing developments and how they should connect to low carbon and renewable energy infrastructure (i.e. district heating systems).

9.26 In this context it is recommended that Policy TPRE 1 be deleted or re-worded.

High Quality Housing

Space Standards

9.27 Policy TPH4 requires that all developments be built to minimum space standards unless they are demonstrated to be in appropriate or not feasible. However, the Government has recently sought views[93] on whether space standards are necessary or desirable in principle. The Government prefers a market led, voluntary approach such as space labelling[94] in order to meet purchasers needs rather than the mandatory application of space standards.

[93] Housing Standards Review Consultation – August 2013 to 22ns October 2013

[94] Space labelling is a process whereby the overall internal floor area (and potentially individual room sizes) of new homes are presented in a consistent and visible manner at point of sale to potential home buyers so they can make a more informed choice / comparison between similar properties.

9.28 If the Government decide to abolish space standards in favour of a voluntary market led approach Policy TPH4 would need to be deleted or re worded, as appropriate.

Lifetime Homes Standards

9.29 Policy TPH5 requires that 40% of new dwellings, on sites of 1ha (2.47 acres) or larger, be constructed to Lifetime Homes Standards.

9.30 Whilst the impact of Lifetime Homes is considered to be within acceptable tolerances the Government, through the Housing Standards Review, also sought opinion on whether there was a need for new dwellings to meet adaptability and accessibility requirements above Part M or the Building Regulations; and if so what the higher standard or standards should be.

9.31 The results of the consultation have not yet been published but if it is determined that additional requirements for accessibility are appropriate, the next question that arises is how many levels of performance above the Building Regulation minimum are required.

9.32 There is a general consensus that wheelchair accessible housing standards impose significant additional requirements which would be disproportionate in widespread application and would go far beyond the needs of most older or disabled households. However, it is also accepted that these requirements are entirely necessary to ensure that a wheelchair user is not disadvantaged by the resultant design.

9.33 The question which then follows is whether provision for accessible and adaptable housing or age friendly housing – such as Lifetime Homes – should be delivered as a separate, intermediate standard (sitting between Approved Document M and Wheelchair Housing Standards) or whether these requirements should be introduced in part or in full into regulation, resulting in only two levels of provision.

9.34 The Government has taken the view that introducing all aspects of the Lifetime Home Standard as a requirement for all new housing through Regulation is too onerous, given the likely cost of the standards and the level of predicted need. On the other hand, adopting only some of the Lifetime home requirements (and not having an intermediate standard) would create a gap in provision between Building Regulations and wheelchair housing. In this context the Government believe that an intermediate standard such as Lifetime Homes could be important in terms of bridging the gap - in a cost effective manner – between minimum standards and wheelchair accessible standards.

9.35 As part of the Consultation the Government sought views on whether they should develop a national set of accessibility standards consisting of a national regulatory baseline, and optional higher standards consisting of an intermediate and wheelchair accessible standard. It is envisaged that (if adopted) any level above the baseline contained in the Regulations would only be required as a proportion of overall development through requirements in local planning policy, based on local needs and viability assessments.

9.36 Within this context Policy TPH5 would appear to confirm with emerging guidance. However, reflecting the viability issues, in certain areas of the Borough, it is recommended that a clause be inserted into the policy which makes this requirement subject to local viability factors.

Affordable Housing

9.37 Through this assessment it has been demonstrated that only developments in the 'cold market value area (Zones 5 and 6) could not sustain the affordable housing thresholds. Brownfield sites were also unable to sustain the affordable housing targets in all but the very hot market value area, but this is to be expected.

9.38 This demonstrates that the affordable targets are too high in the cold market areas and for brownfield sites. However, Policy TPH6 recognises that the amount of affordable housing will be influenced by a number of factors including market location, site size threshold, practicality and financial viability and the specific needs of an area as set out in the Councils Housing Needs Statements. In this context the policy is flexible and allows applicants to seek a reduction in the affordable housing contributions subject to local viability considerations.

Non Domestic Land Uses

Sustainability Standards

9.39 Policy CP13 (Sustainable Design and Construction) requires that all non-residential development is to meet the governments zero carbon standard by 2019. In the interim the following will apply to developments in excess of 1,000sq.m (10,764sq.ft):

- 2013 – 2016 BREEAM Very Good or equivalent standards, unless evidence is provided which demonstrates this cannot be met;
- 2016 – 2019 BREEAM Excellent or equivalent standards, unless evidence is provided which demonstrates this cannot be met.

9.40 Through this assessment we have demonstrated that Sustainability Standards will not adversely impact on scheme viability. However, reflecting the fact that not all commercial uses are viable, without the imposition of these standards, we support the policy position that these requirements will only be sought when there is demonstrable evidence that these can be achieved.

9.41 However the Government is now committed to driving up energy performance standards through Building Regulations, and this may render Policy CP13 redundant. It is recommended that the Council review this policy in light of the Governments emerging guidance on this matter.

Renewable and Low Carbon Energy

9.42 Policy TPRE 1 requires that all non-residential developments in excess of 1,000sq.m (10,764sq.ft) source 15% of their energy demand from on site or decentralised renewable and low carbon sources until the end of 2015 and 20% from 2016 until the end of 2020 (or meet future national standards where these are higher).

9.43 In view of the progressive strengthening of Building Regulations the Government believe it is no longer appropriate for local plan policies to seek specific additional standards for how much energy use comes from on – site renewables. The Government believe that developers should be free to decide the most appropriate solutions to meet stronger Building Regulations.

9.44 In this context we have not reviewed the viability of Policy TPRE 1 as this is currently not in conformity with emerging guidelines. It is recommended that this policy be deleted or re-worded.

The Viability of CIL

9.45 The CIL Regulations are quite clear in that the charge should not be set at the limits of development viability to avoid stalling development activity. Equally, it should not be set at too low a level as to fail to secure the necessary contributions to infrastructure funding. The guidance also advocates that charging authorities should 'take a strategic view across their area and should not focus on the potential implications of setting a CIL based on individual development sites.

9.46 Given that the CIL, once set, is non-negotiable, the onus will be with the Council to demonstrate that they have not set the levy at a level that causes development activity to stall or cease. However, Regulation 14 recognises that the introduction of CIL may put some potential development sites at risk'.

In fact it is accepted that the levy may put some schemes at risk but as long as it strikes an appropriate balance overall, and does not put the overall development of the area at risk it will accord with the Regulations

Residential

9.47 Through this assessment it has been demonstrated that:

- CIL is viable within Zones 1 and 4 at a maximum charge of £300psm;
- CIL is viable within Zone 6 at a maximum charge of £135psm; and
- In all other areas of the Borough the maximum charge would be a nominal rate of £5psm and even at this level certain areas would still not be able to sustain this charge.

9.48 This is not surprising as the evidence base which informs the affordable housing targets (Calderdale Economic Viability Assessment) is dated April 2011. The housing market has only slightly improved since this point in time and subsequently CIL has also been introduced. Therefore, the viability cushion / headroom has been captured by the affordable housing. However, the revenue from CIL can be maximised by taking a more flexible approach to affordable housing, as set out in Table 79.

Table 79– Affordable Housing Thresholds

Zone	AH – TPH6	Max CIL Charge	Updated AH	Max CIL Charge
Zone 1	35%	£300psm	-	-
Zone 4	35%	£300psm	-	-
Zone 6	30%	£135psm	-	-
Zone 7	30%	£5psm	15%	£50psm
Zone 2	25%	£5psm	15%	£25psm
Zone 3	25%	£5psm	15%	£25psm
Zone 8	25%	£5psm	15%	£40psm

Zone 5	20%	£5psm	10%	£5psm
Zone 9	20%	£5psm	10%	£5psm

- Even with lower targets for affordable housing nothing more than a nominal CIL charge is sustainable in Zones 5 and 9. This is not surprising as together these zones comprise the cold market value area.
- A maximum CIL charge of £50psm is sustainable within Zone 7 but only if the affordable housing threshold is halved to 15%.
- A charge of £25psm is sustainable within Zones 2 and 3 if affordable housing is capped at 15%.
- A charge of £40psm is sustainable in Zone 8, again on the basis that affordable housing is capped at 15%.

8.49 In this context the Council will need to carefully consider what their priority is. If it is to maintain the current levels of affordable housing then there must be an acceptance that CIL revenue will be severely restricted. If on the other hand the priority is to maximise CIL revenue the Council will need to refresh their affordable housing targets and seek contributions that are lower than the current targets.

9.50 If the Council elects to set differential rates, the Regulations require the Council to attach a map (see regulation 12(2)(c)) to the formal charging schedule, which defines the location and boundaries of the charging zones that have been selected for differential rates. The map must have an Ordnance Survey base, because it needs to be sufficiently precise to ensure that it is immediately clear in which charging zone any particular development fits. This then provides developers with certainty about what rate they need to pay. In this context it would seem sensible to align the affordable housing and CIL Charging Zones within the New Local Plan.

Non Domestic - Land Uses

Employment (B1, B2 and B8)

9.51 The assessment demonstrates that speculative development is currently unviable[95] across the Borough and will not be able to sustain a CIL charge. This is a situation mirrored in most of the Country. Whilst a nominal charge could be applied (as some local authorities have sought to pursue) this could put the viability of development at further risk.

Retail (A1)

9.52 The viability evidence has demonstrated that:

- The maximum CIL rate for town centre (Halifax) comparison retail is £250psm.
- The maximum CIL for large convenience retail is approximately £50psm; and
- The maximum charge for retail warehousing is £150psm

9.53 However, it is important to recognise that whilst robust assumptions have been used, which generally align with normal or usual figures expected in the majority of developments they may differ, in some case, from the figures that may be used in actual development schemes. This is particularly relevant with respect to Town Centre schemes which can include a range of abnormal costs not possible to accurately reflect in a study of this nature. To allow for such circumstances it is important to ensure that CIL charges include an element of tolerance and should, therefore, not be set at the maximum rates,

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[95] It is accepted that specialist / bespoke forms of development, typically built for owner occupiers, are likely to be viable but such developments only account for a small proportion of the market and it would be inappropriate to set CIL charge on this basis.

which could place development at the margins of viability. In similar exercises the maximum rates have been reduced by as much as 60%.

9.54 It is also proposed that a distinction is made as to the size of unit to which a charge would apply. The size distinction arises from the type of occupier likely to take a larger unit, bringing a stronger covenant and better rents and yields. For example smaller units are likely to be occupied by independent small or micro businesses, which almost exclusively provide weaker covenants than national retailers. It is recommended that a threshold of 500sq.m (5,382sq.ft) be adopted, as this would allow flexibility for both slightly larger convenience stores and local centres to be developed without incurring a charge and thereby providing an appropriate margin between the different types of development able to support a CIL charge.

Hotels (C1)

9.55 The viability work has demonstrated that hotels are able to support a maximum CIL charge of between £125psm.

Residential Institutions / Care Homes (C2)

9.56 Evidence suggests these uses are able to support a maximum CIL charge of £75psm.

Sui Generis and Other Uses

9.57 All other uses that do not fit within other categories are legally referred to as sui generis. It is not anticipated that there will be a significant provision in the market for new build of other uses not discussed previously. Therefore these uses were not modelled in the viability assessment.

Setting the CIL Rates

9.58 Whilst this assessment has demonstrated the maximum rates that could be charged based the guidance is clear in that rates should not be set at the maximum limits. Instead Regulation 14 requires the Council (charging authority) to 'strike an appropriate balance' between:

c) The desirability of funding from CIL the cost of infrastructure required to support the development of its area; and
d) The potential effects of the imposition of CIL on the economic viability of development across its area.

9.59 The guidance provides further advice when considering this issue, as set out below.

'By providing additional infrastructure to support development of an area, CIL is expected to have a positive economic effect on development across an area in the medium to long term. In deciding the rate(s) of CIL for inclusion in its draft charging schedule, a key consideration for authorities is the balance between securing additional investment for infrastructure to support development and the potential economic effect of imposing CIL upon development across their area. The CIL regulations place this balance of considerations at the centre of the charge-setting process. In view of the wide variation in local charging circumstances, it is for charging authorities to decide on the appropriate balance for their area and how much potential development they are willing to put at risk through the imposition of CIL. The amount will vary. For example, some charging authorities may place a high premium on funding infrastructure if they see this as important to future economic growth in their area, or if they consider that they have flexibility to identify alternative development sites, or that some sites can be redesigned to make them viable. These charging authorities may be comfortable in putting a higher percentage of potential development at risk, as they expect an overall benefit……..In their background evidence on economic viability to the CIL examination, charging authorities should explain briefly why they consider that their proposed CIL rate (or rates) will not put the overall development across their area at serious risk'.

9.60 In this context the ‘appropriate balance’ is essentially the level of CIL which maximises the quantum of development in the area. If CIL is above this appropriate level, there will be less development than there could otherwise be; this is because CIL will make too many potential developments unviable. Conversely, if CIL is below the appropriate level, development will also be less than it could be, because it will be constrained by insufficient infrastructure.

9.61 This is a matter of judgment rather than a rigorous calculation and charging authorities are allowed considerable discretion in this matter. For example, the guidance states:

‘It is for charging authorities to decide what CIL rate, in their view, sets an appropriate balance between the need to fund infrastructure and the potential implications for the economic viability of development…‘The legislation only requires a charging authority to use appropriate available evidence to ‘inform the draft Charging Schedule’. A charging authority’s proposed CIL rate (or rates) should appear reasonable given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence… there is room for some pragmatism’

9.62 Within this context the Council should consider what charges are being put forward / recommended in neighbouring authorities, as if the charges are significantly higher than in other areas this could risk development being displaced outside of the area.

9.63 Taking this into consideration we have set out the position of other local authorities in the North West and Yorkshire and Humber Regions. Please refer to Tables 81 and 82. Within the context the following CIL rates are recommended.

Table 80 – Calderdale CIL Rates (Residential)

Use	Affordable Housing	Maximum Charge	Recommended Charge
Residential – Zones 1 and 4	35%	£300psm	£85psm
Residential – Zone 6	30%	£135psm	£85psm
Residential – All other areas	20-25%	£5psm	£5psm
Zone 2	15%	£25psm	£25psm
Zone 3	15%	£25psm	£25psm
Zone 5	10%	£5psm	£5psm
Zone 7	15%	£50psm	£50psm
Zone 8	15%	£40psm	£40psm
Zone 9	10%	£5psm	£5psm

Policy TPH6 Affordable Targets

Updated Affordable Housing targets

Table 80 – Calderdale CIL Rates (Non-Residential)

Use	Maximum Charge	Recommended Charge
Retail – Town Centre (Halifax) Comparison	£250psm	£100psm
Retail –convenience (>500sq.m)	£50psm	£45psm
Retail Warehousing	£125psm	£100psm
Hotels	£125psm	£100psm
Residential Institutions / Care Homes (C2)*	£75psm	£60psm
All other uses	-	£5psm or £0

Table 80 – CIL (North West)

Local authority	CIL status	Residential charges	Retail/commercial charges	Other charges
Central Lancashire	Examination report published.	Flat rate of £70psm for residential development.	Charge of £160psm for convenience retail; £40psm for retail warehouse development.	Non-residential institutional uses exempt. The councils are proposing a charge of between £0 and £10psm for all other uses.
Trafford Council	Consultation on draft charging schedule closed on 24 June 2013.	Three zones for residential, with charges of £20, £40 and £80psm. Charge of £65psm for apartments in £80psm residential zone.	Charge of £75psmfor retail warehouses and £225psm for supermarkets.	No charge for public/institutional facilities as follows: education, health, community & emergency services. £10psm for all other chargeable development.
Bolton Council	Consultation on draft charging	Single rate of £45psm for residential development	Charge of £135psm supermarkets and rate of	No charge for affordable housing,

Local authority	CIL status	Residential charges	Retail/commercial charges	Other charges
	schedule closed on 24 June 2013.	and student accommodation.	£45psm for retail warehouses.	education, health, community and emergency services facilities. £5psm for all other chargeable development.
West Lancashire Borough Council	Consultation on draft charging schedule closes on 8 November 2013.	Two zones for residential dwelling houses, with rates of £85psm and £0. No charge for apartments, including retirement apartments.	No charge for comparison retail. Two zones for convenience retail, with charges of £0 and £160psm. Two zones for food and drink retail (A3/A4), with rates of £90 and £0psm.	All other uses exempt from the levy

Table 80 – CIL (Yorkshire and Humber)

Local authority	CIL status	Residential charges	Retail/commercial charges	Other charges
Sheffield City Council	Consultation on preliminary draft charging schedule closed on 11 March 2013.	Four zones, with charges of £20, £30, £50 and £100psm	Charge of £60psm for retail in city centre and Meadowhall areas. £60psm charge for major retail schemes.	Charge of £45psm for hotels, £60psmfor out-of-centre leisure, £50psm for student accommodation. All other development types exempt.
Hambleton District Council	Consultation on preliminary draft charging schedule closed on 1 March 2013.	Charge of £85psm for private market housing.	Supermarkets to be charged at £115psm and retail warehouses at £45psm. All other chargeable development to be charged at £10psm.	No charge for education, health, community and emergency services. All other chargeable

Local authority	CIL status	Residential charges	Retail/commercial charges	Other charges
				development to be charged at £10psm.
Leeds City Council	Consultation on preliminary draft charging schedule closed on 15 May 2013.	Five charging zones, with charges of £5, £24, £45 and £90psm.	£5psm charge for retail development with less than 500 sq. m of floorspace. Larger retail schemes charged at £158psm in city centre and £248psm outside of city centre. £40psm rate for city centre offices.	All other uses charged at £5psm, except for development by a predominantly publicly funded or not for profit organisation.
Harrogate Borough Council	Consultation on preliminary draft charging schedule closed on 21 June 2013.	Two charging zones for residential development, with charges of £45 and £85 psm.	£200psm charge for supermarkets and £120psm charge for retail warehouses.	No charge for public/institutional facilities (education, health, community and emergency

Local authority	CIL status	Residential charges	Retail/commercial charges	Other charges
				services). Charge of £10psmfor all other chargeable development.
Rotherham Metropolitan Borough Council	Consultation on preliminary draft charging schedule, 5 August 2013-7 October 2013.	Four charging zones for residential development, with rates of £15, £30 and £65psm.	Charge of £60psmfor convenience retail and £30psm for retail warehouse/retail parks. All other uses exempt from the charge.	No charge for all other uses.
Hull City Council	Preliminary draft charging schedule published for consultation (19 August 2013 - 30 September 2013)	Single rate of £18psm	Rate of £10psmfor city centre retail development greater than 500 sq m. Charge of £50psm for outside city centre retail development greater than 500 sq m. No charges for all other uses.	No charge for all other uses.

Review

9.64 The CIL Regulations explicitly make no provisions as to when or why authorities should revise the charging schedule. To encourage the ability of the charging schedule to respond to market changes, the Government has stated that it will encourage authorities to avoid setting CIL charges at the very limit of viability, so that they can respond to regular market variation without necessitating a formal revision. The charge is required to be index linked. One of the intentions of the CIL is for it to allow more certainty than the current S106 system so it would not be appropriate to revise to regularly.

9.65 It is recommended that there is an early review of potential charges, following an initial operating period, in around 2016/2017 when there will be evidence as to how the local market, landowners and developers have responded to the charges, which the adoption of CIL will bring. Monitoring information will need to be published each year in the Annual Monitoring Report. The review will require the Council to go through all the stages of public consultation and Examination again based on the most up to date evidence.

Appendices

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Appendix I

IDP Critique

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Appendix II

Development Appraisals

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