



Innovation House
Discovery Park
Sandwich
Kent, CT13 9ND

T 01304 806850
E info@humeplanning.co.uk
W www.humeplanning.co.uk

Ref: HPC/1017

1st September 2020

Iain Livingstone
Head of Planning
Thanet District Council
PO Box 9
Cecil Square
Margate
CT9 1XZ

Dear Iain,

**Re: Land at Nash Road, Manston Road, Margate
LPA Ref OL/TH/16/1765
Proposal for 250 dwellings including open space and delivers the strategic road link and
roundabout between Nash Road and Manston Road**

Following the decision by members to defer this application in order for my client to review the level of affordable housing provision put forward by this scheme at the Planning Committee on the 5th August 2020, the development team, with viability specialists Strutt and Parker, have now carefully reviewed the financial information supporting the proposal taking account the members feedback.

The applicant requests that the application is re-presented to members at the earliest opportunity so that a formal decision is made to allow, if necessary, the financial information that is relied on, to be independently scrutinised via the appeal process. Our review of the submitted financial evidence shows that this allocated site which is delivering a crucial piece of wider road infrastructure for the district simply cannot be “development funded,” and therefore will not be delivered without some reduction in affordable provision.

It would be a disappointing outcome if the application were to be refused after Viability Reports were first prepared in the Spring of 2018 and since this time we have been reviewing and agreeing the financial evidence with TDC's and KCC's own external and independent financial specialists.

We would therefore request that the application is reconsidered by members and a decision taken with a second option for members now tabled as set out below.

Member Option 1

1. That 18% affordable housing (equivalent to 45 affordable units with a tenure split of 70% rented and 30% shared ownership) is accepted. This achieves a sufficient financial return (taking into account the abnormal cost of the road link and roundabout to Manston Road) that would make the scheme viable for the applicant and would bring forward its delivery. However, if members are still not minded (taking into account the wider points made below) to accept the 18% affordable provision, the applicant would as a substitute, like to request a second option is considered.

Member Option 2

2. That a policy compliant 30% affordable housing is offered on the basis that the tenure mix is undefined and could therefore comprise upto 100% shared ownership affordable housing provision. This would secure a policy compliant scheme in terms of affordable numbers but is acknowledged not to deliver the tenure targeted by some members of the Committee during the discussion. This 30% affordable housing i.e. 75 units could only be offered if the tenure composition of these units is not fixed. This is because 30% shared affordable would have the same equivalent value as 18% affordable with the 70/30 tenure mix. This would not prevent a Registered Affordable Provider potentially including more rented units within the final mix but from the applicant's perspective, will serve to fix a baseline value for this component of the scheme that makes the scheme viable and does not threaten the delivery of the totality of the allocation (250 units) and the more strategic road link and roundabout to Manston Road that is highlighted below.

I would therefore request these two options are presented to members with the following site specific matters also highlighted.

1. Members during the last committee debate suggested that the reduced affordable percentage would create a "precedent" and undermine the affordable housing policy from the recently adopted Thanet Local Plan July 2020. However, this is simply not the case because the development funded road link between Manston Road and Nash Road and the roundabout to Manston Road is a significant (£3.8 million) 'abnormal cost' that other greenfield allocations do not have to bear. This is the whole reason a Viability Report was submitted as this "abnormal" infrastructure cost, needs to be paid for mostly by the 175 open market dwellings (if the 30% shared affordable tenure is assumed). This level of "abnormal" cost does not apply to many of the other greenfield allocated sites and is the reason scheme viability is such an issue in this case. This link road has been costed by KCC's own independent consultants at £3.8million (the applicants own costings were greater than this) this represents a road infrastructure plot cost for each open market dwelling unit of £21,714 before other contributions are added to this figure! Other housebuilders do not have to pay this

“abnormal” cost and this is how these sites will be able to meet the full cost of affordable provision and acceptance of either of the two options tabled will not create a precedent for others.

2. It is also relevant that the abnormal road link cost is not just serving the total of 250 dwellings that will be delivered by this housing allocation but also;
 - Forms a crucial section of Thanet’s wider inner road loop which will bypass the well-known congestion ‘hot spot’ of Coffin House Corner. This developer funded road scheme therefore has an added value to the effectiveness of the wider Thanet Transport Strategy.
 - Secondly, the improvements of the operational capacity of Coffin House Corner combined with the “drop off “provision for the adjoining school which will be delivered by this scheme will allow the planned expansion of St. Gregory’s school that was previously ruled out on transport capacity grounds.

It is important that members therefore understand that the road link is of wider strategic infrastructure significance, which in this case has to be paid for by the landowner and does represent an ‘abnormal cost’ which other allocated sites are not saddled with. On this basis, it is concluded that either the reduced affordable provision of 18% or unrestricted 30% affordable is the means by which the cost of the road can be absorbed within the totality of the overall development costs so that the housing and link road can be delivered.

The credibility of the financial information has been independently scrutinised by the Council’s consultants Dixon Searle and the costing of the road scheme prepared on behalf of KCC was also scrutinised by Allen Dadswell consultants. These findings follow over 2 years of negotiations and findings were accepted by the applicant and used as part of the final Viability Report presented to members in the Committee Report. For these reasons the submitted financial information is considered to be robust.

On this basis, I would request that the application is re-presented to members at the next available Planning Committee.

Please do not hesitate to contact me should you have any further queries.

Yours sincerely,



A J Hume
Hume Planning Consultancy Ltd