

Mr Iain Livingstone
Planning Applications Manager
Thanet District Council
Cecil St
Margate
CT9 1XZ

Gladman House, Alexandria Way
Congleton Business Park
Congleton, Cheshire
CW12 1LB

T: 01260 288800

www.gladman.co.uk

09/07/21
(By Email)

Dear Mr Livingstone,

Re: OL/TH/20/0847 - Outline application for the erection of up to 450 residential dwellings (including market and affordable housing), structural planting and landscaping, formal and informal public open space and children's play area, sustainable urban drainage, with vehicular access points, including associated ancillary works and operations, from Hartsdown Road, Shottendane Road and Manston Road including access | Land on the North West And South East Sides Of Shottendane Road

I write in advance of Planning Committee on the 21st July 2021, which is when I understand our application will return to be considered following its deferment on the 23rd June.

We have listened intently to the debates at both Planning Committees and recognise that Members are troubled by approving a strategic housing allocation that does not achieve the maximum quantity of onsite affordable housing expected by policy (30%).

As you will be aware, the site has a distinct set of constraints and infrastructure requirements. In bringing this site forward we have balanced these components and planned a scheme that is deliverable from both a technical and commercial perspective. The application is supported by extensive evidence, technical investigations and agreed infrastructure mitigations, which provide confidence in the scheme's deliverability.

This evidence includes a viability appraisal prepared by JLL, the findings of which have been agreed by the Council's appointed viability consultant. As you will be aware, following Planning Committee in April, we were able to increase the level of onsite affordable housing by rebasing sales values and build costs against present day indexes. After June's Planning Committee, we again reviewed all inputs. However, we do not believe any further changes to the inputs to the agreed viability assessment is justified, meaning the only way to increase the viable output of affordable homes would be through a reduction in costs.

Herein leads to a unique aspect of the scheme that we consider warrants further investigation. As reflected in your officer report, part of the schemes abnormal cost is borne from road infrastructure to create the distributor link between Hartsdown Road and Manston Road. However, it is likely that during build out, these costs would be met by Kent County Council through its Major Road Network

(MRN) fund. Previous discussions with Highway Officers delved into the timing of MRN, which as you are aware, led to the review mechanisms proposed in the agreed Heads of Terms.

In relation to affordable housing, the reviews envisaged two milestones that would have allowed updated viability appraisals to identify and capture recouped build costs that would then have been channelled back to the Council to fund off-site affordable housing.

Put simply, whilst the agreed viability assessment generates a headline initial affordable housing provision of 15%. In the event that funding within the S106 for road improvements was not later required, that funding would deliver a much higher level of affordable provision, potentially rising to the full 30%, albeit part of this would be offsite.

Our application has therefore never sought to evade provision of affordable housing, but to ensure the maximum level of affordable housing can be provided within the constraints of the major investments in local roads which are required. We acknowledge however, that Members concerns pivot around the provision of onsite affordable housing.

Whilst the agreed viability evidence shows what it shows, the NPPF requires that such assessments are prepared using standardised inputs and a fixed set of assumptions; they cannot 'grapple' with funding scenarios like MRN as it is not agreed. We as applicant can, as part of our site risk profiling. With this in mind, we believe this presents a unique situation that enables us to take on risk and to short circuit the MRN time gap.

Minutes from Planning Committee in June note that the application was deferred to allow officers time to consider reasons for refusal. As an allocated, strategic housing site in the adopted Local Plan we believe that it is in both party's interests to avoid the refusal of planning permission, and likely follow-on appeal. As you will be aware, an appeal only serves to add time and cost to both parties and needlessly draws out site delivery.

Having listened carefully to the debate, the sentiment of Members appeared to be that they would have been prepared to defer and delegate approval, but subject to a fixed requirement for 30% affordable housing. That is of course a resolution open to them, if in their planning judgment they consider this is in line with local and national policy. Following such a positive resolution, the onus would fall upon us to sign a S106 if we wished to secure the permission.

Such a resolution would depart from the viability evidence; however, it would reflect the debate at the previous committee and represent a solution to address a unique set of circumstances on a unique site. By adopting this approach, we recognise that it shifts risk to us as applicant regarding the timing and success of the MRN bid. However, we are confident that the County will be successful in its funding bid. We also believe that approval of this scheme will only serve to bolster that bid and we are committed to seeing delivery on this site.

I trust this letter is self-explanatory; however, if you require clarification on any points, please do not hesitate to contact me.

Yours sincerely,

Chris Ball (electronic signature)

Christopher Ball MRTPI

Planning Director