Senedd Cymru Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig Craffu ar Fframwaith Datblygu Cenedlaethol Cymru CCERA(5) NDF(v2) 28 Ymateb gan Crompton Land & Development Ltd Welsh Parliament
Climate Change, Environment and Rural Affairs
Committee
National Development Framework for Wales
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Evidence from Crompton Land & Development Ltd

I have just read the above document and firstly wish to state that I very much welcome this National Policy framework document as a top -down approach to national and regional strategic planning, albeit with some LPA's already well into the Review of their LDP's, perhaps this National Policy Framework should have been published some 18 months ago in order to ensure the new LDP's would then follow the National lead in terms of growth, infrastructure and household requirement.

Nevertheless, we are where we are and the main reason for my email is with regards to the percentage of Affordable Housing targets that are being proposed within the current draft policy document.

As a Land and Development Consultant (having previously spent 35 Years in the Welsh Residential Housebuilding Industry) I am very much at the coal-face of the industry and probably undertake 2/3 development viability appraisals p/week for a wide range of clients ie. from small private land owners through to large regional house building companies.

With the Key focus and responsibilities upon all of the Local Planning Authorities to ensure that their LDP's are "deliverable", I am finding it extremely difficult to comprehend how the affordable housing targets being set within the current draft NDF can possibly be achieved given all of the other planning obligations that are being imposed upon land owners / developers - such as the following;

- * Changes to Part L of the Building Regulations that will increase construction costs between £6000 £8000 p/dwelling (WG figures)
- * SUDS the impact of the new SUDS regulations in Wales means that in most instances the actual Net Development Area of a site is reduced

by up to 15% ie. an LDP allocation for 100 units will now nett down to circa 85 units - which in itself put's the LDP 'deliverability' at risk.

Furthermore, each of the SAB Boards are now producing figures for the long term Commuted Sums required to adopt the SUDS drainage

system of between £3000 - £8000 p/dwelling.

- * S.106 Contributions towards Education / Sustainable Transport / Community Facities & others are amounting to a further £5000 £12000 p/dwelling (depending upon which LPA you are operating within).
- * On top of which Landowners / Developers are now being expected to deliver between 44% 61% affordable housing (Draft NDF targets).

I wish to highlight the fact that in the majority of cases the LPA's will dictate to the Landowner / Developer that the transfer values that are

applied to the Affordable Housing Units under S.106 agreements (ie. the transfer value to an approved RSL) is the sum equating to 42% of the

WG Acceptable Cost Guidance. - this sum equates to an actual net figure of £71,862 for a typical 3 bed semi detached dwelling in Neath.

To underline the impact this has upon viability even further, the actual construction cost for the dwelling (excluding external & abnormal

costs) would be circa £80,750 (ie. £950 / m2) which effectively means that each affordable dwelling is built at a net loss to the developer.

I note that you intend to hold a 'Stakeholder' session on Thursday 5th November and whilst I am clearly not invited to attend this session, I feel that it is extremely important to highlight the significant risks associated with your proposed affordable housing targets.

As an Independent Consultant, I would be very happy to back up the above concerns with further evidence taken from a range of current viabilities that are already 'on the edge' of viability based upon the current LDP affordable housing policies and other SPG's being applied by LPA's upon current sites / planning applications that I am acting upon.

Therefore, to increase the affordable housing targets '2 fold' via the emerging NDF would more than likely render the majority of all LDP allocated sites as **Unviable and Undeliverable**!

I trust that you will find this email informative (I am not being critical, but wish to highlight my significant concerns) and would be very happy to discuss matters in further detail should you wish to follow matters up in due course.

Yours Sincerely

Andrew

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