

North Northamptonshire Planning Committee (North) 4th October 2023

Application Reference	NC/23/00041/RVC106
Case Officer	Robert Young
Location	Little Stanion
Development	Proposed variation of s106 agreement dated 28 th August 2016 relating to LPA ref: 04/00442/OUT dated 5 th July 2006 and LPA ref:17/00702/DPA (Detailed) dated 21 st May 2018 for 66 residential units, retail space and community hall known as the Multi Use Square Development and 17/00703/OUT dated 6 th September 2018 concerning outline planning permission for the erection of not less than 99 dwellings, and a maximum of 135 dwellings plus landscaping and associated works.
Applicant	JME Developments Ltd
Agent	iPlan Solutions Ltd
Ward	Little Stanion
Original Expiry Date	8th February 2023
Agreed Extension of Time	31st October 2023

List of Appendices

Appendix A – Applicant’s agent update on planning history and background and Approved Masterplan for Landscaping/ Public Open Space

Appendix B – Plans of the Proposed Community Building E

Appendix C Applicant’s Viability statement (Aspinall Verdi) 2021 and March 2022

Appendix D Council’s viability Assessor White Land Strategies Response Statement dated 21st September 2022

Appendix E Masterplan and Village Square Context Plan

Appendix F Applicants projected phasing programme for the final phase of residential/retail development.

Scheme of Delegation

This application is brought to committee because it falls outside of the Council's Scheme of Delegation and relates to a major development and a s106 variation application which concerns the delivery of a community asset (Village Hall and Football Pitch), amendments to two current obligations, wider viability issues, and legal matters to be considered. Negotiations are ongoing in respect of the terms and conditions of the s106 variation, and the Head of Legal Services will provide an update at the meeting.

1. Recommendation

Recommendation A

- 1.1. That planning permission be GRANTED to vary the terms and conditions of the current s106 agreement related to planning permission 04/00442/OUT dated 5th July 2006 varied on the 28th August 2016 and permissions 17/00702/DPA dated 21st May 2018 and 17/00703/OUT dated 6th September 2018. 17/00701/DPA dated 21st May 2018 approved the Landscaping and Public Open Space for the Little Stanion development. The proposed s106A is to be varied under LPA ref: NC/23/00041/RVC and completed within 3 months of the date of the Committee's decision.
- 1.2. That should the variation of the Section 106 Legal Agreement not be completed within 3 months or other date to be agreed, that it be delegated to Executive Director of Place and Economy to REFUSE permission for the s106 variation.
- 1.3. That the proposed modifications to the s106 obligations are only acceptable subject to the following: -
- 1.4. The applicant to agree to the implementation of an important element of the original agreement, being the construction of the community hall, following assessment of the updated viability statements of the Applicant and Council's appointed viability consultants, but to ensure enforceability of the following terms on the following terms:
 1. The transfer of land for the Community Hall and parking area known as Block E on plan 1616-P100I to either the Council, Parish Council or an appointed management company prior to the commencement of the final residential phase (99 units) of the Little Stanion Development.
 2. That the applicant agrees to provide a sum on deposit in the sum of £1.2m in line with the applicant's submitted cost details for the construction of the village hall and parking area and vehicular and pedestrian access thereto as previously granted permission.
 3. The Football Pitch to be constructed within 3 months of the completion of s106A variation agreement.

- 4 Landscaping and Public Open Space provided under application 17/00701/to be monitored by officers to ensure full compliance with the approved landscape master plan (please see Appendix A)

1.5 Recommendation B

That the proposed s106 variation sought by the applicant to omit planning obligations set out in para 2.2 of the report be refused. This would be due to a risk that the applicant's proposed phasing of the residential development over 5- year period without pre-payment and a land transfer for the village hall would not enable the Council to recover the funds related to the remaining planning obligations. Consequently, the applicant's proposal may fail to deliver the deliver the construction of the Village Hall and Football pitch.

2. The Proposal

2.1 The applicants are JME Developments Ltd civil engineers for the previous developed phases of the Little Stanion residential development, now freeholders of the final phases of the development.

The applicant seeks to modify the s106 agreement related to 17/00702/DPA and 17/00703/OUT with a proposed s106 variation agreement. The relevant Town and Country Planning Act 1990 s106 planning obligations a roof tax and uplift clause proposed to be modified /omitted are as follows:

a) " The Little Stanion Community sum" which equates to £11,000 for every dwelling to be used for reimbursing the public purse towards the costs of the Little Stanion Primary School;

b) The Little Stanion Up-lift sum " defined as a sum equal to 34% of the additional dwelling sales profit, also contributing as above towards the costs of the primary school.

c) The applicant undertakes upon the Council's acceptance of the omission of the two key obligations (in a) and b) above) to proceed to complete the final phases of development (99 units plus building C for 22 flats and 2 retail units). Public Open space and landscaping is now completed under application ref: 17/00701/D and will be checked by officers to ensure compliance with the approved masterplan The applicant's agent has also produced a summary which is also under Appendix A The applicant then confirms that this will facilitate the funding fund the construction of the Village community hall Building E on plan1616-P100I (**Appendix B**)

The applicant's agent also confirms under para 18 of his latest letter which is as follows:

"Upon this further S.106a modification application being approved, the 2-year delivery period for the new community building village hall will be triggered as per the 2016 S.106a modification. JME are agreeable to the provision of a requested £1.2m bond to be put in place after the 2-year period in the event that the village hall has not been completed by the end of this two-year period. If it has been constructed within the time period then the need for such security falls away.

Viability Issues-Applicant's perspective

- 2.2 The scheme has been subject to a number of viability assessments since its original start on site. The latest viability assessment commissioned by the Applicant was produced and submitted by Aspinall Verdi in 2021 and updated in April 2022 and has since been added to by the applicant Solicitors Gatesby. The applicant viability consultant contends that the final phase would not be considered viable if the above two s106 obligations were complied with.

The applicant seeks the removal of the above two s106 obligations, which they contend would make it financially viable to complete the final phase of residential development (99 dwellings) plus the final phase of the Village Square and the construct the village hall (Building E).The proposed building is identified on the Village Centre Plan

The applicant's solicitor/agent advises that if the s106 variation is not approved, then the applicant considers that the obligation trigger points in the current s106 agreement could not be met. As a result, the final phase of development would stall and without the revenue stream the Community Hall would not be constructed.

- 2.3 In addition, there is the matter of the football pitch provision. The landscaping with in the Public Open space has been previously approved and implemented leaving landscaping related to the final phase of development.

Council's Viability Assessment

- 2.4

The Council commissioned an independent viability assessment of the Aspinall Verdi submission. White Land Strategies was instructed by the former Corby Borough Council to undertake a viability appraisal of the residential and retail and community development proposed on the Little Stanion site, in Corby. The latest viability review was undertaken in 2021/2 due to ongoing viability matters identified by the applicant's viability assessor Aspinall Verdi. This assessment was a further re-appraisal following the 2019 viability assessment.

Both reports with conclusions are appended under (**Appendix C and D**). The key conclusions of the Council's viability response are set out in the main part of this report. In summary, members are being asked by the applicant to agree a number of variations which exclude any further financial obligations other than to secure the construction of the community hall and football pitch.

- 2.6 The current review by White Land Strategies is dated 21st September 2022 with further minor updates related to this s 106A application. It is understood, to have been submitted to demonstrate that viability issues have not changed since 2019. The 2022 submission by Aspinall Verdi consisted of the 2 appraisals.

The NPPF allows for an Applicant to submit an appraisal with a reasonable sum of money allocated to the land value. Aspinall Verdi submitted one appraisal with the Land Value (at £1,342,000) included plus a s106 contribution of £1,980,000 to reflect the Consent with approved obligation

contributions.”

The second appraisal assumed no land value and no s106 contribution in order to demonstrate that the contributions could not be met even if land value was excluded. The scheme proposed is for 99 houses on Parcel 5, 66 apartments and 15 houses on Parcel (the latter already constructed). The village square development –originally comprised 66 flats of which Building C -22 flats and ground floor retail are still to be constructed plus the Village Community Hall (400m2) Context Plan **(Appendix E)**.

- 2.7 The independent assessor concluded that the assumptions considered by Aspinall Verdi in their appraisals were reasonable overall. The NPPF allows for the applicant to receive a reasonable profit allowance within the appraisal. The applicant contends that removal of the requested financial obligations is required to allow for an NPPF compliant profit and importantly in order to facilitate the construction of the Community Hall, plus some sports pitches. The applicant’s viability statement (dated March 2022) and its conclusions has been agreed by the Council’s viability assessor. Since the Council’s assessment of the updated Viability Statement in March 2023 interest rates have increased substantially.

The applicant considers that this has further affected the financial position of his company which has not improved increasing the development risk.

Current Viability Position

- 2.8 The applicant was required to provide further information on the costs apportioned to the infrastructure and the village hall as these not backed up by evidence in the case of the infrastructure and the village hall was an estimated cost without a specification.

White Land Strategies assessed the response against the original report. The original cost submitted by Aspinall Verdi for the Village Hall was £1,035,300. The QS review submitted for the 2023 cost justification was provided as a range of £1,085,014 to £1,395,626 depending on the indices used.

The specification for the Village Hall is key to understanding the costs as to whether the specification is what the Council expect/want or rather what does the community expect/want because if the specification is correct then the costs flow from that and the best comparison is then a rates-based approach.

On that basis the price quoted in the 2023 update would suggest that their original cost estimate was about right in today’s money. White Land Strategies concluded that no adjustment to the cost estimate for the Village Hall in the viability appraisal would be necessary. In that regard the original cost estimate could be considered high but equally in current day it is not unreasonable.

- 2.9. In terms of the infrastructure costs White Land Strategies concluded that these were less referenceable to a dataset such as the Building Cost Information Service (BCIS). To really analyse these costs a Quantity Surveyor would be

needed to query the Applicant's QS rates. The quantities would need a review as much as the rates estimates do.

- 2.10 White Land Strategies was only able to undertake a high-level review of these costs and concluded in the absence of a QS review that the applicant's costs estimate for the roads appeared within the expected range for similar roads considered on other FVA studies undertaken (assuming the linear metre costs provided are correct).

The prelims/Overheads & profits rates were considered too high were reduced by WLSL however this reduction would not lower the 2023 cost to a figure below the FVA assessment submitted by Aspinall Verdi.

- 2.11 On the two points therefore White Land Strategies concluded that it would be difficult to suggest that the Applicant/Aspinall Verdi FVA submission is unreasonable.

It is arguable that the original Village Hall estimate was likely too high but at current day pricing it is likely reasonable subject to agreeing a specification. Regarding the infrastructure costs they would appear reasonable subject to someone measuring the quantities to which the rates are applied. On balance the 2023 submission cost estimates are not unreasonable.

- 2.12 In the context of the original FVA the NPPF allows for the applicant to assume a land value. The 2023 assessment would show that there is only marginal surplus if no land value allowance is assumed. As the NPPF allows an Applicant a reasonable land allowance even if there were a cost reduction the applicant would be within their right (in NPPF terms) to call for the land value to be taken into account which would reduce any surplus identified.

As it stands the Village Hall costs would be recommended to remain as per the FVA. The infrastructure costs could arguably be adjusted upwards worsening viability unfortunately.

Principle of Development

- 2.13 The principle of the development of the site and the final phases have already been established through approval, firstly the outline application in 2006 and subsequent reserved matters for development phases, the s73 variation and discharge of conditions. The key matters for consideration are the applicant's proposed modifications/variations to the s106A agreement completed in 2016, when the previous owners Silent Pride Ltd were in administration. This followed the financial crash in 2008. This application has been brought forward by Silent Pride Ltd following the cessation of administration agreement of a modified S106a (04/00442/OUT dated 28.08.2016) with the Administrator, linked to the original permission.

Village Square Current Progress

2.14. The relevant permissions linked to the extant s106A agreement are as follows:

i) LPA ref: 17/00702/DPA, a detailed permission granted on 21st May 2018 for 66 2-bedroomed apartments, (Blocks A-D), 588m² of retail space ground floor, of Blocks D already constructed. This leaves the community building to be constructed on parcel E.

2.15 Blocks A and B are completed and occupied, the retail food store Block D is now complete, and operational. Block C comprising 22-2 bedroomed flats and two Retail units 78m² and 85m² plus 33 car parking spaces has not been constructed.

Drawing 1616-P100 Rev D comprises the approved layout with approved drawings for Block C, the Village Centre Layout are relevant. (Appendix G)

2.16 Parcel 5 and 6 for Residential Development Only

ii) LPA ref: 17/00703/OUT an outline permission granted for a minimum of 99 to maximum of 135 dwellings. This projected final phase will comprise 99 dwellings, not constructed as yet. Parcel 6 is complete with 15 dwellings all sold. This makes a total of 114 dwellings when parcel 5 is complete.

2.17 To date, the current situation for Parcel 5 and 6 leaves a total of 99 residential units on parcel 5 to be constructed, completed, and occupied. The applicant contends that if the development phasing is not progressed and completed and the current planning obligations remain unmodified would be the loss of the community hall project unless funded separately. In discussions with the applicant, it is anticipated that the football pitch and landscaping will remain as a commitment to be delivered.

The lack of viability in this case to deliver the key financial obligations has been evaluated by the Council's viability statement in response referred to later in this report.

The Current S106 Agreement dated 28th August 2018

2.18 The s106 agreement which the applicant now seeks to vary relates to two permissions described in para 2.1 being an outline planning permission granted in September 2018 circa 99 dwellings with associated infrastructure across the two parcels of land. Plus, a detailed application 66 dwellings retail centre granted in 2018 and partly complete. The host outline permission was granted in 2016.

The applicant advises that construction works have continued to a point where any further development would trigger the specific obligations which the applicant contends would make the final phases of the Little Stanion development unviable.

2.19 To date, the current situation for both sites, leaves a total of 99 residential units to be constructed, completed, and occupied plus Buildings C and E within the Village Hall development. The applicant states that if the development phasing was not completed, it would be unviable to construct the community hall project. Officers can confirm that this does not include the football pitch and

landscaping.

The lack of viability in this case to deliver the other financial obligations is supported by the Council's viability statement in response to the applicant's viability statement referred to later in this report.

Applicant's Proposed s106a Modifications

2.20 The applicant's intention is to complete the final phase of the Little Stanion development, which will then facilitate the construction of the Community Hall the football pitch and landscaping would not be affected. The applicant contends that this can only be facilitated by modifying the s106 agreement omitting the following contributions: -

1. The applicant supported by their viability statement seeks to remove the Little Stanion Community sum being £11,000 for each dwelling completed towards part reimbursement of some of the costs for the Little Stanion Primary School. Total contribution ...

2. Deletion of the Little Stanion Up-lift sum defined as a sum equal to 34% of the additional sales profit, also as a contribution towards the pre-incurred costs of providing Little Stanion Primary school.

2.21 The applicant considers that without the removal of these historic costs obligations, the other obligations the delivery of the community hall and football pitch would be unlikely to be met.

The Planning Obligations- Legal Perspective

2.22 In planning law terms, the key issue is whether the proposed s106 variation will meet the s106 obligation tests set out in the NNPf Para 56 and in s106 of the Town and Country Planning Act 1990 as amended. Then whether the amended obligations would serve a useful purpose compared to the extant s106 agreement. This then needs to be balanced with the viability outcomes.

In this case both the applicant's and Council's' viability assessors agree that the final phasing would not be viable if the obligations referred to in above para 2.20 were enforced.

The applicant advises that this would result in the development stalling and by default, the community hall not being constructed.

2.23 The lack of viability in this case to deliver the other financial obligations is supported by the Council's viability statement in response to the applicant's viability statement referred to later in this report.

Background to the current development situation

2.24 As a further outline planning application, it stands apart from the previous scheme; albeit that the previous extant and partially delivered approval is a material consideration. A further two applications have also been approved by the Local Planning Authority (LPA) 17/00702/DPA, and 17/00703/OUT –

detailing plans for further residential phases, public open space, and a new village centre (residential retail and a community hall).

3 Site Description

- 3.1 The application site comprises 4.02ha of land which is split over two parcels at Little Stanion, Corby. Little Stanion New Village is located to the southeast of the town of Corby and is accessed via the A43 and Long Croft Road. The topography of the site is such that there is a drop from north to south.
- 3.2 The application site forms part of a much larger residential site of 935 dwellings in total. The main site comprises various phases of residential development (houses and flats totalling 935 dwellings including 1,2, and 3 bedroomed dwellings ,2 bedroomed apartments, plus a primary school, and a recently constructed Village retail and residential centre.
- 3.3 A proposed community hall, which formed part of the 2016 s106 obligation has not been constructed (see Appendix B). Also, the primary school was built in 2018 with the former County Council funds which were not subsequently reimbursed by the previous applicant/owner.
- 3.4 Plus, in March 2023 the temporary retail food shop was replaced by a modern brick-built retail food store situated on the ground floor of Block D, which also comprises 30 2-bedroomed flats.
- 3.5 In terms of construction works, the applicants have advised that 99 dwellings are constructed without the impediment of the above-mentioned contributions then the community centre and sports pitch will be constructed.
- 3.6 The application site falls within extant permission (04/00442/OUT) with a modified s106 agreement following the previous owners Silent Pride Ltd entering administration when the site was set aside for residential development. It forms part of the wider Little Stanion New Village. The two parcels are the subject of an extant planning permission under 04/00442/OUT dated 28th August 2016, and set aside predominantly for residential development.
- 3.7 The parcels forms part of the wider Little Stanion New Village. The larger part of the two parcels is situated to the East of the wider site and the second parcel is set to the South of the subject site both, are vacant and undeveloped, cleared by the developer in anticipation for the commencement of developing the site. The applicant is not seeking any substantive changes to the proposed layout or designs but seeks to vary the current s106 agreement and omit two key planning obligations described in page 1 para 2.2.

Relevant Planning History

- 3.8 The relevant planning history is as follows: -

04/00442/OUT (Residential Development of not more than 970 dwellings; public open space, primary school, and community facilities, associated development

including provision of roads and infrastructure, access from Longcroft Road) – Approved 05/07/2006 - Various Reserved Matters and Condition discharges related to 04/00442/OUT. Primary School completed in 2018 and Tesco Food store now open in March 2023 (Block D).

3.9 17/00701 /DPA Landscaping public open space and 17/00703/OUT-dated 21st May 2018

17/00703/OUT Outline planning permission for the erection of between 99 dwellings and no more than 135 dwellings, landscaping and associated works granted permission 6th September 2018.(*known as Parcels 5 and 6*)

17/00702/DPA Detailed planning permission for the erection of 66 2-bedroomed apartments split between Blocks A-D, 598m² of retail space within block C and D, plus a Community hall granted permission on the 21st May 2018.(*Community Hall (not constructed)*).

19/00541/REM reserved matters approved for 15 dwellings dated 19th March 2020 linked to 17/00703/OUT. (*Parcel 6 since constructed*)

21/00031/REM reserved matters approval dated 26th July 2021
S.73 variation of condition applications approved, amending the main planning permission 17/00702/DPA.

20/00301/RVC Condition 13 was amended by planning permission on 12 November 2020.

20/0059/RVC Condition 14 was amended by planning permission on 23 March 2021.

20/00551/NMA approved 6th January 2021.

NC/21/00034/RVC s.73 application granted permission dated 26th July 2021 linked to Parcel 5 residential phase.

NC/22/00078/RVC related to Block C (not constructed) granted permission on 1st June 2022 for ground floor retail floorspace to be subdivided in to 2 units.

17/007/702 /DPA -condition 16 concerning street lighting was approved on 11th March 2021

3.10 NC/23/00199/RVC under consideration relating to amendments to Block C prior to construction. (**Current Application**)

4 Consultation Responses

4.1 Council Consultation Newspaper advertisement/notification, as this involves a s106A variation application. It relates to a modification of agreed terms to the extant s106 agreement completed in 2016 between Silver Pride Ltd who were in administration at that time and the administrator/receiver and the

former Corby Borough Council.

4.2 Parish/Town Council

Little Stanion Parish Council have expressed a number of concerns relating to failure by the applicants to construct the community hall, the football pitch and management issues relating to public open space. Plus, concerns about previous financial management of the development.

The Parish Council's key concerns are as follows:

Key changes to the original S106 in 2016

In order to produce a viable scheme for JME to continue with the development and exit administration [in 2016] a number of key changes were made to the original S106 [2006 version]. The key changes to improve JMEs viability involved allowing additional houses and apartments to be built, these are covered in planning applications: 17/00702/DPA [Apartments etc] and 17/00703/OUT [Additional houses].

The additional houses required extra land to build on, this resulted in:

1. Loss of some of the designated Public Open Space; Some of this land is on Brecon Close, where the 15 new houses have been built; The rest is within the as yet undeveloped area.
2. The loss of the 1 acre site for the Community Centre [Village Hall] with associated outside space; The Community Centre [Village Hall] was relocated to the centre of the roundabout, with no useable outside space for events.
3. The loss of the football pitch. It was originally promised that it would be relocated to another part of LS; however, it 'disappeared' in a subsequent planning application.

Additionally, the Parish Council state that following key changes occurred:

1. A reduction in s106 financial contributions, from circa £5.8m to circa £2m. [For, partial, funding of the construction of the Primary School, to be collected via a 'roof tax' of £11k per property].
2. All requirements for the provision of affordable housing were removed.
3. The change in the ownership and management of the Public Open Space. The change in the ownership and management of the Public Open Space, was the most controversial

In the original S106[2006] the Public Open Space was to be owned and managed by former Corby Borough Council - it would be paid for out of the normal council tax with no additional management fee.

Instead, when the S106[2006] was revised in 2016 the ownership and management of the Public Open Space was given to a private company: Little Stanion Farm Management Company. With the associated management charge in addition to the council tax.

The management company has transferred large sums of money to the development company. The decision to allow these changes was rather controversial, it was only passed on the casting vote of the chairman of the Corby Borough Council Development Control Committee

4.3 Neighbours/Responses to Publicity

One objection from a local resident expressing a number of concerns summarised as follows:-

The monies this developer wishes to be let off of was already blocked by the previous authority so it would be incorrect for NNC to not uphold the same.

1. The monies this developer want to be let up of, both the roof tax and the uplift payment is public money, money that belongs to all the tax payers under NNC, therefore if he is let off of these payments, in effect the tax payers are funding his building, a number of properties have already been sold and occupied, has the funds been paid over for these? At the time of writing, it now is evident that Tesco have taken possession of one of the shop units, have funds from this been paid?
2. Comments redacted
3. Comments redacted
4. Concerns about speeding along Longcroft Road, Longcroft Road has no form of speed control (Part redacted.)
5. Concerns about CCTV (since resolved).
6. Omission of sports pitch as an obligation in the original S106 agreement not delivered.
7. A cycle path to Great Oakley was promised, never delivered.
8. Lack of a village sign.
9. In another application a completion date for the village hall was given to CBC this passed some two years apocenters about continual delays.
10. Concerns that the development has never been monitored.
11. Considers that in the past various objections were made both by residents and the Parish Council to the old CBC, these were totally ignored.
12. The viability report shows a short fall of around seven million, even if the developer is let of the circa two million, were to the other five million going to come from, it is clear that this development is and always has been under capitalised, to the detriment of the residents.
13. Despite promises and agreements sections of both highway and pavement still remain unfinished and in a dangerous condition, I am aware that persons have fallen over because of this, and I am given to understand that the developer have done nothing to rectify this, against health and safety?
14. Comments about the applicant redacted.

15. Concerns about the operation of the Little Stanion Management Company part redacted.

16. Concerns about continued delays in completing the development phases.

4.3 Local Highway Authority (LHA)

No matters identified by officers related to the S106 variation.

5 Relevant Planning Policies and Considerations

5.1 Statutory Duty

Planning law requires that applications for planning permission must be determined in accordance with the Development Plan unless material considerations indicate otherwise.

5.2 National Policy

National Planning Policy Framework (NPPF) (2023)

National Planning Practice Guidance (NPPG)

Town and Country Planning Modification and Discharge of Planning Obligations) Regulations 1992 as amended (1993).

NPPF 2023– Paras Para 57 states “Planning obligations must only be sought where they meet all of the following tests:

a) necessary to make the development acceptable in planning terms;

b) directly related to the development; and

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

This is set out in the CIL Regulations 2010.

Planning Practice Guidance – Planning Obligations Para23b-020

5.3 North Northamptonshire Joint Core Strategy (JCS) (2016)

Policy 1: Presumption in Favour of Sustainable Development.

Policy 2: Historic Environment

Policy 3: Landscape Character

Policy 4: Biodiversity & Geodiversity

Policy 5: Water Environment, Resources and Flood Risk Management

Policy 6: Development on Brownfield Land and Land Affected by Contamination

Policy 7: Community Services & Facilities

Policy 8: North Northamptonshire Place Shaping Principles

Policy 9: Sustainable Buildings

Policy 10: Provision of Infrastructure

Policy 11: The Network of Urban & Rural Areas

Policy 12: Town Centres and Town Centre Uses

Policy 15: Well-connected towns, villages, and neighbourhoods

Policy 16: Connecting the network of settlements

Policy 19: The Delivery of Green Infrastructure

Policy 22: Delivering Economic Prosperity

Policy 28: Housing Requirements
Policy 29: Distributing of New Homes
Policy 30: Housing Mix & Tenure

5.4 Local Plan – Local Plan 2 for Corby (2021)

5.5 Neighbourhood Plan – (N/A)

5.6 Other Relevant Documents

Town and Country Planning Act 1990 , 1993 Modification Regulations

The key issues for consideration are:

- Principle of Development
- Planning Obligations
- Delivery of the Community Building the Football pitch Landscaping

5.7 **Principle of Development**

The principle of the development of the main site and the final phases have already been established through approval of reserved matters, s73 variation and discharge of conditions. This is set out in the relevant planning history The key matters for consideration are the modifications to the s106 agreement completed in 2016.

5.8 **Town and Country Planning Act 1990 -s106 Matters**

In planning law terms, the key issue is whether the planning obligations which were completed on the 25th August 2016 between the applicant and the former Corby Council would perform a useful purpose if modified as proposed by the applicant, JME Developments Ltd. The relevant Town and Country Planning Act 1990 s106 planning obligations agreed at that time (2016) to be modified, and or omitted as follows:

- a) “ The Little Stanion Community sum” which equates to £11,000 for every dwelling to be used for reimbursing the public purse towards the costs of the Little Stanion Primary School;
- b) The Little Stanion Up-lift sum “ defined as a sum equal to 34% of the additional dwelling sales profit, also contributing as above towards the costs of the primary school.
- c) The applicant upon the Council’s acceptance of the omission of the two key obligations in (a) and b) above) will then proceed to complete the final phase of development (99 units) plus Building C 22 flats and 2 retail units. The applicant has then confirmed that this enables the funding of the construction of the community hall (Building E). This should include the provision of a football pitch and landscaping.

5.9 **Impact on Neighbouring Amenity**

This is not a planning application public amenity has been addressed in the original outline permission from 2006, the two applications from 2017 mentioned in para 1.2. However, clearly the provision of the Village Hall, Football Pitch, and monitoring of the implemented Landscaping/Public Open Space would be an important social, environmental, and economic benefit to the local community.

6 Other Matters

- 6.1 Equality: As set out in the Equality Act 2010, all public bodies, in discharging their functions must have “due regard” to the need to:
- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard in particular to the need to:
 - a) removing or minimising disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of other persons who do not share it
 - c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low. Whilst there is no absolute requirement to fully remove any disadvantage the Duty is to have “regard to” and remove OR minimise disadvantage and in considering the merits of this planning application the planning authority has had due regard to the matters set out in section 149 of the Equality Act 2010. 15.0
- 6.1 Health Impact Assessment: Paragraph 91 of the NPPF 2021 states planning policies and decisions should aim to achieve healthy, inclusive, and safe communities and, specifically, criterion c) of this seeks to enable and support healthy lifestyles, for example, through the provision of safe and accessible green infrastructure, sports facilities, local shops, access to healthier food, allotments and layouts which encourage walking and cycling. It is considered that the proposal subject provision of the community hall football pitch and final phase for flats with ground floor retail is considered acceptable on health impact grounds.

Hi Matt could, you have a quick look as I can't access Corby ?

7 Conclusion/Planning Balance

- 7.1 The development of the main site, post the administration phase in August 2016 and final phases in 2023/4, have already been granted planning permission, but were subject to specific planning obligations agreed in 2016 primarily to recover costs to the public purse for the construction of the Little Stanion Primary

School. Then obligations were agreed to provide the village/community hall, football pitch and the future management of the Public Open Space landscaping remained as part of the varied s106 agreement.

Unfortunately, the former County Council never received the s106 funding for the primary school from the previous developer BULA then Silent Pride Ltd. Since that time, the applicant has commissioned viability statements by Aspinall Verdi which has been assessed as accurate and robust by the Council's viability consultant. In summary that the development is not viable based upon the current obligations contained in the 2016 agreement.

7.2 As the Council accept its viability consultant's conclusions that the development is not viable, the applicant contends that they cannot fulfil the obligation referred to in para 7.1 in respect of :-

a) "The Little Stanion Community sum" which equates to £11,000 for every dwelling to be used for reimbursing the public purse towards the costs of the Little Stanion Primary School;

b) The Little Stanion Up-lift sum "defined as a sum equal to 34% of the additional dwelling sales profit, also contributing as above towards the costs of the primary school.

7.3 To conclude, the planning history including the administration phases are complex. The above current obligations were agreed post the administration phase and would have delivered a sum to the public purse for the construction of the Little Stanion Primary school with the village hall completion by 2020. Due to the current lack of viability the applicant advises that the final phase of the development would more than likely stall if the above obligations were retained in the 2016 s106 agreement. Therefore, the village hall, football pitch would not be delivered.

7.4 The current phasing of the final elements of the development as set out in the latest correspondence from the applicant's agent (**Appendix F**) The applicant seeks to deliver the residential development over a longer time span up to 2028. This increases the risk for the shorter-term delivery of the community hall and football pitch already much delayed. This has been addressed in the recommendations of this report. However, the applicant/agent recognises that the funds for the construction of the village hall need to be safeguarded and they suggest a £1.2m insurance bond but to be completed within an extended timescale.

7.5 If members agree to the s106 variation and the final phase of the Little Stanion development continues, it will be dependent upon the land transfer and the applicant providing the required sum to enable the construction of the Village Hall and football pitch prior to the commencement of the final residential phase. If not agreed in the Council's view would be likely to affect the Council's ability to recover the monies important to secure the construction of the Village Hall and the football pitch as per paras 1.1-1.4.

8 Recommendation

- 8.1 Officers recommend that the S106A agreement can be varied but, on the terms, and conditions as set out in paras 1.1 -1.4 of this report.
- 8.2 If members do not agree please refer to Recommendation B in Para 1.5 of this report.

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Mr B Young
Development Management Planning Officer
North Northamptonshire Council (Corby Area)
Deene House
New Post Office Square
Corby
NN17 1GD

10 July 2023

My Ref: 17/018/MJF

Dear Mr Young,

**Town & Country Planning Act 1990
Pending S.106a Modification application NC/23/00041/RVC
Little Stanion Planning History Context
Post Granting of 25 August 2016 S.106a Modification
JME Developments Ltd**

I write following our telephone conversation on 5 September 2023 and during which you requested that I write to you providing a contextual summary of the planning situation at Little Stanion to augment the planning history information that I provided within my earlier letter of 10 July 2023.

To assist in your updating of the previous 6 September committee report item that has been deferred to 4 October 2023 I advise as follows below;

Contextual Background Executive Summary

1. The Little Stanion village residential development was initially allocated at Policy R8 of the 1997 Corby Local Plan. It is situated south-east of Corby, west of the A43 and south west of Long Croft Road.
2. Outline planning permission 04/00442/OUT for the entire Little Stanion site was granted on 4 July 2006 together with a S.106 Obligation. A number of national housebuilders constructed the initial phases of residential development, but the period to submit further reserved matters applications against that outline permission lapsed. Residential development on the site stalled due to the 2008 recession.

Planning & Development Consultants

Planning Advice, Appraisals, Applications & Appeals | Planning Statements & Impact Assessments
Design & Access Statements | Strategic Site Promotion | Project Management | S.106 Agreements

Registered office: Westwood House 78 Loughborough Road Quorn Leicestershire LE12 8DX | Registered in England No. 6854819

3. As part of the initial construction activities, JME were appointed by the then site owner, BULA, to construct the road and sewer infrastructure for Little Stanion. In lieu of a significant debt owed to JME by BULA, the BULA development vehicle company for the Little Stanion site, Silent Pride Ltd, was transferred to JME in March 2013. Unfortunately, 14 days later, AIB Bank placed Silent Pride Ltd into administration. The Administrator, Corby BC and the other interested parties worked together and agreed a S106a modification on 25 August 2016 which provided mechanisms to facilitate completion of Little Stanion.
4. JME were finally able to recover ownership of Silent Pride Ltd from the Administrator and it came out of administration in July 2017 enabling JME to undertake the remaining construction works to Little Stanion.
5. The S.106a modification obliged JME to complete the construction of the existing roads on the developed part of the site to wearing course level, complete the sewerage infrastructure and install street lighting. These works to the value of some £2.4m commenced in August 2017.
6. Three required planning permissions under the S.106a modification were granted in 2018. These were;
 - **17/00701/DPA**, detailing the approval to the structural landscaping for the whole of Little Stanion;
 - **17/00702/DPA**, approving the 4 blocks of 66 apartments, the retail units and the Village Hall within the village centre, and;
 - **17/00703/OUT**, which granted outline planning permission for between 99 and 135 dwellings and split between Parcels 5 and 6.

17/00701/DPA Structural Landscaping

7. Work commenced on the structural landscaping and equipped play areas in the winter of 2018. This work is all now substantially completed, as can be seen by visiting the site. However, it has always been the intention of JME to complete the final Play area and Multi-Use Games Area (MUGA) situated south east of the lake after the Housing Phase 4 within Parcel 5 is completed. It should also be noted that the provision of the MUGA was accepted by Corby BC as part of the approval of planning application 17/00701/DPA in lieu of a football pitch previously sought under the 2016 S.106a Modification as all the identified football pitch land was not in the ownership of JME.
8. I attach a copy of planning permission 17/00701/DPA and associated new masterplan D17-1062 Rev V9 as I did not include a copy of this with my letter of 10 July 2023 because the work has been substantially completed and that which has not forms part of the remaining JME work programme. Robert Waite has previously emailed the Masterplan to you.

17/00702/DPA Village Centre

9. All required conditions precedent were discharged before work permitted by 17/00702/DPA was commenced in 2019.
10. Within the Village Centre, residential Blocks A, B and D have been completed, totaling 44 apartments.
11. As required by the S.106a modification, a convenience store has been provided as part of the retail units, Tesco Express opened in early 2023 within a ground floor retail unit of Block D. Prior to this facility being available, JME secured planning permission for a temporary retail outlet for the village within a portacabin situated on the Parcel 5 land and which was run by a local convenience store operator. This was removed once the Tesco Express opened.
12. Additionally, it should be noted that JME have also provided a 32-space car park immediately south of the school car park to assist parents at school drop off and collection times.
13. The remaining 22 apartments of Block C have yet to be started and commencement is pending approval of this current S.106a Modification application.

17/00703/OUT Parcels 5 and 6

14. In respect of 17/00703/OUT for Parcels 5 and 6, the following Reserved Matters Approvals were granted;
 - **19/00541/REM** was granted in 2019 pursuant to 17/00703/OUT for 15 dwellings on **Parcel 6** and which have now been constructed.
 - **NC/21/00031/REM** was granted in 2020 pursuant to 17/00703/OUT for 99 dwellings on **Parcel 5** and for which construction has commenced, but no dwellings are yet completed.

JME Residential Delivery at Little Stanion

15. A total of 114 dwellings will therefore be delivered by Parcels 5 and 6 and which together with the 66 village centre apartments makes **a total of 180 dwellings that will be ultimately delivered by JME in completing Little Stanion.**

Viability

16. With increasing concerns regarding financial viability, JME entered into discussions with the then Corby BC and Northampton County Council in August 2019 to further

modify the 2016 S.106a modification through the removal of the £11,000 per dwelling roof tax planning overage payable in respect of Parcels 5 and 6 once a percentage of dwellings were completed within those areas. Whilst Corby BC supported this proposed further modification, Northamptonshire County Council did not.

17. However, following the creation of North Northamptonshire Council in April 2021, a formal S.106a modification application was submitted to North Northamptonshire Council. Extensive viability assessment work has been undertaken during this period by Aspinall Verdi acting for JME and validated by White Land Strategies acting on behalf of North Northamptonshire Council. This work concludes that the Little Stanion scheme is no longer viable and that it is necessary for the £11,000 per dwelling roof tax to be removed from the August 2016 S.106a modification obligation in order to secure the completion of Little Stanion. This revised S.106a modification application was finally registered by NNC on 8 February 2023 as NC/23/00041/RVC and is due to be placed before the planning committee members for determination on 4 October 2023
18. Upon this further S.106a modification application being approved, the 2-year delivery period for the new community building village hall will be triggered as per the 2016 S.106a modification. JME are agreeable to the provision of a requested £1.2m bond to be put in place after the 2-year period in the event that the village hall has not been completed by the end of this two-year period. If it has been constructed within the time period then the need for such security falls away.

I trust the above clarifies and assists. Should you wish to discuss the planning history further, please contact me immediately by return.

In respect of any other specific aspects relating to the determination of NC/23/00041/RVC, please continue to contact Robert Waite direct.

Yours sincerely,

This letter is sent electronically and therefore unsigned.
If you would like a signed copy, please contact iPlan Solutions Ltd
and one will be forwarded to you

Mark Flatman
Managing Director

D: 01509 550 974

M: 07795 652 100

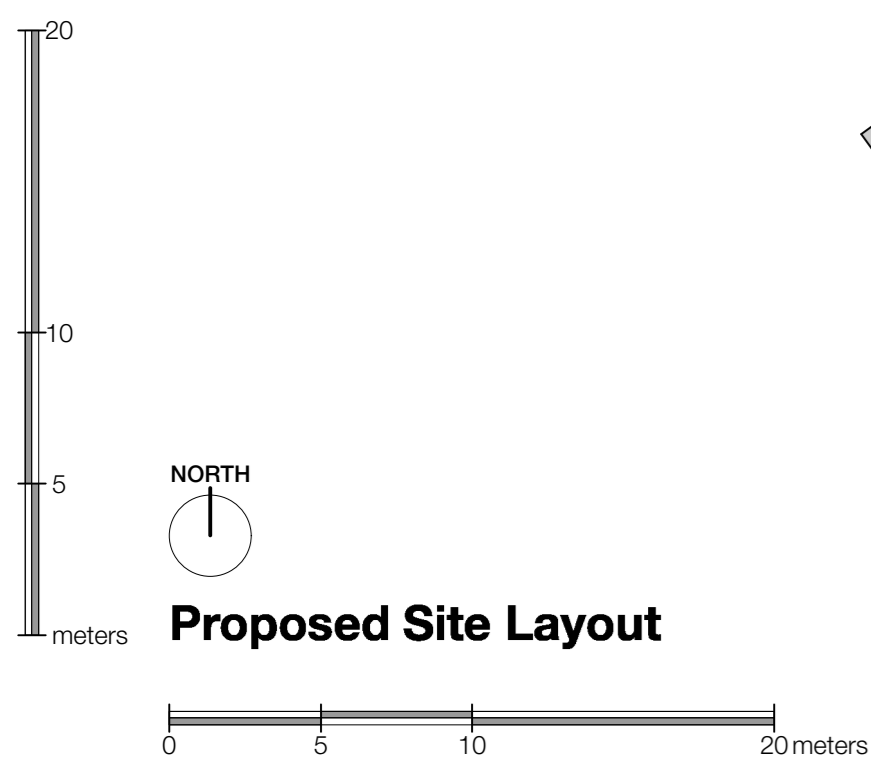
E: mark.flatman@iplansolutions.co.uk

Enc 17/00701/DPA & Masterplan D17-1062 V9

CC Mr R Waite – Gateley Legal
Mr J Moore – JME Developments Ltd

Little Stanion Village Centre

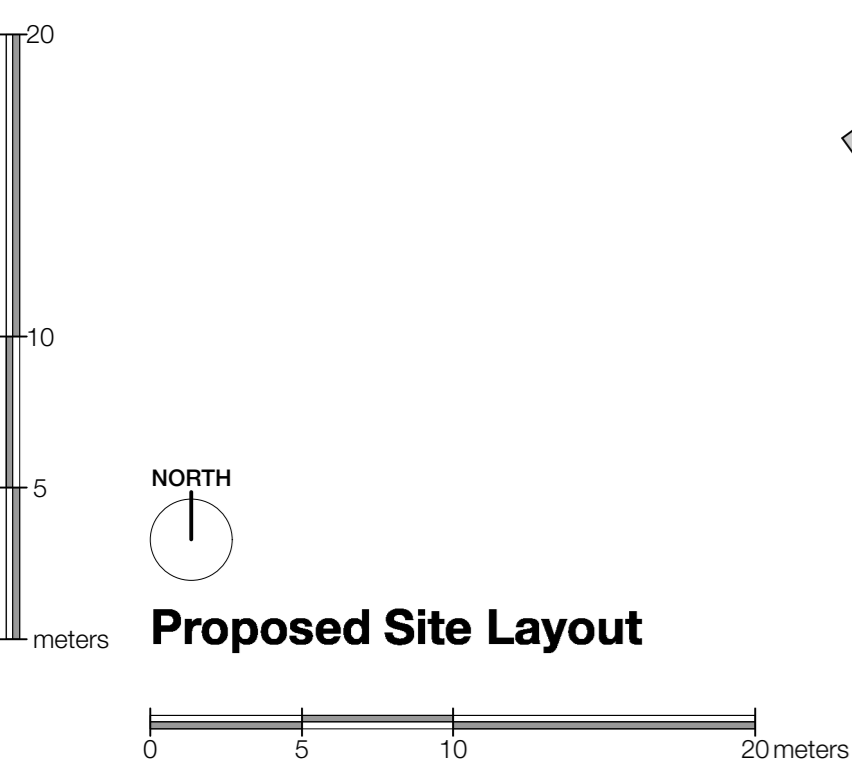
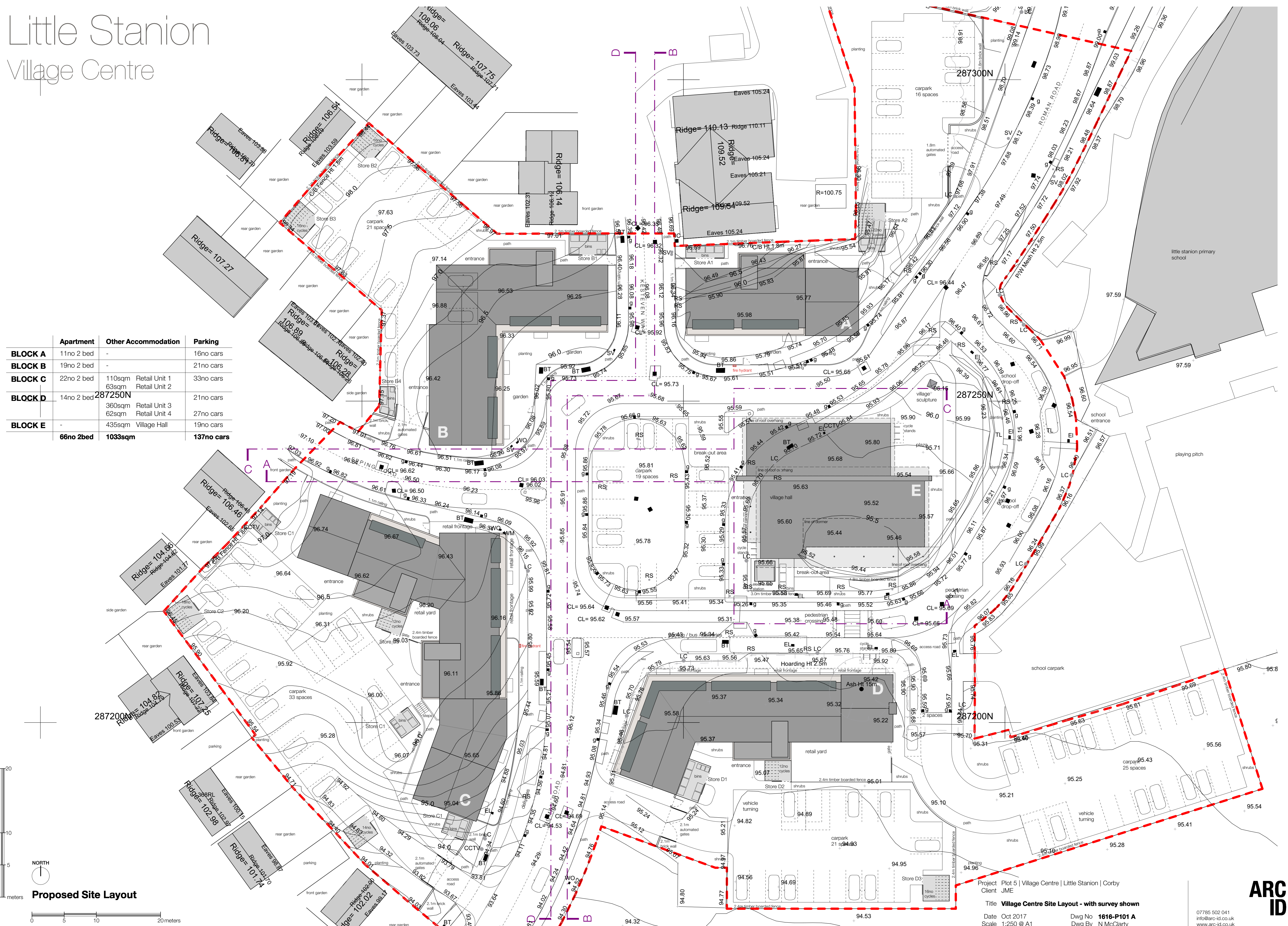
	Apartment	Other Accommodation	Parking
BLOCK A	11no 2 bed	-	16no cars
BLOCK B	19no 2 bed	-	21no cars
BLOCK C	22no 2 bed	110sqm Retail Unit 1 63sqm Retail Unit 2	33no cars
BLOCK D	14no 2 bed	360sqm Retail Unit 3 62sqm Retail Unit 4	21no cars
BLOCK E	-	435sqm Village Hall	19no cars
	66no 2bed	1033sqm	137no cars



Little Stanion Village Centre

	Apartment	Other Accommodation	Parking
BLOCK A	11no 2 bed	-	16no cars
BLOCK B	19no 2 bed	-	21no cars
BLOCK C	22no 2 bed	110sqm Retail Unit 1 63sqm Retail Unit 2	33no cars
BLOCK D	14no 2 bed	360sqm Retail Unit 3 62sqm Retail Unit 4	21no cars
BLOCK E	-	435sqm Village Hall	19no cars
	66no 2bed	1033sqm	137no cars

Page 32

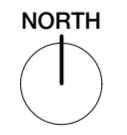
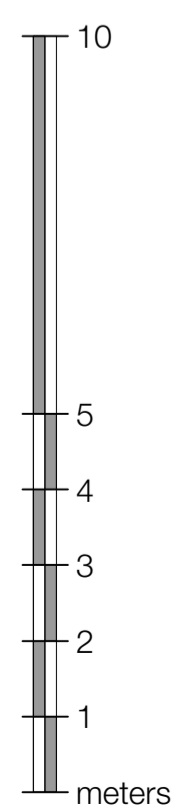
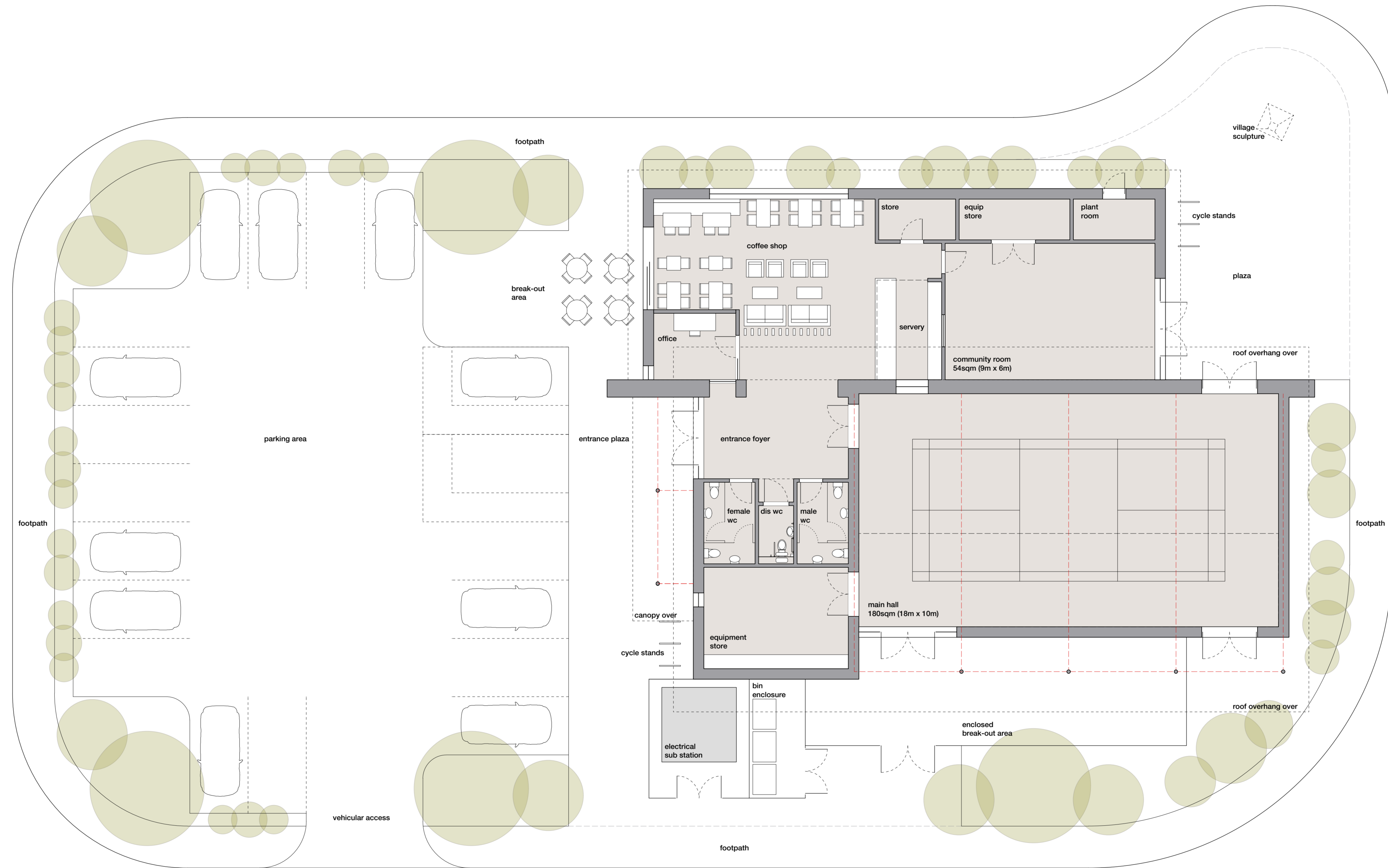


Project Plot 5 | Village Centre | Little Stanion | Corby
 Client JME
 Title **Village Centre Site Layout - with survey shown**
 Date Oct 2017
 Scale 1:250 @ A1
 Dwg No **1616-P101 A**
 Dwg By N McClarty

ARC ID
 07785 502 041
 info@arc-id.co.uk
 www.arc-id.co.uk

Little Stanion Village Centre

Block E



Block E Village Hall Ground Floor Plan



Project Plot 5 | Village Centre | Little Stanion Farm | Corby R8
 Client JME
 Title **Block E Village Hall - Ground Floor**
 Date Aug 2017
 Scale 1:100
 Dwg No 1616-P600
 Dwg By N McClarty

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 info@arc-id.co.uk
 www.arc-id.co.uk

Little Stanion Village Centre

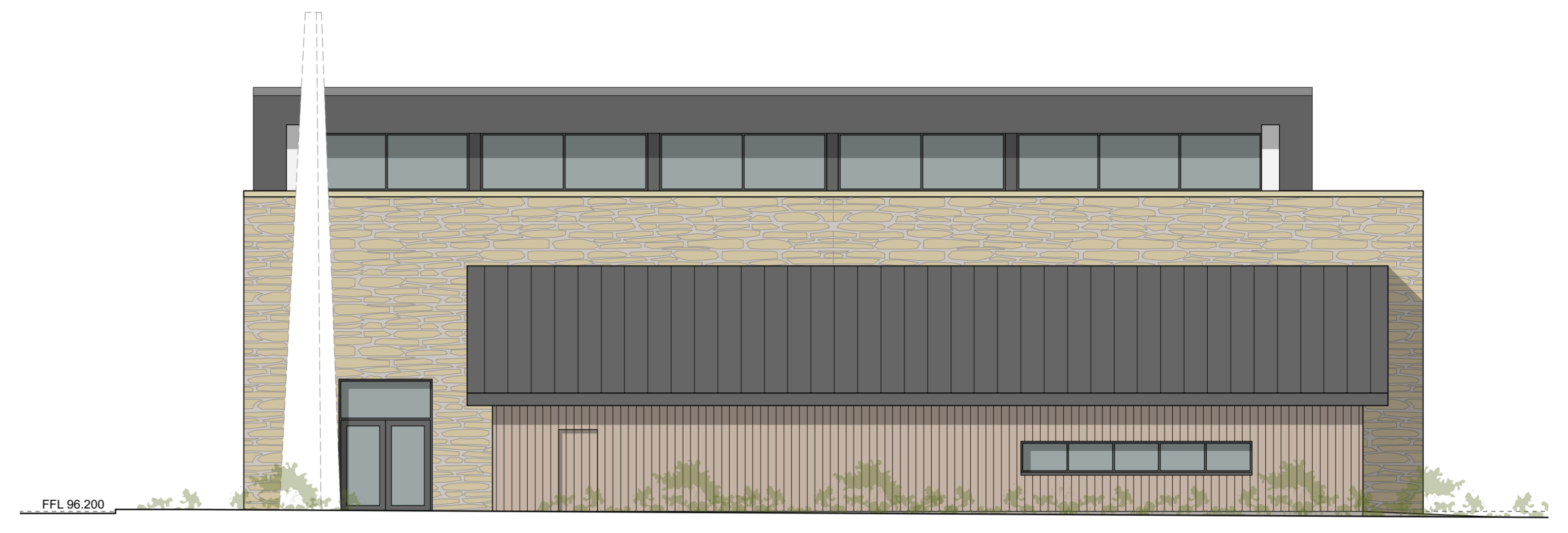
Block E

External Finishes

- Mono Pitched Roof : aluminium standing seam / profile metal
- Dormer : folded aluminium
- Flat roof : trocal single ply membrane with concealed guttering
- Soffits & Fascias : ppc aluminium
- Rain Water Goods : ppc aluminium
- Walls : vertical cedar cladding and painted plaster
- Feature Stone Wall : local natural stone cladding
- Windows & Doors : double glazed PPC aluminium
- Sculpture : under separate planning application



Proposed West Elevation



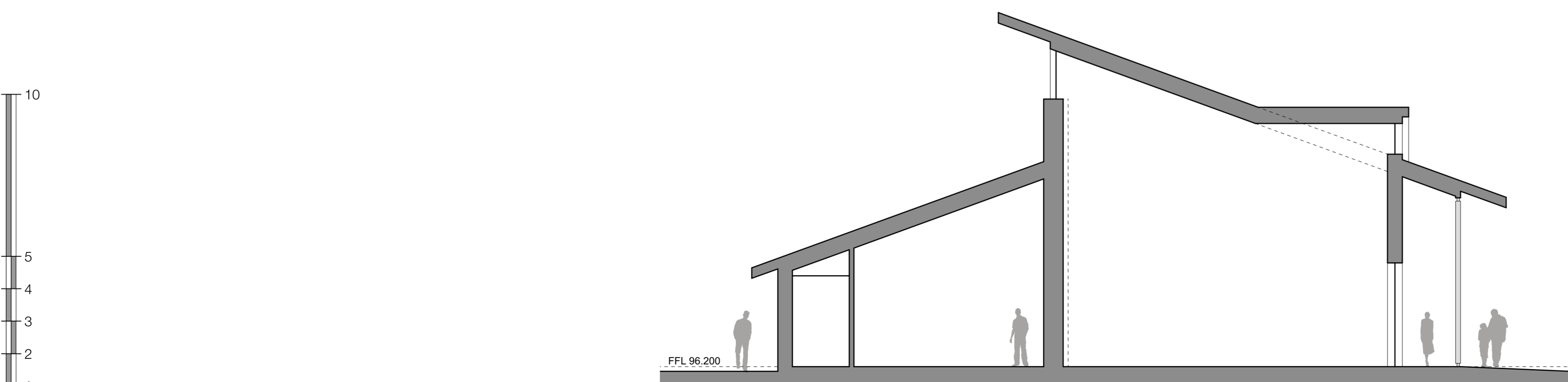
Proposed North Elevation



Proposed East Elevation

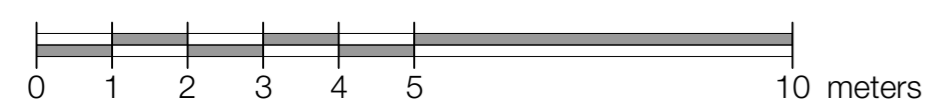
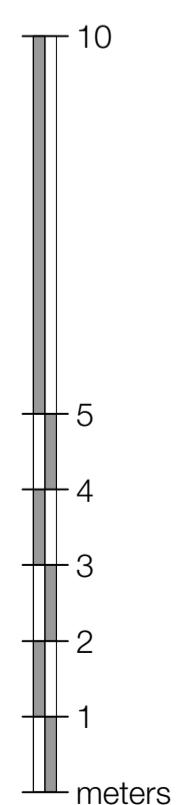


Proposed South Elevation



Proposed Cross Section

Page 34



Project Plot 5 | Village Centre | Little Stanion Farm | Corby R8
 Client JME
 Title **Block E Village Hall - Plan Section & Elevations**
 Date Aug 2017
 Scale 1:100
 Dwg No 1616-P601
 Dwg By N McClarty

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**ARC
ID**

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Interim Viability
Report

Little Stanion, Corby



JME Civils

12th April 2022

Private and Confidential

1 Introduction

- 1.1 AspinallVerdi have been instructed to prepare a Financial Viability Assessment (FVA) in respect of the proposed residential scheme at Little Stanion, Corby. This short report sets out the interim position with respect to the viability of the scheme so that this can be discussed with the Council before we finalise our FVA.
- 1.2 Within this report we provide a summary of the key inputs which will be adopted in our FVA, these are as follows;
- Scheme details
 - Cost Assumptions
 - Benchmark Land Value
 - Gross Development Value (GDV)
 - Viability conclusions.
- 1.3 The evidence which forms the basis of our assumptions with regards to the costs, land value and GDV will be set out fully in our FVA. We discuss each of the items in turn below.

2 Scheme Details

- 2.1 The consented scheme which now has detailed planning permission (17/00702/DPA) comprises 66 apartments, 4 retail units and a village hall. There is a further outline planning permission for no less than 99 dwellings and no more than 135 dwellings (17/00703/OUT).
- 2.2 Section two of our FVA will provide scheme details, including; layout plans and accommodation schedules for each parcel. A summary of the accommodation is provided below.

Table 2.1 - Accommodation Schedule

Use	Total Area (sqft)
Apartment – 4 blocks	52,248
Retail units – 4 units	6,405
Village Hall	4,575
Houses – Parcel 5	149,424
Houses – Parcel 6	17,997

Source: ARC ID, March 2022

3 Cost Assumptions

3.1 We set out below the key assumptions which we have adopted in our financial appraisals. The assumptions were all agreed with the Local Authority in July 2019.

3.2 The build costs are currently based on BCIS (rebased to Corby over a 5 year period). However, given that the implementation of the scheme has commenced we are awaiting a cost plan which will include the hard build costs (based on actual costs incurred), external works, open space, infrastructure costs and the village hall. These are likely to be higher than the figures presented in the table below. These costs will be reported and evidenced fully in our FVA at section five.

Item	Assumption
Build Rate (£ psf) - houses	£122.63 psf (£20,530,837)
Build Rate (£ psf) - apartments	£133.96 psf (£6,999,142)
Build Rate (£ psf) - retail units	£200.67 psf (£1,285,291)
Village Hall	£226.00 psf (£1,035,300)
External Works	10%
Contingency	5%
Infrastructure Costs	£6,613 per unit (£1,190,340)
Open Space	£750,000
Professional Fees	7%
Development Management Fees	1%
Section 106	£11,000 per unit (£1,980,000)
Disposal Costs - Residential	
Marketing	2% of GDV
Sales Agent Fees	1% of GDV
Sales Legal Fees	0.5% of GDV
Disposal Costs - Retail	
Letting Legal Fee	10%
Letting Agent Fee	5%
Purchasers Costs	5.8%

Finance costs	6.25%
Profit on GDV – (Market)	20%

Source: AspinallVerdi and JME Civils, March 2022

4 Benchmark Land Value

- 4.1 Section six of our FVA will provide full details on our approach to the Benchmark Land Value. The National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG) provide guidance on viability and decision taking. In July 2018 the revised NPPF and updated PPG were published with minor adjustments being made to the PPG in May 2019.
- 4.2 The PPG is clear that the appropriate basis for calculating the benchmark land value is Existing Use Value (EUV) + a premium. We have therefore adopted this approach.
- 4.3 We consider an Existing Use Value for agricultural land in Corby is £10,000 per acre (c. £25,000 per ha) (Gross). Therefore, the Existing Use Value of the site (13.42 acres / 5.44 ha) equates to £134,200 / £136,000.
- 4.4 Given that part of this site has a full planning permission and a further part of the site has outline planning consent, it is reasonable to assume that the premium would be towards the higher end of the premium range. However, to assist viability, we have only adopted 10 times the EUV; we reserve our position in respect of this matter.
- 4.5 We have therefore adopted a benchmark land value of £1,342,000 which was agreed with the Local Authority in July 2019.

5 Gross Development Value

- 5.1 Section five of our FVA will provide our full assessment of the local residential property market. The Gross Development Value (GDV) has been based on achieved values for units which have already sold on this scheme and asking prices in the locality for new build properties.
- 5.2 Two out of the four apartment blocks (30 Units) have already sold:
- Block A consists of 11 units and has sold for a total of £2,005,000 which equates to £182,273 per unit.
 - Block B consists of 19 units and has sold for a total of £3,305,000 which equates to £173,947.
 - For Block C and D we have taken the average achieved value across Block A and B which equates to approximately £180,000 per unit.

- 5.3 With regards to Parcel 5, we have based the GDV on asking price data for new build properties in the locality.
- 5.4 With regards to Parcel 6, we have based the GDV on the 11 units which have been sold within this parcel.
- 5.5 With regards to the retail units (4 in total) we have adopted £16 psf and a Yield of 7% in addition to a 3 month market rent free period.
- 5.6 The total GDV for the scheme can be found in the table below.

Use	Total GDV (£)
Apartment – 4 blocks	£11,790,000
Retail units – 4 units	£1,851,945
Houses – Parcel 5	£29,750,000
Houses – Parcel 6	£4,167,300

- 5.7 Within our FVA we will provide robust assessment of the local property market for the units in Parcel 6 and will be able to provide completion statements for the units which have sold, if this evidence is deemed necessary.

6 Conclusion

- 6.1 Based on the assumptions of values and costs set out above, we have prepared financial development appraisals for the proposed scheme using Argus Developer software. These are appended to this report.
- 6.2 The first appraisal is based on a fixed land value whereby the output is the profitability of the scheme. This appraisal also includes the non-housing s106 contribution which amounts to £1.98m. On this basis the scheme generates a deficit of circa £7m which clearly demonstrates that the scheme cannot afford to deliver any affordable housing on site or even the £11,000 per dwelling as previously agreed.
- 6.3 The second appraisal shows that if we exclude the land value of £1.34m from the equation and also deduct the S106 costs of £2.079m (i.e. £11,000 per dwelling), then the deficit falls to £2,862,228. Under this scenario, the net profit of the scheme equates to 12.65%, which is below the target profit rate of 20%.
- 6.4 To move discussions forward, we would welcome the opportunity to engage with the Local Authority and/or their viability advisors so that any specific areas of concerns can be discussed and so that we can move forwards and reach an agreed position on viability matters.

Authorisation

- 6.5 Should you have any questions or queries in respect of any aspect of this report, please do not hesitate to contact AspinallVerdi.
- 6.6 For and on behalf of Aspinall Verdi Ltd:

Yours faithfully,

(checked by)



Parminder Dosanjh MRICS MRTPI
Executive Director

0207 183 7580
parm@aspinallverdi.co.uk



Matthew Wroe, BSc (Hons), MSc, MRICS
Senior Consultant

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mattw@aspinallverdi.co.uk

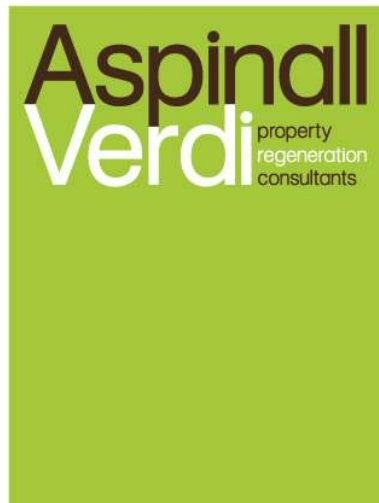
Appendix 1 - Financial Appraisal - Land Value & s106

Appendix 2 - Financial Appraisal - No Land Value or s106

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SEPTEMBER 2022



WHITE LAND STRATEGIES LTD
Viability Delivery Planning

LITTLE STANION, CORBY
VIABILITY ASSESSMENT FOR PLANNING S106A APPLICATION

FOR: NORTH NORTHAMPTONSHIRE COUNCIL

1.0 OBJECTIVES OF THE COMMISSION

1.1 INTRODUCTION

White Land Strategies Ltd has been instructed by Corby Borough Council to undertake a viability appraisal of the residential development proposed on the Little Stanion development, in Corby.

The application site has been reviewed a number of times in recent years due to ongoing viability matters. The previous review was concluded in 2019.

The current review is related to a section 106A review and, it is understood, to have been submitted to demonstrate that viability issues have not changed since 2019.

- The applicant has submitted x2no. viability appraisals. Both appraisals assume 0% affordable housing.
- One being an appraisal with no land value allowance and also no s106 contributions
- One being an appraisal with land assumed at £1,342,000 and a s106 contribution of £1,980,000

The scheme proposed is for 180 units, being 99 houses on Parcel 5, 66 apartments and 15 houses on Parcel 6.

The 2019 review assumed 189 units. There is no commentary in the Applicant's review to address the why there is a lower number of units. It is assumed that this is the most efficient layout to maximise the site's potential and that the Council is aware of the masterplan density.

The 2019 Review was triggered due to the request by the Applicant for the Council to 'remove the roof tax and the potential overage that has been part of the current planning obligations since August 2016'.

The site has been subject to previous viability assessments so there has been a consistent viability issue raised at this site. This review will consider the assumptions as they stand in the context of current FVA benchmarks along with up-to-date and reasonableness of assumptions as submitted in the current market.

CIL is not chargeable in the area.

The objectives of the commission are as follows:

- Provide a review of the information submitted by the Applicant, JME Civils Limited (JME).
- To comment on the reasonableness of the viability assessment as submitted by their advisors Aspinall Verdi and consider the Applicant's position.
- The assessment has looked primarily at the reasonableness of assumptions particularly of the following appraisal inputs:
 - GDV;
 - Construction Costs (baseline and additional assumptions);
 - Professional fees and other survey related expenditure;
 - Finance Costs;
 - Developer Profit; and
 - Abnormals/Infrastructure

- Based on the above assessments, provided an update to the viability assessment and determine if the scheme can support s106 contributions and/or additional affordable housing.

Information regarding the scheme has been provided by the Applicant's agent, Aspinall Verdi. The appraisal is submitted in an Argus Developer format submitted in pdf format.

Queries were raised with the Applicant's agent due to some inconsistencies in the cashflow which were not possible to match in the WLSL checks of the Aspinall Verdi (AV) approach.

AV provided the electronic files which allowed WLSL to look in detail at the cashflow.

Location

The extract from Google Maps below shows the site location.



1.2 GOVERNMENT POLICY GUIDANCE FOR VIABILITY TESTING

In preparing this report particular regard has been given to policy and guidance within the following:

The Royal Institution of Chartered Surveyors (RICS): Financial Viability in Planning RICS Guidance Note 1st edition (GN 94/2012) August 2012

Whereby:

The PPG also states that contributions should be realistic and not compromise sustainability and that the Cumulative costs of 'all relevant policies' will not undermine deliverability.

The revised PPG retains the assumption that the landowner should receive a land value based on Existing Use Value plus a Premium and that this reasonable incentive is equal to the minimum a willing landowner would be willing to sell the land for. Equally the developer will require sufficient return in order that the site comes forward for development. The incentive would not apply in this context.

The test arising from this approach is whether net residual (development) value or cost or profit, as demonstrated by a residual appraisal, exceeds a relevant and appropriate benchmark value or cost or profit by an adequate margin, while also assuming an adequate commercial return to the developer.

This enhanced value basis is usually reflected as a minimum value per gross acre in the case of agricultural/strategic land or other low value land or evidenced by a third party Red Book valuation or sustainable methodology to determine a reasonable value.

The premium over EUV/Alternative Use Value and/or application of minimum value, as appropriate, is recognised as necessary since a landowner is likely to have to bear costs, such as relocation (where the business is retained, taxation, the cost, time and effort involved in obtaining planning permission etc. to bring their land forward for development to the change of use consent, as well as requiring an element of 'profit', in the form of value-enhancement, for doing so.

Reference to a consistent method of benchmarking minimum value as a 'threshold' against which residual land value for development can be compared, rather than attempting to reflect or justify actual price paid (or agreed to be paid) by a specific developer, is recognised in the PPG but was already common practice and recognised as a fairer approach when determining viability.

This avoids potential arguments, for example, as to whether the developer may have paid too much for the land and that as a result provision of public infrastructure should then be at risk in mitigating the overpayment.

Application in this Development site context

- *The land is not strategic greenfield land but is a continuation of an ongoing large development site.*
- *The FVA model is set up based on a fixed land value approach. Profit is also fixed as a cost input. The residual output is a plus or minus of a target £0. This is picked up in greater detail in section 2.*
- *The Applicant's benchmark land value in this context is assumed at £1,342,000 based on the strategic land for development at £100,000 per gross acre.*
- *The assessment therefore is whether the Residual value from the model meets or exceeds a benchmark at £0 (assuming this land value is acceptable and the profit input assumption value is also acceptable). Profit is assumed at the midpoint 17.5% on the residential market units.*

1.3 ASSESSOR: WHITE LAND STRATEGIES LIMITED

White Land Strategies Ltd is a niche advisory consultancy specialising in independent assessment of development options and viability assessments.

The practice is owned by Chris White. Chris has over 20 years' experience working in the property industry and specialises in development/viability appraisals, developer procurement, development agreements, delivery models and implementation advice to assist in the S106 negotiations, development of masterplans, development briefs and the redevelopment of surplus assets. His experience having operated as a consultant, a developer and within Local Authorities provides a valuable broad range of understanding to ensure reporting meets the objectives of private and public sectors alike.

He was formerly head of the Midlands Development Consulting team in BNP Paribas Real Estate for 3 years. Prior to this he was National Director at CBRE for the Development Consulting practice for 7 years. Prior to these core consultancy periods Chris was Managing Director of developer, Castlemore Securities' Regeneration company. Prior roles at Chesterton Plc, RegenCo Sandwell, Leicester Regeneration Company have widened Chris understanding of brownfield development and viability associated with regeneration of town centres.

Chris has an excellent understanding of the Northamptonshire economy having been a long term advisor to Northamptonshire Councils on development and viability matters and as such has a good understanding of the market and FVA benchmarks for the area.

WLSL regularly provides 'route to market reports'. As part of the development advice WLSL focusses on commercial deliverability of option appraisals and viability appraisals.

This report has been prepared by Chris White.

1.4 IMPARTIALITY AND CONFLICTS OF INTEREST

White Land Strategies Ltd confirms that it has acted as an independent assessor with objectivity and impartiality to the parties. WLSL has no conflicts of interest.

There is no incentive based fee and WLSL does not benefit from any increase and decrease in viability outcomes arising from any recommended change to the Applicant's position in terms of increases or decreases to the S106/Affordable Housing levels.

2.0 APPRAISAL ASSUMPTIONS

Provided in this section is a review of the Applicant's viability appraisal and assumptions. This report provides an independent view as to whether the assumptions appear reasonable in the context of the information supplied. Also highlighted are queries in relation to the applicant's assumptions where more information has been requested to assess its potential effect on the viability of the scheme.

The appraisal undertaken by the Applicant has been reviewed and re-modelled accordingly. Appraisals have also been reconstructed adopting sensitivity checks and updates where appropriate to test reasonableness of the submitted assumptions.

2.0.1 APPRAISAL STRUCTURE

The appraisal is structured slightly differently to normal practice as follows:

- The land price is fixed which triggers the stamp duty and purchase fees.
- Profit is also fixed at 20% for the residential GDV (20.43% in order to match it based on the elements the profit is attached to) replacing the usual assumption of profit being the residual target.
- The residual target is a deficit or surplus measured at £0.
- A negative residual means that the assumptions of the fixed land price and fixed profit can't be sustained as the appraisal residual is insufficient to meet these costs and equate to zero.
- Equally any surplus would be interpreted as an ability to contribute to Affordable Housing and/or S106 .

- *The assessment therefore is whether the Residual Value (RV) from the independent FVA analysis meets or exceeds £0.*
- *As one of the submitted models assumes no contribution of affordable housing and S106 allowance any identified surplus will be interpreted as a contribution to S106.*

2.1 LAND VALUE

A viability test requires that landowners should receive a reasonable return for disposal of land coming forward for such developments and that, in essence, the cost associated with Planning contributions and infrastructure should not be so detrimental to land value that landowners should be forced to bring forward land below a reasonable market return.

What is considered a reasonable market return to a landowner is always a matter of debate when dealing with any viability assessment. There are varying assumptions and formulas applied when considering a reasonable return to a landowner.

The RICS has issued a guidance note 'Financial viability in Planning. Financial viability for planning purposes is defined by this guidance note as follows:

"An objective financial viability test of the ability of a development project to meet its costs including the cost of planning obligations, while ensuring an appropriate Site Value for the landowner and a market risk adjusted return to the developer in delivering that project."

In the absence of the strategic benchmark, Existing Use Value (or plus a premium), should be considered as the basis of the entry price reflecting a premium over the current use to incentivise the landowner to dispose but also this should be reflective of policy considerations in determining the cost to deliver, otherwise the site might remain undeliverable for alternative uses or an Alternative Use Value (AUV) for a reasonably implementable scheme in summary.

The Applicant in the previous Viability review provided an Existing Use Value for the site based on an agricultural multiplier approach as set out earlier. The approach is not unreasonable given the prominence in the NPPF to incentivising landowners to bring residential land forward. The Applicant has not applied a premium in the usual way (i.e., 20% times EUV) but have used the HCA model of 10-20 times agricultural value.

The approach remains the same as per the previous agreed land price assuming £100,000 per gross acre for the 13.42 acres making the EUV £1.342m.

2.2 RESIDENTIAL VALUES

As two of the four blocks (30 units) are already sold, evidence is available on site to determine local values. The 11 sold units in parcel 6 were used as the basis of current values for the remainder of that parcel.

Taking the average of sold units is not unreasonable as differences between plots can affect individual unit prices. As such a sold plot in a superior position to remaining plots may imply a high average value expectation and vice versa.

Houses / apartments on the same site will always provide the best comparable evidence rather than comparing to other local sites.

The Applicant has assumed the following based on sales evidence to date.

- Block A consists of 11 units sold for a total of £2,005,000 equating to £182,273 per unit.
- Block B consists of 19 units sold for a total of £3,305,000 equating to £173,947 per unit.


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- For Block C and D values are based on an average of Block A and B equating to approximately £180,000 per unit.
- For Parcel 5, the GDV is based on local asking price data for new build.
- For Parcel 6, the GDV is based on the 11 units which have been sold within this parcel.

An extract of the Applicant's pricing schedule is extracted below:


Block Type	No. Units	Apprentice Units	Assumed Unit Cost	20% Cont	Total Unit Costs	Surplus	Apprentice Unit Costs	Apprentice Unit Cost	Apprentice Unit Value (at 10%)	Total Apprentice Unit Value (at 10%)	Notes
Block A - 2 Bed Apartments	11			852	9,442	11	11	853	£192,272	£2,205,000	the value based on the average value
Block B - 2 Bed Apartments	19			1,452	15,752	20	19	1,422	£172,942	£3,295,000	the value based on the average value
Block C - 2 Bed Apartments	25			1,017	17,700	33	25	1,016	£190,000	£4,500,000	average between blocks a and b
Block D - 2 Bed Apartments	4			1,044	11,241	21	14	1,044	£180,000	£1,980,000	average between blocks a and b
Total	59	0	0	4,365	52,240	65	65	4,366		£11,780,000	

WLSL has reviewed the Applicant's submission and taking into account recent FVAs which have consistently reviewed Sales pricing the unit pricing is not unreasonable; however, the Applicant's website is promoting the following (extract below) shows apartments priced from £185,500 and 3&4 bedroom houses from £260,000.




From £ 185,500

Two Bed Luxury Apartments
Chestnut House, Willow Heights, Sycamore View, Little Stanion
Category: Apartments
Henderson Connellan [details](#)



Retail Units Available
Retail Units, Little Stanion
Category: Retail
David Walker Commercial [details](#)



From £ 260,000

3 & 4 Bed Homes Coming Soon
Coming Soon, Little Stanion
Category: Houses
Henderson Connellan [details](#)

[Load More Listings](#)

Zoopla records average apartment sold prices in the NN18 postcode area to be £117,867, average terraces at £193,999 and semi-detached at £237,817.

Rightmove records a 2 bed apartments currently for sale on Little Stanion with asking prices of £195,000 and £197,500. Zoopla records no apartments for sale at Little Stanion.

Assuming the 1 Bed prices will be lower and there is likely 3-5% discount between asking and achieved prices on average the Applicant's assumption of £182,273 average value is not unreasonable in Block A. There is a lower value assumption in Block B of £173,947 presumably due to the unit mix available.

Blocks C and D being proposed at an average value of £180,000 may be considered too light given the promotion of unit price expectations starting at £185,500. Given there is likely a discount between asking and achieved but also that prices start from £185,500 it would not be unreasonable to assume blocks C & D apartments are based on the higher unit price of £185,50 in the WLSL appraisals.

The assumed house price expectation is in line with the Applicant's intent for £260,000 per unit starting price.

WLSL's breakdown adopting the Applicant's methodology with the apartments at the price is set out below:

House Type	No. Unit	Total GIA (sqm)	Total GIA (sqft)	% mix	Private Resi no of Units	Private Resi (sqm)	Private Resi Value per Unit (£)	Total Private Resi Value (£)
Block A - 2 Bed Apartments	11	803	8,643	17	11	803	£182,273	£2,005,000
Block B - 2 Bed Apartments	19	1403	15,102	29	19	1403	£173,947	£3,305,000
Block C - 2 Bed Apartments	22	1616	17,265	33	22	1616	£185,500	£4,081,000
Block D - 2 Bed Apartments	14	1044	11,237	21	14	1044	£185,500	£2,597,000
Total	66	4866	52248	100	66	4866		£11,988,000

2.3 COMMERCIAL VALUES

The commercial rents of £16 psft and a yield of 7% adopted by the applicant are reasonable. The rent free period could be considered light in the current market.

The Applicant has also retained their assumption on Ground Rents. Ground rents are rarely available to value in current times due to the Government position to limit purchasers exposure to ground rent inflation post disposal of the investment. WLSL has retained them with a note of caution as to their applicability going forward. The assumption remains at £250 per annum per leasehold at a 4% yield which is reasonable.

2.4 BUILD COSTS

The Applicant has adopted build costs using BCIS, based on the 5 year cost rate for Corby. The Applicant has not confirmed whether this is at lower quartile or median. The rate for example of apartments costs

is £133.96 psft / 1441 psqm. Examining current BCIS costs the midway point between lower quartile and median for apartments of 1-2 storeys is £133.78psft / £1440psqm. WLSL has adopted the Applicant rate.

For housing, the Applicant has adopted a rate of £122.63 psft (£,319.97 psm). The mid-point between the general lower quartile and median rates is £119.33 psft / £1,284.5 psm, so marginally above the midpoint. WLSL has adopted the Applicant rate.

For retail, the Applicant has adopted the rate of £200.67 psft / £2,159 psm. This rate is questionably high given that retail units are usually constructed to finish that doesn't include internal fit out, but the build costs exceed that of the housing and apartments.

The median 5 year BCIS rate for General retail units is £133.50 psft / £1,437 psm, which itself is considered high but is referenceable to BCIS would be a more appropriate cost to adopt and is the rate used by WLSL.

BCIS (Building Cost Information Service) is a standard baseline to use when undertaking viability assessments. When conducting viability assessments, the only industry standard benchmark available is the BCIS build cost and is used where there is no cost evidence from the Applicant. It is noted that the Applicant states that there is a cost plan being undertaken but was not available for the FVA review.

2.5 EXTERNALS

These are costs that fall outside of the definition of BCIS and include costs relating to the plot that the unit is situated within included connections to utilities and the pavement and half road area. External costs can be expected to be in the order of 10-15% of build costs for housing and 5% for apartments.

The externals cost rate adopted by the Applicant is 10% and is therefore considered reasonable for the housing units but too high for the apartments.

WLSL has adopted the 10% for housing and 5% for apartments.

2.6 INFRASTRUCTURE/ABNORMAL COSTS

Infrastructure costs have been assessed as:

- Infrastructure (highways and utilities) at £1,190,340 (a reduction from the previous FVA where the infrastructure costs were assumed at £1,250,000). This is due to the number of units, the rate per units remains the same at £6,613 per unit. There is no substantiation of this cost, however the rate has not increased since the last FVA review.
- Open Space costs remain at £750,000 (£4,166 per unit). Unsubstantiated as before but the amount has not increased since the previous FVA however the reduction in numbers means the rate per unit is now £4,166 per unit. It is assumed that the same area of open space is being delivered irrespective of unit numbers so this would not be unreasonable.
- Community Building/Village Hall at £1,035,300. This has increased from the previous FVA when the costs were £805,200. At the time the cost was based on a BCIS rate of £176 psft which has increased to £226 psft in this assessment. There is no definition to link a specification to state whether the rate is appropriate or not. A conference hall cost for example in BCIS is £208.85

psft whereas a basic mission hall is £263 psft. Without an idea as to whether internal costs are also considered it is difficult to counter argue the cost increase. WLSL has adopted the Applicant's cost rate though there may be savings once the specification is agreed.

2.7 SECTION 106 CONTRIBUTIONS

S106 is stated to be policy compliant at £11,000 per unit or £1.980m. A further contribution of the village hall is assumed but that is included as a direct works cost separate to the S106 contribution budget. The Applicant has submitted an appraisal which includes s106 and their preferred appraisal which does not include s106.

2.8 CONTINGENCY

A 5% contingency has been adopted by the Applicant. This is considered relatively high but as costs are at the midpoint between lower quartile and median (previous FVA they were on lower quartile) WLSL has adopted a 3.5% contingency.

2.9 PROFESSIONAL FEES

Fees of 7% of costs have been adopted by the Applicant. This is reasonable for the scale of scheme.

2.10 ACQUISITION / DISPOSAL FEES AND MARKETING FEES

Agent and Legal fees are assumed at 1.0% and 0.5%. This is reasonable

Marketing fees are assumed at 1%. This is considered reasonable.

Letting and legals are assumed at 10% and 5%. This is considered reasonable.

2.11 FINANCE RATE

Finance costs are stated to be 6.25%. This is considered reasonable in today's financial climate.

2.12 OTHER FEES AND COSTS

Stamp Duty is assumed by the Applicant at the prevailing rate.

2.13 PROFIT

The appraisals submitted assume a target profit of 20% on GDV. This is at the top of the NPPF guidance which states profit to be in the order of 15-20% of GDV (c20-25% of costs), depending on the risk of the scheme. The figure submitted equates to 20.43% of GDV based on the elements to which it has been applied. WLSL has adopted 19% profit on Residential and 15% profit on the commercial GDV.

2.14 SUMMARY OF ASSUMPTIONS

Appraisal Item	Applicant	WLSL Baseline
Land cost	£100,000 per acre including premium. Benchmark Land Value equates to £1,342,000	As per Applicant
Sales/Rental Revenue	<ul style="list-style-type: none"> ■ Parcel 5 at £300,505 per unit / £199.10 psft ■ Parcel 6 Houses at £277,820 per unit / £231.56 psft ■ Block C & D Apartments at £180,000 blended with current sales to equate to £178,636 per unit / £225.65 psft 	<ul style="list-style-type: none"> ■ Parcel 5 : As per Applicant ■ Parcel 6 : As per Applicant ■ Block C & D Apartments at £185,500 blended with current sales to equate to £181,636 per unit / £229.44 psft
Commercial Revenues	Retail at £16 psft / 4% yield and 3 months' rent free	As per Applicant
Build Cost	BCIS mid-point range lower quartile to median Housing at £122.63 psft Apartments £133.96 psft Retail at £200.67 psft	As per Applicant other than retail which is assumed at £133.50 psft
Externals costs	10%	Housing at 10% Apartments at 5%
Abnormals / Utilities	<ul style="list-style-type: none"> ■ Infrastructure (highways and utilities) at £1,190,340 (£6,613 per unit) ■ Open Space at £750,000 (£4,166 per unit) ■ Community Building at £1,035,300: based on BCIS costs £226 psft 	As per Applicant with caution on the village hall.
Professional fees	7%	As per Applicant
Development Management fees	1%	As per Applicant with reduced profit
Contingency	5% on residential only	WLSL assumed at 3.5%
Acquisition Fees	1.5% + SDLT	As per Applicant

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Disposal Fees	2.5% Agent / Marketing Commercial Letting 10% and 5%	As per Applicant
Finance	6.25%	As per Applicant
Section 106	£1.980m Residual £0	As per Applicant
Profit	20% of GDV	WLSL at Residential at 19% GDV Commercial at 15% GDV

3.0 APPRAISAL ANALYSIS

3.1 APPLICANT'S SUBMISSION

The Applicant's appraisal has been re-run to determine firstly that the assumptions have been correctly modelled and secondly to create a baseline from which to test sensitivities.

3.1.1 APPLICANT APPRAISAL

The appraisals assumed the following key inputs:

- BLV £1,342,000
- Sales Value GDV £45,707,300
- Scheme GDV £47,559,245
- BCIS construction Costs £28,815,271
- Externals at 10%
- S106 assumed at £1.980m
- Contingency at 5%
- Fees at 7%
- Finance at 6.25%
- Profit Fixed 20% of GDV (Equiv 20.43%)

The Applicant has a negative viability of **-£7,065,927**, which is based on an assumption of the S106 payment and land value included.

The Applicant's equivalent appraisal with no S106 and no Land Value included is **-£2,862,228**.

The table below sets out the Applicant's appraisal in the first row. The second row is the WLSL remodelling of the Applicant's scheme using Argus Developer.

	Policy S106	BLV Land	Fixed Profit	Applicant Viability
Applicant	£1,980,000	£1,342,000	20% / £8,880,389	-£7,065,927
WLSL as per App	£1,980,000	£1,342,000	20.43% / £8,869,504	-£6,567,146
Applicant	£0	£0	20% / £8,880,389	-£2,882,228
WLSL as per App		£0	20.43% / £8,869,504	-£2,370,557

The above shows that the model submitted by the Applicant is mathematically sound. It was difficult to exactly match the Applicant's model due to some inconsistencies in the application of rates and the cashflow shape.

As a consequence, it was not possible to exactly match the Applicant's model outputs.

Again, on the no land and no s106 model, the WLSL appraisal is consistent in applying the Applicant's inputs and the output, but the residual is showing a higher outcome than that reported by the Applicant.

3.1.2 WLSL MODELLING

As there are some differences where WLSL would consider inputs are not justified in moving away from benchmarks there is, set out below, the WLSL remodelled appraisals.

The appraisals assumed the following key inputs.

- BLV £1,342,000
- Sales Value GDV £45,905,300
- Scheme GDV £47,764,293
- BCIS construction Costs £28,385,047
- Externals at 10% Housing and 5% Apartments
- S106 assumed at £1.980m
- Contingency at 3.5%
- Fees at 7%
- Finance at 6.25%
- Fixed Profit target lowered: Profit Fixed 19% of Residential GDV and 15% Commercial GDV
- Contingency at 3.5%

	Policy S106	BLV Land	Fixed Profit	Applicant Viability
WLSL as per App	£1,980,000	£1,342,000	20.43% / £8,869,504	-£6,567,146
Applicant	£0	£0	20% / £8,880,389	-£2,882,228
WLSL as per App	0	£0	20.43% / £8,869,504	-£2,370,557
WLSL Benchmarks	£1,980,000	£1,342,000	£9,000,856	-£3,584,182
WLSL Benchmarks	£0	£0	£9,000,856	+£28,576

The application of consistency within the appraisal adds costs to the Applicant model but also adds profit as the profit is applied as per usual FVA practice.

The profit is assumed at 19% of residential GDV due to the allowance of the DM fee but this still raise the profit for the Applicant above how the appraisals were submitted.

Applying benchmarks shows that a residual improvement is possible. The Model is based on 0% Affordable Housing, so Policy Compliance is not viable.

In terms of the actual model once land or s106 is assumed the 0% Affordable housing whilst improved significantly (-£3.584m compared to the Applicant's -£7.065m) it remains unviable.

A surplus is shown in the last appraisal when land and s106 is removed. The surplus would be the equivalent of s106 contributions equating to £28,576.

4.0 SUMMARY CONCLUSIONS

To conclude, it is clear that the viability of the development is suffering due to the combination of values in this location and the costs associated with this development.

- A Policy Compliant scheme is not viable.
- The approach by the Applicant has seen some of the previous assumptions maintained and some of the assumptions on costs increased. This is not unreasonable given the context of the current inflationary pressures on construction costs.
- The Applicant has also maintained the additional revenue in the form of ground rents which may not be available.
- The infrastructure/abnormals costs are unqualified in that they are not underpinned by a third party as before. There is a note of caution on the cost increase in relation to the Village Hall which has not been adequately set out by the Applicant and could in theory be cheaper to deliver.
- Land is at the same agreed level as per the previous FVA.
- The NPPF allows for a reasonable profit, The Applicant has assumed 20% on all revenue. WLSL has applied profit as per benchmarks to all revenues streams and reduced to 19% on residential GDV and 15% on commercial GDV.
- Build costs for the retail element has been reduced.
- Contingency has been reduced
- Externals costs have been reduced

SUMMARY CONCLUSION / RECOMMENDATION

- The Applicant's scheme as presented is considered unviable in relation to the full S106 contribution whether land value is considered or not.
- Once land value is adopted the scheme is unviable.
- WLSL has undertaken a no s106 and no land value appraisal as per the Applicant and derives a surplus available for s106 of £28,576.
- This conclusion is only maintained if the Applicant chooses to forego the land value for the scheme.

- **On this basis the recommendation would be that the review concurs with the Applicant that the S106 contribution is not viable, but the scheme allows for the construction of the village hall and a surplus of £28,576 if no land value is promoted by the Applicant.**

5.0 DISCLAIMER AND CONFIDENTIALTY

The contents of this report do not constitute a valuation, in accordance with the RICS Valuation - Professional Standards (the 'Red Book') and should not be relied upon as such. This report is addressed to North Northamptonshire Council and its contents should not be reproduced in part or in full without our prior consent of either North Northamptonshire Council and JME Civils Ltd.

CONFIDENTIALITY

This report is provided to North Northamptonshire Council and JME Civils Ltd on a confidential basis. We request that the report not be disclosed to any third parties under the Freedom of Information Act (Sections 41 and 43 (2)).

6.0 APPENDIX

WLSL Appraisals

- As per Applicant with and without s106 and land value
- WLSL Appraisals with Benchmarks
- BCIS

APPRAISAL SUMMARY**WHITE LAND STRATEGIES LTD**

As per Applicant S106 and Land
Loss of £6,567,146
Can't reconcile finance costs

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Housing P5	99	149,424	199.10	300,505	29,750,000
Apartments	66	52,248	225.65	178,636	11,790,000
Housing P6	15	17,997	231.56	277,820	4,167,300
Totals	180	219,669			45,707,300

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Retail	4	6,405	16.00	25,620	102,480	102,480
Ground Rents	66			250	16,500	16,500
Totals	70	6,405			118,980	118,980

Investment Valuation

Retail					
Current Rent	102,480	YP @	7.0000%	14.2857	1,464,000
Rent Free	(102,480)	YP 3mths @	7.0000%	0.2396	
		PV 5yrs @	7.0000%	0.7130	(17,507)
					1,446,493

Ground Rents					
Current Rent	16,500	YP @	4.0000%	25.0000	412,500

Total Investment Valuation **1,858,993**

GROSS DEVELOPMENT VALUE **47,566,293**

Purchaser's Costs			(83,897)
Effective Purchaser's Costs Rate	4.51%		(83,897)

NET DEVELOPMENT VALUE **47,482,396**

Income from Tenants 15,125

NET REALISATION **47,497,521**

OUTLAY**ACQUISITION COSTS**

Fixed Price	1,342,000		
Fixed Price		1,342,000	
			1,342,000
Stamp Duty			56,600
Effective Stamp Duty Rate	4.22%		
Agent Fee	1.00%	13,420	
Legal Fee	0.50%	6,710	
Town Planning		39,451	
			116,181

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
Retail	6,405	200.67	1,285,291
Housing P5	149,424	122.63	18,323,865
Apartments	52,248	133.96	6,999,142
Housing P6	17,997	122.63	2,206,972

APPRAISAL SUMMARY**WHITE LAND STRATEGIES LTD**

As per Applicant S106 and Land
Loss of £6,567,146

Can't reconcile finance costs

Totals	226,074 ft²		28,815,271	
Contingency		5.00%	1,376,499	
S106 Agreement			1,980,000	
Open Space			750,000	
				32,921,770

Other Construction Costs

Infrastructure Costs	180 un	6,613.00 /un	1,190,340	
Externals		10.00%	2,660,830	
Village Hall			1,035,300	
				4,886,470

PROFESSIONAL FEES

Professional Fees		7.00%	1,862,581	1,862,581
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MARKETING & LETTING

Marketing		1.00%	471,538	
Letting Agent Fee		10.00%	10,248	
Letting Legal Fee		5.00%	5,124	
				486,910

DISPOSAL FEES

Sales Agent Fee		1.00%	471,538	
Sales Legal Fee		0.50%	235,769	
				707,307

Additional Costs

Dev. Management Fee		1.00%	266,083	
Fixed 20.43% Profit		20.43%	8,869,504	
				9,135,587

TOTAL COSTS BEFORE FINANCE**51,458,805****FINANCE**

Debit Rate 6.250%. Credit Rate 0.000% (Nominal)				
Land			371,561	
Construction			2,063,787	
Other			170,514	
Total Finance Cost				2,605,862

TOTAL COSTS**54,064,667****PROFIT****(6,567,146)****Performance Measures**

Profit on Cost%	-12.15%
Profit on GDV%	-13.81%
Profit on NDV%	-13.83%
Development Yield% (on Rent)	0.22%
Equivalent Yield% (Nominal)	6.34%
Equivalent Yield% (True)	6.60%
IRR% (without Interest)	-13.86%
Rent Cover	-55 yrs -2 mths
Profit Erosion (finance rate 6.250)	N/A

As per Applicant no S106 and no Land
Loss of £2,370,557
Can't reconcile finance costs

Little Stanion
Corby

Development Appraisal
White Land Strategies Ltd
21 September 2022

APPRAISAL SUMMARY**WHITE LAND STRATEGIES LTD**

As per Applicant no S106 and no Land
 Loss of £2,370,557
 Can't reconcile finance costs

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Housing P5	99	149,424	199.10	300,505	29,750,000
Apartments	66	52,248	225.65	178,636	11,790,000
Housing P6	15	17,997	231.56	277,820	4,167,300
Totals	180	219,669			45,707,300

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Retail	4	6,405	16.00	25,620	102,480	102,480
Ground Rents	66			250	16,500	16,500
Totals	70	6,405			118,980	118,980

Investment Valuation

Retail						
Current Rent	102,480	YP @	7.0000%	14.2857	1,464,000	
Rent Free	(102,480)	YP 3mths @	7.0000%	0.2396		
		PV 5yrs @	7.0000%	0.7130	(17,507)	
					1,446,493	
Ground Rents						
Current Rent	16,500	YP @	4.0000%	25.0000	412,500	
Total Investment Valuation					1,858,993	

GROSS DEVELOPMENT VALUE**47,566,293**

Purchaser's Costs				(83,897)	
Effective Purchaser's Costs Rate		4.51%		(83,897)	

NET DEVELOPMENT VALUE**47,482,396**

Income from Tenants				15,125	
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NET REALISATION**47,497,521****OUTLAY****ACQUISITION COSTS**

Town Planning			39,451		39,451
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CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
Retail	6,405	200.67	1,285,291
Housing P5	149,424	122.63	18,323,865
Apartments	52,248	133.96	6,999,142
Housing P6	17,997	122.63	2,206,972
Totals	226,074 ft²		28,815,271
Contingency		5.00%	1,376,499
Open Space			750,000
			2,126,499
Other Construction Costs			
Infrastructure Costs	180 un	6,613.00 /un	1,190,340

APPRAISAL SUMMARY**WHITE LAND STRATEGIES LTD**

As per Applicant no S106 and no Land

Loss of £2,370,557

Can't reconcile finance costs

Externals	10.00%	2,660,830	
Village Hall		1,035,300	4,886,470

PROFESSIONAL FEES

Professional Fees	7.00%	1,862,581	1,862,581
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MARKETING & LETTING

Marketing	1.00%	471,538	
Letting Agent Fee	10.00%	10,248	
Letting Legal Fee	5.00%	5,124	486,910

DISPOSAL FEES

Sales Agent Fee	1.00%	471,538	
Sales Legal Fee	0.50%	235,769	707,307

Additional Costs

Dev. Management Fee	1.00%	266,083	
Fixed 20.43% Profit	20.43%	8,869,504	9,135,587

TOTAL COSTS BEFORE FINANCE**48,060,075****FINANCE**

Debit Rate 6.250%, Credit Rate 0.000% (Nominal)			
Construction		1,767,176	
Other		40,826	
Total Finance Cost			1,808,002

TOTAL COSTS**49,868,078****PROFIT****(2,370,557)****Performance Measures**

Profit on Cost%	-4.75%
Profit on GDV%	-4.98%
Profit on NDV%	-4.99%
Development Yield% (on Rent)	0.24%
Equivalent Yield% (Nominal)	6.34%
Equivalent Yield% (True)	6.60%
IRR% (without Interest)	-2.30%
Rent Cover	-19 yrs -11 mths
Profit Erosion (finance rate 6.250)	N/A

WLSL with s106 and Land
Loss of -£3,584,182

Little Stanion
Corby

Development Appraisal
White Land Strategies Ltd
21 September 2022

APPRAISAL SUMMARY**WHITE LAND STRATEGIES LTD**

WLSL with s106 and Land
Loss of £3,584,182

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Housing P5	99	149,424	199.10	300,505	29,750,000
Apartments	66	52,248	229.44	181,636	11,988,000
Housing P6	<u>15</u>	<u>17,997</u>	231.56	277,820	<u>4,167,300</u>
Totals	180	219,669			45,905,300

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Retail	4	6,405	16.00	25,620	102,480	102,480
Ground Rents	<u>66</u>			250	<u>16,500</u>	<u>16,500</u>
Totals	70	6,405			118,980	118,980

Investment Valuation

Retail					
Current Rent	102,480	YP @	7.0000%	14.2857	1,464,000
Rent Free	(102,480)	YP 3mths @	7.0000%	0.2396	
		PV 5yrs @	7.0000%	0.7130	(17,507)
					1,446,493

Ground Rents					
Current Rent	16,500	YP @	4.0000%	25.0000	412,500

Total Investment Valuation **1,858,993**

GROSS DEVELOPMENT VALUE

47,764,293

Purchaser's Costs			(83,897)
Effective Purchaser's Costs Rate	4.51%		(83,897)

NET DEVELOPMENT VALUE

47,680,396

Income from Tenants 39,875

NET REALISATION

47,720,271

OUTLAY**ACQUISITION COSTS**

Fixed Price	1,342,000		
Fixed Price		1,342,000	
			1,342,000
Stamp Duty		56,600	
Effective Stamp Duty Rate	4.22%		
Agent Fee	1.00%	13,420	
Legal Fee	0.50%	6,710	
Town Planning		39,451	
			116,181

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
Retail	6,405	133.50	855,068
Housing P5	149,424	122.63	18,323,865
Apartments	52,248	133.96	6,999,142
Housing P6	<u>17,997</u>	<u>122.63</u>	<u>2,206,972</u>
Totals	226,074 ft²		28,385,047

APPRAISAL SUMMARY**WHITE LAND STRATEGIES LTD****WLSL with s106 and Land****Loss of £3,584,182**

Contingency		3.50%	1,077,583	
				29,462,630
Other Construction Costs				
Infrastructure Costs	180 un	6,613.00 /un	1,190,340	
Open Space			750,000	
Externals Housing		10.00%	2,053,084	
Externals Flats		5.00%	349,957	
Village Hall			1,035,300	
				5,378,681
Section 106 Costs				
Section 106 Costs			1,980,000	
				1,980,000
PROFESSIONAL FEES				
Professional Fees		7.00%	1,986,953	
				1,986,953
MARKETING & LETTING				
Marketing		1.00%	473,518	
Letting Agent Fee		10.00%	10,248	
Letting Legal Fee		5.00%	5,124	
				488,890
DISPOSAL FEES				
Sales Agent Fee		1.00%	477,643	
Sales Legal Fee		0.50%	238,821	
				716,464
Additional Costs				
Dev. Management Fee		1.00%	261,781	
Fixed 19% Profit Residential		19.00%	8,722,007	
Fixed 15% Profit Commercial		15.00%	278,849	
				9,262,637
TOTAL COSTS BEFORE FINANCE				50,734,436
FINANCE				
Debit Rate 6.250%, Credit Rate 0.000% (Nominal)				
Land			138,394	
Construction			397,920	
Other			33,703	
Total Finance Cost				570,017
TOTAL COSTS				51,304,453
PROFIT				(3,584,182)
Performance Measures				
Profit on Cost%		-6.99%		
Profit on GDV%		-7.50%		
Profit on NDV%		-7.52%		
Development Yield% (on Rent)		0.23%		
Equivalent Yield% (Nominal)		6.34%		
Equivalent Yield% (True)		6.60%		
IRR% (without Interest)		Out of Range		
Rent Cover		-30 yrs -1 mths		
Profit Erosion (finance rate 6.250)		N/A		

WLSL no s106 and no Land
Surplus £28,576

Little Stanion
Corby

Development Appraisal
White Land Strategies Ltd
21 September 2022

APPRAISAL SUMMARY**WHITE LAND STRATEGIES LTD**WLSL no s106 and no Land
Surplus £28,576

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Housing P5	99	149,424	199.10	300,505	29,750,000
Apartments	66	52,248	229.44	181,636	11,988,000
Housing P6	<u>15</u>	<u>17,997</u>	231.56	277,820	<u>4,167,300</u>
Totals	180	219,669			45,905,300

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Retail	4	6,405	16.00	25,620	102,480	102,480
Ground Rents	<u>66</u>			250	<u>16,500</u>	<u>16,500</u>
Totals	70	6,405			118,980	118,980

Investment Valuation

Retail					
Current Rent	102,480	YP @	7.0000%	14.2857	1,464,000
Rent Free	(102,480)	YP 3mths @	7.0000%	0.2396	
		PV 5yrs @	7.0000%	0.7130	(17,507)
					1,446,493

Ground Rents					
Current Rent	16,500	YP @	4.0000%	25.0000	412,500

Total Investment Valuation 1,858,993**GROSS DEVELOPMENT VALUE** 47,764,293

Purchaser's Costs				(83,897)	
Effective Purchaser's Costs Rate		4.51%		(83,897)	

NET DEVELOPMENT VALUE 47,680,396

Income from Tenants 39,875

NET REALISATION 47,720,271**OUTLAY****ACQUISITION COSTS**

Town Planning			39,451		39,451
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CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
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Apartments	52,248	133.96	6,999,142
Housing P6	<u>17,997</u>	122.63	<u>2,206,972</u>
Totals	226,074 ft²		28,385,047

Contingency		3.50%	1,077,583	1,077,583
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Other Construction Costs

Infrastructure Costs	180 un	6,613.00 /un	1,190,340
Open Space			750,000
Externals Housing		10.00%	2,053,084

APPRAISAL SUMMARY**WHITE LAND STRATEGIES LTD****WLSL no s106 and no Land
Surplus £28,576**

Externals Flats	5.00%	349,957	
Village Hall		1,035,300	
			5,378,681
PROFESSIONAL FEES			
Professional Fees	7.00%	1,986,953	
			1,986,953
MARKETING & LETTING			
Marketing	1.00%	473,518	
Letting Agent Fee	10.00%	10,248	
Letting Legal Fee	5.00%	5,124	
			488,890
DISPOSAL FEES			
Sales Agent Fee	1.00%	477,643	
Sales Legal Fee	0.50%	238,821	
			716,464
Additional Costs			
Dev. Management Fee	1.00%	261,781	
Fixed 19% Profit Residential	19.00%	8,722,007	
Fixed 15% Profit Commercial	15.00%	278,849	
			9,262,637
TOTAL COSTS BEFORE FINANCE			47,335,706
FINANCE			
Debit Rate 6.250%, Credit Rate 0.000% (Nominal)			
Construction		350,231	
Other		5,758	
Total Finance Cost			355,989
TOTAL COSTS			47,691,695
PROFIT			28,576
Performance Measures			
Profit on Cost%	0.06%		
Profit on GDV%	0.06%		
Profit on NDV%	0.06%		
Development Yield% (on Rent)	0.25%		
Equivalent Yield% (Nominal)	6.34%		
Equivalent Yield% (True)	6.60%		
IRR% (without Interest)	-3.70%		
Rent Cover	3 mths		
Profit Erosion (finance rate 6.250)	0 mths		

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 27-Aug-2022 05:37

► Rebased to Corby (102; sample 14)

Maximum age of results: 5 years

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
810. Housing, mixed developments (5)	1,432	801	1,282	1,396	1,539	3,098	356
810.1 Estate housing							
Generally (5)	1,406	789	1,209	1,360	1,544	2,925	206
Single storey (5)	1,565	987	1,278	1,546	1,735	2,925	42
2-storey (5)	1,361	789	1,193	1,331	1,467	2,537	162
810.11 Estate housing detached (5)	1,227	-	-	-	-	-	1
810.12 Estate housing semi detached							
Generally (5)	1,427	864	1,222	1,378	1,545	2,537	53
Single storey (5)	1,490	1,149	1,210	1,417	1,655	2,518	21
2-storey (5)	1,387	864	1,222	1,346	1,455	2,537	32
810.13 Estate housing terraced							
Generally (5)	1,404	937	1,185	1,311	1,535	2,105	11
2-storey (5)	1,334	937	1,181	1,270	1,446	1,883	10
816. Flats (apartments)							
Generally (5)	1,650	915	1,368	1,544	1,852	3,594	188
1-2 storey (5)	1,623	1,010	1,355	1,525	1,931	2,317	32
3-5 storey (5)	1,636	915	1,357	1,529	1,797	3,594	132
6 storey or above (5)	1,764	1,247	1,495	1,758	1,910	2,555	24

Page 1

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 27-Aug-2022 05:37

› Rebased to Corby (102; sample 14)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
320. Offices							
Generally (15)	2,237	1,107	1,597	2,115	2,626	5,428	68
Air-conditioned							
Generally (15)	2,292	1,313	1,919	2,225	2,618	3,853	21
1-2 storey (15)	2,235	1,313	1,879	2,092	2,325	3,853	8
3-5 storey (15)	2,210	1,503	1,762	2,119	2,618	2,996	9
6 storey or above (20)	2,777	1,916	2,277	2,460	2,811	4,961	9
Not air-conditioned							
Generally (15)	2,195	1,107	1,548	2,081	2,714	3,830	31
1-2 storey (15)	2,271	1,271	1,585	2,115	2,818	3,548	16
3-5 storey (15)	2,092	1,107	1,544	1,779	2,338	3,830	13
6 storey or above (20)	2,632	2,035	-	2,719	-	3,053	4
345. Shops							
Generally (30)	1,777	666	959	1,437	2,293	4,675	20
1-2 storey (30)	1,793	666	958	1,396	2,317	4,675	19
3-5 storey (30)	1,479	-	-	-	-	-	1
346. Service shops (40)	1,836	-	-	-	-	-	1

page 2



Healthy Living

Paths will be created through the open spaces enabling them to be used all year round for recreational walking. A circular surfaced route will be created around the lake, and a grassed route will take walkers up through the developing woodland to a vantage point where views can be gained across the Geddington Plateau landscape towards Boughton Estate. Waymarked routes will be created throughout the village providing local circular walks.

Off-site pedestrian and cycle connections have also been provided into Corby and the surrounding villages, enabling residents to travel sustainably between places without using private cars.

Tree planting in built up areas brings a range of benefits in terms of air quality and regulating temperatures. The woodland areas that have already been established on the edge of the village will be supplemented with tree planting throughout the park areas, to create an attractive recreation setting and maximise these benefits.

Improving Biodiversity

The open space at Little Stanion has been designed to include a range of habitats to achieve a net gain in biodiversity value, as well as connectivity throughout the village. These habitats will also contribute to the objectives of the Northamptonshire Biodiversity Action Plan.

The southern parts of the village have been designed with biodiversity as a key focus. They include a combination of new woodland, meadow grassland and wetland habitat, which will appeal to a range of insect, mammal and bird species. These new habitats will connect via woodland and hedgerows to habitats within the surrounding landscape, including two Local Wildlife Sites.

In addition to this, the wetland system through the Long Meadow to Oakley Water provides an attractive and rich linear habitat of swales and ponds, whilst providing a sustainable means of dealing with storm water drainage.

Engaging Play

The play areas within the main open spaces have been designed in partnership with local play experts Wicksteed Leisure. They will provide an active and engaging play experience that is designed to stimulate imaginative and co-operative play, to aid the development of children. The three equipped play areas are designed to appeal to a range of ages, and will include small earthworks to complement the standard equipment and enrich the play experience. In addition to the three equipped play areas, natural play features will be installed in the Top Meadow area to encourage children and young people to explore their natural environment.



- Legend:**
- Amenity grassland
 - Wildflower meadow
 - Shrub planting
 - Tree
 - Hedgerow
 - Pond
 - Swale
 - Marginal (wetland) plants
 - Asphalt path
 - Compacted aggregate path
 - Development
 - Roads
 - Equipped play area
 - Multi Use Games Area
 - Seating bench

LOCKHART GARRATT

Landscape Masterplan

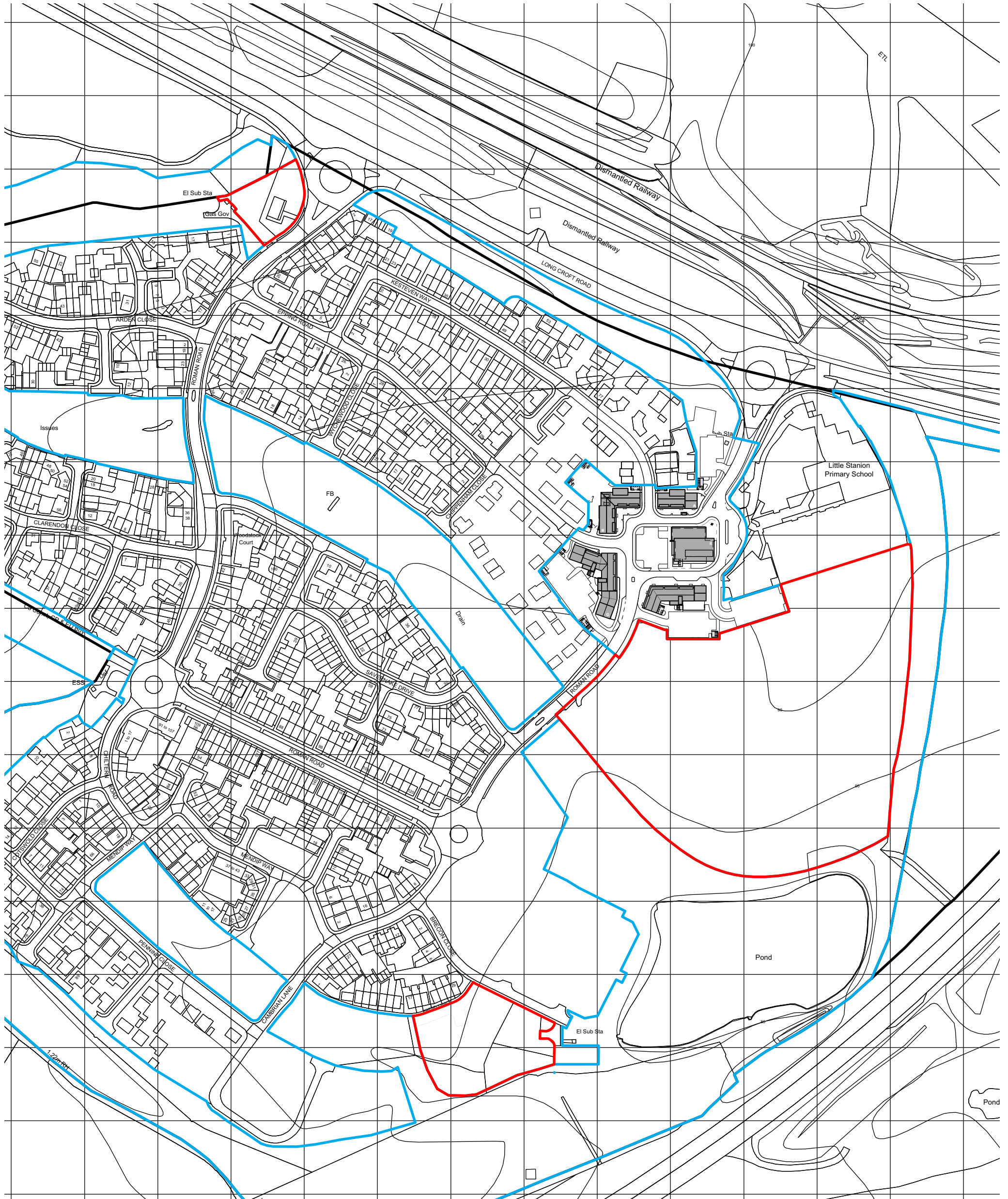
PROJECT NAME: Little Stanion
 CLIENT: JME Civils
 MAP REF: 17-1062
 VERSION: v9
 DATE: 23/04/2018
 APPROVED BY: IJD
 PRODUCED BY: RH

7 - 8 Melbourne House, Corby, Northamptonshire NN17 5JQ
 7 Astley House, Cromwell Business Park, Chipping Norton, Oxfordshire OX7 5SR

www.lockhart-garratt.co.uk

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Site Location Map
Scale 1:2500

Project Plot 5 | Village Centre | Little Stanion | Corby
Client JME

Title **Site Location Map - Outline Application**

Date Oct 2017 Dwg No **1616-P002**
Scale 1:2500 @ A3 Dwg By N McClarty

07785 502 041
info@arc-id.co.uk
www.arc-id.co.uk



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LAND AT LITTLE STANION

Illustrative Construction Projection : Parcel 5 of Outline
Scheme : and Multi-Use Square

FOR : JME DEVELOPMENTS LIMITED

01 August 2023

Gateley LEGAL

1. ILLUSTRATIVE TABLES

- 1.1 On the basis of the information you have kindly provided to us we understand that the build-out of the remaining units to be constructed at Little Stanion for Parcel 5 (NC/21/00031/REM) and the remainder of the Multi-Use Square (Full planning permission 17/00702/DPA as amended) would be expected¹ by JME Developments Limited (**JME**) to be as follows (the figures given being running totals of anticipated residential units constructed/sold) :

- 1.1.1 Table 1 : the Multi-Use Square (also referred to as the 'village centre') :

Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
36	39	41	44	47	50	53	56	59	62	65	66

- 1.1.2 Table 2 : Parcel 5 :

Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	Q1 2028	Q2 2028	Q3 2028
nil	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	99

- 1.2 The total number of residential units in the multi-use square initially authorised by planning permission 17/00702/DPA is 66. That planning permission has been amended a number of times pursuant to sections 73 and 96A of the Town and Country Planning Act² but that remains the total number of authorised apartments, distributed across Blocks A, B, C and D. The further section 73 application made in respect of Block C in June 2023 does not alter this aggregate total figure. Table 1 illustrates a potential rate of construction and sales for the multiuse square/village centre accordingly.
- 1.3 The total number of residential units authorised by reserved matters approval NC/21/00031/REM for parcel 5 is 99. Table 2 illustrates a potential rate of construction and sales for Parcel 5 accordingly.

¹ Subject to the approval of the section 106A application NC/23/00041/RVC106 by 2 August 2023

² Condition 13 was amended by planning permission 20/00301/RVC on 12 November 2020. Condition 14 was amended by planning permission 20/0059/RVC on 23 March 2021. Amendments were made to the village centre southern boundary treatments to facilitate seamless boundary treatment interlinkage with the design of the residential parcel 5 to the south and these were granted planning permission NC/21/00034/RVC on 26 July 2021. Most recently, the Block D retail unit 3 was subdivided to create 2 units to reflect commercial demand and was granted planning permission **NC/22/00078/RVC** on 1 June 2022 which is the current overarching planning permission for multi-use square.

2. THE INTERPRETATION OF THE TABLES

2.1 Table 1 :

2.1.1 Records that 36³ apartments have been constructed and occupied; and

2.1.2 illustrates that for the multi-use square the rate of sales of apartments may be in the order of 12 per year (in accordance in that respect with previous projections provided to NNC by JME's planning advisers) distributed evenly across each calendar year at 5 per quarter.

2.2 Table 2 illustrates a build out rate for the houses on Parcel 5 of approximately 20 units per year distributed evenly across each calendar year at 5 per quarter.

2.3 The figures represent a cumulative running total. No distinction is drawn between construction - and occupation following sale - for the purposes of the illustration.

2.4 The colour coding reflects the current trigger points in the s106A Framework of August 2016 (**the S106 Framework**) – units highlighted in green could be occupied before the relevant 50 % threshold triggering the 'Little Stanion Community Payment' for a "Phase" is reached under the s106A Framework whereas units highlighted in red could not be sold/occupied without the current s106A application being approved given the agreed non-viability of the combined development authorised by NC/22/00078/RVC and 17/00703/OUT.

3. THE RELATIONSHIP WITH THE OUTLINE PLANNING PERMISSION (17/00703/OUT)

3.1 The total number of houses in parcel 6 authorised by reserved matters approval 19/00541/REM is 15 all of which have been constructed and sold. There is no separate table in respect of parcel 6 accordingly.

3.2 Although the outline planning permission 17/00703/OUT (the **OPP**) authorised 'up to 135' residential units and related infrastructure, the process of obtaining reserved matters approval has established that the land developable for housing benefited by the OPP will not accommodate more than **114** units comprising the 15 at parcel 6 and the future 99 at parcel 5.

4. THE ROLE OF THE FIGURES WITHIN THE VIABILITY APPRAISAL

4.1 In their report for NNC of September 2022 "LITTLE STANION,CORBY VIABILITY ASSESSMENT FOR PLANNING S106A APPLICATION" (**NNC's Viability Report**) White Land Consulting Limited (**NNC's Viability Advisers**) stated that The scheme proposed is for 180 units, being 99 houses on Parcel 5, 66 apartments and 15 houses on Parcel 6". That was and is an accurate reflection of the number of residential units for which planning permission and reserved matters approval has been granted.

³ Planning permission 17/00702/DPA was first granted on 21 May 2018 so construction/sale has progressed at circa 7 apartments per year on a simple average basis but allowing for time taken to discharge site-wide planning conditions, mobilisation, initial funding and other preliminaries affecting the delivery rate at that stage, a somewhat higher rate of circa 12 apartments per year has been proposed in more recent projections by JME's planning advisers.

- 4.2 NNC's Viability Report referred back to a previous viability review in the following terms : " The 2019 review assumed 189 units. There is no commentary in the Applicant's review to address the why there is a lower number of units. It is assumed that this is the most efficient layout to maximise the site's potential and that the Council is aware of the masterplan density". It is confirmed that the lower number of units reflects the fact that NNC as a local planning authority has approved 99 units at Parcel 5 through reserved matters approval NC/21/00031/REM. The number of units reflects the planning decision-taking by NNC and its predecessor local planning authority. It maximises the site's potential for *sustainable residential development acceptable in planning terms*.
- 4.3 At paragraph 2.2 NNC's Viability Report states that : " As two of the four blocks (30 units) are already sold, evidence is available on site to determine local values. The 11 sold units in parcel 6 were used as the basis of current values for the remainder of that parcel. Taking the average of sold units is not unreasonable as differences between plots can affect individual unit prices". This confirms that NNC's Viability Report was based on the actual sales data then available which already included sales out-turn data for circa 45 % of the apartments in the multi-use square, and 9.6 % of the houses across parcels 5 and 6.
- 4.4 Each of the 4 Appraisal Summary calculations at the back of NNC's Viability Report correctly records the number of approved residential units as 180 broken down as above namely 66 apartments in the multi use square/village centre, 15 houses in Parcel 6 and 99 houses in Parcel 5.
- 5. THE SECTION 106A APPLICATION**
- 5.1 The timing or rate of construction and sale of the residential units either within the multi use square or within Parcel 5 is not relevant to the determination of the S106A Application.
- 5.2 The non-viability of the development has been established and agreed by NNC's Viability Advisers. That conclusion is not dependent on any particular rate of construction since it proves that even after 100 % of the achievable revenue has been generated by the construction and sale of *all* the apartments in the multi use square and *all* the houses across parcels 5 and 6, the Little Stanion Community Payment cannot be funded accordingly.

North Northamptonshire Council – Decisions taken by the Planning Committee (North) on Wednesday 4 October 2023

Agenda Item No	Topic	Decision
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Part A – Items considered in public

A2	Minutes of the meeting held on 6th September 2023	<p><u>RESOLVED</u> that the minutes of the meeting of the Planning Committee (North) held on 6th September 2023 be approved as a correct record.</p>
A5	NC/23/00041/RVC106	<p>Following debate it was proposed by Councillor Marks and seconded by Councillor Smyth that the application be deferred to:</p> <ul style="list-style-type: none"> i) Enable the Council to further investigate the issue of whether or not the MUGA had indeed been substituted for the obligation to provide a football pitch and the issue relating to land owned by Tata Steel. ii) Resolve outstanding issues relating to changes to approved landscaping and especially trees on the Site iii) Resolve the financing and construction of a community hall to be provided on the Site and for the security of the same to be delivered at the point of letting the contract for the construction of the community hall to be within 6-9 months of the date of the approved further variation to the 106 Agreement; such bond to be valued in relation to the delivery of the specification for the community hall, such specification to be prepared by the Owner and approved by the local planning authority within the above time frame. iv) Enable negotiations between the Owner, Little Stanion Parish Council and the local planning authority to take place with a view to transferring management of the Community Hall, once built, to the Parish Council. <p align="center">(Members voted on the motion to defer the application)</p>

North Northamptonshire Council – Decisions taken by the Planning Committee (North) on Wednesday 4 October 2023

Agenda Item No	Topic	Decision
		<p align="center">(Voting: Unanimous)</p> <p align="center">The application was therefore DEFERRED</p>
A7	NC/23/00330/DPA	<p>Following debate it was proposed by Councillor Best and seconded by Councillor Jelley that planning permission be GRANTED subject to delegated authority being given to the Head of Place and Economy Services to issue the decision application subject to the conditions outlined in the report; and satisfactory consultation with Planning Committee Chair and Vice Chair on highways, ecology and drainage conditions.</p>