Final Report

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Calderdale: Local Plan and CIL Viability Assessment (LPCVA)

October 2015

Calderdale Council

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1. Introduction

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

1.2 The Council is also working towards the adoption of a New Local Plan. This single plan will combine the functions of the previously proposed Core Strategy and Land Allocations and Designation Plan development plan documents.

1.3 In this context the Council requires a Local Plan and CIL viability assessment in order to demonstrate that the policy approaches being proposed (including CIL) are viable.

1.4 Bilfinger GVA was appointed by the Council to provide this specialist support and advice and to undertake an area wide Economic Viability Assessment (EVA). In particular, GVA has sought to advise the Council on the level of CIL that would be viable to charge for new build development across the Borough.

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

1.6 The Council consulted on the 'Preferred Options' of the Core Strategy and has published its feedback responses to comments made[1]. This assessment

[1] Core Strategy Preferred Options Comments and Feedback

provides further technical evidence on the viability of the policy approaches, as set out within the 'Preferred Options' of the Core Strategy.

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

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

Report Structure

1.9 The remainder of this report is structured as follows:

- Section 2 summarised the Regulatory Framework that governs the CIL regime;
- Section 3 provides a summary of the work that has been undertaken to identify the infrastructure requirements necessary to facilitate the growth aspirations of the New Local Plan and to which CIL will contribute;
- Section 4 sets out our proposed approach / methodology;
- Section 6 summarises the development typologies considered within the assessment and the rationale for their inclusion;
- Section 5 sets out the policy specific assumptions applied within this assessment;
- Section 6 sets out the standard appraisal assumptions applied within this assessments;
- Section 7 outlines our conclusions and recommendations;
- Section 8 sets out the appraisal results; and

- Section 9 outlines our conclusions and recommendations.

2. Community Infrastructure Levy in Context

2.1 The Council is considering the feasibility of a Community Infrastructure Levy (CIL) and wishes to put in place appropriate evidence to support the level of charge that could be set having considered the cumulative impact of other policy requirements, as set out within the Preferred Options for its Local Plan Core Strategy[2].

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

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

The Principles and Purpose of CIL

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

[2] The relevant policies considered within this assessment are set out at Section 7.

2.5 CIL came into force on 6th April 2010, under the Community Infrastructure Levy Regulations 2010 (as amended).

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

- New development below the threshold of 100sq.m (1,076sq.ft)[3]
- Self-build homes
- Residential extensions and annexes;
- Social housing;
- Changes of use, conversion or subdivision of a building that does not involve an increase in floorspace;'
- The creation of a mezzanine floor within a building;
- Temporary development permitted for a limited period;
- Buildings into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery;
- Structures which are not buildings, such as pylons and wind turbines;
- Development by charities for charitable purposes;
- If it is for a use or geographic area that has a zero or nil charge as specified within the Charging Schedule; and
- CIL will also not be charged when the calculated amount is £50 or less.

2.7 Where planning permission is granted for a development that involves the redevelopment or demolition of a building in lawful use[4], the level of CIL

[3] This provision will not apply where the chargeable development comprises one or more dwellings
[4] The definition of lawful use is 'a building which has been in use for a continuous period of at least six months within the 3 years prior ending on the day planning permission first permits the chargeable development."

payable will be calculated based on the net increase in floorspace. This means that the existing floorspace contained in the building to be redeveloped or demolished will be deducted from the total floorspace of the new development, when calculating the CIL liability. This means that most developments on previously developed brownfield sites will generally have a lower CIL liability than developments that take place on Greenfield sites.

2.8 The Council will have the ability to claw back any CIL relief where a development no longer qualifies for that relief within a period of seven years from the commencement of the development. For example, should a charity develop a building for charitable purposes and subsequently sell the building to the open market within seven years then the Council will be able to claw back the CIL that would have been charged on the building had it been used for private use.

2.9 The Regulations also allow charging authorities to permit discretionary relief from CIL in certain circumstances (e.g. where a reduced or nil payment may be accepted). The cases for relief are likely to be rare, but could include the following:

- Development by charities for investment activities from which the profits will be applied for charitable purposes;
- Where the Council considers there are exceptional circumstances to justify relief. In these situations the development site must also have a planning obligation (Section 106 Agreement) relating to the planning permission and the combined cost of the Section 106 agreement and CIL charge would have an unacceptable impact on the economic viability of the development. In such cases the developer would be expected to demonstrate this via an 'open book' approach with an independent valuer; and
- Relief can also only be granted if it does not constitute notifiable State aid (as defined in European law).

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

2.11 Section 216 of the Planning Act 2008 (as amended by CIL Regulation 63) provides a wide definition of the types of infrastructure that can be funded by CIL, including roads and other transport facilities, flood defences, schools and other educational facilities, medical facilities, sporting and recreational facilities, and open spaces. DCLG has confirmed that this list is not absolute and that the definition has been left open in order to avoid having to update the Regulations on a regular basis. The only restriction is that the infrastructure has to support new growth and not remedy existing deficiencies. Clause 115 of the Localism Act 2011 also clarifies that CIL can be spent on the on-going costs of providing infrastructure, including maintenance and operational activities, as well as the initial upfront capital costs.

2.12 The Regulations provide for the reform of the current system of developer contributions towards infrastructure, principally through S106 Agreements, so that the two regimes operate alongside each other. As at April 2015, the Council became restricted in its use of S106 planning obligations. A planning obligation (under Section 106 of the Town and Country Planning Act 1990) cannot now be sought for infrastructure intended to be funded by the levy, and no more than five S106 obligations can be pooled by the Council to provide the same item of infrastructure. Any mechanism that attempted to fund significant strategic infrastructure through more than five obligations would have to be through CIL. This effectively eliminates the potential for the Council to use S106 planning tariffs.

2.13 However, the Council will still require a S106 Agreement to provide for affordable housing for example. The Regulations also state that Section 106 will remain, for site acceptability matters such as those which are needed to make the development work in physical terms, such as access, flood

protection and wildlife measures[5]. However, contributions sought by this mechanism must be a) necessary to make development acceptable in planning terms, b) directly related to the development and c) fairly and reasonably related in scale and kind to the development.

2.14 These restrictions also apply to S278 Agreements but the pooling restriction does not apply.

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

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

2.17 It should be recognised that CIL is intended for use alongside other funding streams. The Government proposed that "while CIL will make a significant contribution to infrastructure provision, core public funding will continue to bear the main burden, and the Council will need to utilise CIL alongside other funding streams to deliver infrastructure plans locally."

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

Setting up a CIL

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

- In the absence of an up to date Local Plan CIL can still be introduced provided it is based on up to date, relevant evidence[6]. Indeed there is nothing in the Regulations that requires a local or relevant plan to be in place prior to adopting CIL. However, the National Planning Policy Framework (NPPF) states at para 175 states that where practical charging schedules should be worked up and tested alongside the Local Plan. The key element of this commission is concerned with testing the potential impact of a range of possible CIL charges, alongside other policy requirements, on the viability of development across the Borough. This will reveal the appropriate balance between the desirability of funding infrastructure from CIL and the potential effects of CIL and other policy requirements on the economic viability of development across the area. The overriding factor in setting a CIL charge is the impact of the charge on the economic viability of development.
- An up to date infrastructure needs assessment that establishes the requirements, timing and costs of transport and community infrastructure. We summarise the work undertaken by the Council in establishing its infrastructure needs within Section 4.
- The Regulations require that a Draft Regulation 123[7] List forms part of the available / relevant evidence in the rate setting process and this will need to be included as part of the evidence at the Examination stage.

2.19 The Charging Schedule will not formally be part of the Development / Local Plan, but its treatment will be the same as that for Development Plan

[6] Relevant evidence means evidence which is readily available and which, in the opinion of the Council, has informed the preparation of the Charging Schedule.
[7] The Regulation 123 infrastructure list identifies the projects, or types of infrastructure, which the Council intends to fund or part fund with levy receipts. One of purposes of Regulation 123 is to ensure that authorities cannot seek contributions for infrastructure funding through S106/S278 funding when the levy is already expected to fund that same infrastructure.

Documents.

- The Charging Schedule will require the same level of testing as development plan documents, including a requirement to consult publicly and a Public Examination to hear representations; and
- Clause 212A of the Localism Act advocates that an Examiner must recommend a Draft Charging Schedule for approval if the drafting requirements have been complied with. If the requirements have not been followed but the issues of non-compliance can be remedied the Examiner can also recommend that the schedule be approved subject to further refinement / modifications. In the event such issues are not able to be remedied the Examiner must recommend that the Draft Charging Schedule be rejected.

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

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

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

Setting CIL Rates and the Appropriate Balance

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

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

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

'By providing additional infrastructure to support development of an area, CIL is expected to have a positive economic effect on development across an area in the medium to long term. In deciding the rate(s) of CIL for inclusion in its Charging Schedule, a key consideration for authorities is the balance between securing additional investment for infrastructure to support development and the potential economic effect of imposing CIL upon development across their area. The CIL Regulations place this balance of considerations at the centre of the charge-setting process. In view of the wide variation in local charging circumstances, it is for charging authorities to decide on the appropriate balance for their area and how much potential development they are willing to put at risk through the imposition of CIL. The amount will vary. For example, some charging authorities may place a high premium on funding infrastructure if they see this as important to future economic growth in their area, or if they consider that they have flexibility to identify alternative development sites, or that some sites can be redesigned to make them viable. These charging authorities may be comfortable in putting a higher percentage of potential development at risk, as they expect an overall benefit……..In their background evidence on economic viability to the CIL Examination, charging authorities should explain briefly why they consider

that their proposed CIL rate (or rates) will not put the overall development across their area at serious risk'.

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

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

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

Calculation, Payment and Enforcement

Calculation

2.27 The amount of CIL due will be calculated with reference to the Charging Schedule when a planning permission is granted. The planning permission will determine the number of chargeable units and the Charging Schedule will determine the rate per square metre (CIL is calculated on the net increase in

Gross Internal Area)[8], and the CIL calculated by multiplying these two factors. An inflation index will then be applied. Landowners and developers would be advised of the amount of liability when planning permission is granted.

Payment

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

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

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

reserved matters / phases does not trigger a liability to pay CIL.

- If the scheme has planning permission before the CIL implementation date, but the approval of pre-commencement conditions is made after the CIL implementation date, the development is not liable for CIL.
- If the scheme is refused planning permission before the CIL implementation date, but an approval of planning permission on appeal is made after the CIL implementation date the development will be liable to pay CIL.
- If the scheme has a planning permission before the CIL implementation date, but an approval of a S73 application to vary or remove conditions is made after the CIL implementation date, the approval does trigger a liability to pay CIL because it results in a new planning permission. However, the CIL (Amendment) Regulations 2012 confirm that although a new CIL liability is triggered, the new additional chargeable amount is equal only to the net increase in the chargeable amount arising from the original planning permission.

2.29 Unless the Council set their own flexible payment deadlines via a phased payment instalments policy the charge will need to be paid 60 days after commencement, or, if the contribution is more than £10,000, it will need to be paid in equal instalments up to 240 days after commencement, depending on the amount.

2.30 The Regulations permit that where full and outline permissions, and hybrid permissions combining the two, are phased development, each phase will be treated as a separate chargeable development. The Regulations also permit the charge to be re-calculated if the provision of affordable housing is varied after development has commenced.

Payments in Kind

2.31 The Regulations provide charging authorities with the option to accept a combination of land payments and / or provision of infrastructure, as 'benefit in kind' provided they have elected to do this.[9]

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

Enforcement

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

2.34 To ensure that those paying CIL promptly do not suffer because of late payment by others, charging authorities have powers to add interest and surcharges to CIL[10]. Other planning enforcement and Stop Notice powers may also be used.

[9] Should the Council wish to accept benefit in kind they would need to publish a policy to this effect on their website – particularly to ensure clarity and transparency about what infrastructure the Council may be willing to consider as payment in kind.
[10] Up to 20% of the applicable CIL charge (up to a maximum of £2,500) can be levied as a surcharge

3. Identifying the Infrastructure Funding Deficit

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

3.2 To understand the infrastructure needs of Calderdale an Infrastructure Delivery Plan (IDP) has been collated – looking at existing infrastructure needs and programmes. The IDP will be used not only to assist in the production of the CIL charging schedule but is also a key component of the evidence base being put together as part of the new Local Plan for Calderdale.

3.3 Work upon the IDP is being undertaken in two main stages.

- The first stage, which is now largely complete, considers our current infrastructure (baseline). This baseline position is being gathered through discussions internally and with the numerous infrastructure providers, such as Yorkshire Water, Network Rail, Metro and Council services operating within the district.
- The second stage of the IDP is to identify the infrastructure requirements associated with the growth set out within the Local Plan. This will involve services understanding their future requirements and reporting into the IDP so that effective long term management of infrastructure delivery can be achieved. The sorts of infrastructure to be required include new or extended schools; new or extended health facilities; community facilities including parks, leisure or meeting rooms/halls; new highways or highway improvements. Where a highway improvement is associated with the delivery of a site the use of Section 278 or Section 106 may still be appropriate. It is not possible however to seek both CIL and S278 for the same piece of identified infrastructure.

4. Methodology

4.1 An individual development can be said to be viable if, after taking account of all costs the scheme provides a competitive return (profit) to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered.

4.2 At a Local Plan level, viability is very closely linked to the concept of deliverability. In the case of housing, for example, a Local Plan can be said to be deliverable if sufficient sites are viable to deliver the plans housing requirements over the plan period.

4.3 The primary role of the Local Plan viability assessment is to provide evidence to show that the requirements set out within the NPPF are met – i.e. that the policy requirements for development, set out within the plan, do not threaten the viability of the sites and scale of development upon which the plan relies. Demonstrably failing to consider this issue will place the Local Plan (including CIL) of not being found sound.

4.4 The most important function of an Economic Viability Assessment is to bring together and consider the cumulative impact of policies[11] .This means taking account of the range of local requirements such as design standards, community infrastructure and services, affordable housing, local transport policies, sustainability measures and CIL as well as the cost impact of national policy and regulatory requirements (such as zero carbon standards).

4.5 However, It should be recognised that this assessment will not provide a precise answer as to the viability of every development likely to take place during the plan period. Instead it will simply provide high level assurance that

[11] Para 174 of the NPPF

the policies within the Local Plan are set in a way that will not undermine the viability of the development needed to deliver the plan.

Methodology

4.6 A number of existing models are available to carry out viability tests but most rely on the residual land value methodology to assess viability. The model is also endorsed by the Local Housing Delivery Groups advice note for planning practitioners[12] and the RICS guidance note on Financial Viability in Planning when assessing the viability of local plan policies.

4.7 For the purpose of our assessment we have followed the advice set out within the aforementioned guidance documents and used a residual model to test the viability of CIL and other Local Plan policies.

4.8 The residual appraisal model is a recognised valuation basis/approach and provides an indication of Market Value having regard to a pre-described range of circumstances / costs and values[13]. The model assumes that the land value is the difference between Gross Development Value (GDV) and the Development Costs, once an element of developer profit has been taken into account. This can be expressed through the following calculation.

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

- Gross Development Value includes all sales income generated by the development.

[12] Viability Testing Local Plans June 2012
[13] The assumptions used within our testing are set out within **Section 7.**

- Total Development Costs include construction costs, professional fees, planning, finance / interest charges etc. A full breakdown of the typical development costs is provided in Section8.
- Developer's Profit is expressed by reference to a percentage of the Total Development Costs or Gross Development Value. It can also be expressed by reference to an Internal Rate of Return (IRR)[14].

4.9 In simple terms; only when the development value exceeds the total project costs and required returns (profit) can a scheme be considered viable in economic terms. A scheme will not proceed where development costs exceed revenue (i.e. where there is a negative land value). However, even in circumstances where a very modest land value is generated it is not likely to be construed as viable, as it is unlikely to be sufficient to encourage a landowner to willingly release land for development.

4.10 A competitive return for the land owner is the price at which a reasonable land owner would be willing to sell their land for the development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. This point is recognised within the NPPF, which states that viability should consider 'competitive returns' to a willing landowner as well as a willing developer to enable the development to be deliverable.

4.11 The costs associated with future policy requirements (Including CIL) will be extracted from the residual land value and this is generally accepted between all parties. However, the difficulty within this approach is establishing a realistic land value or 'benchmark' that provides an incentive for the landowner to release their site for development, whilst also taking into account the contributions that the Council may require in terms of CIL, affordable housing and other policy obligations.

[14] Internal rate of return (IRR) is the interest rate at which the net present value of all the cash flows (both positive and negative) from a project or investment equal zero. Internal rate of return is used to evaluate the attractiveness of a project or investment. If the IRR of a new project exceeds a company's required rate of return, that project is desirable. If IRR falls below the required rate of return, the project should be rejected

Benchmark Land Values

4.12 In determining a suitable benchmark we have referred to guidance[15] published by the Local Housing Delivery Group. The guidance states that the benchmark value should represent the value at which a typical willing landowner is likely to release land for development. The report also advocates that when considering an appropriate benchmark consideration should be given to the fact that future plan policy requirements will have an impact on land values and owners expectations.

4.13 In this context the report concludes that using a market value approach to benchmarking carries the risk of building in assumptions of current policy costs rather than helping to inform the potential for future policy. Whilst the report acknowledges that reference to market values will still provide a useful 'sense check' on the benchmark values that being used in the model(s) it does not recommend that these are used as the basis for input into the model.

4.14 The report recommends a benchmark which is based on a premium over current / existing use values. This approach is also endorsed by the Planning Practice Guidance (PPG), and in particular paragraph 015 where it is stated that a competitive return for the land owner is the price at which a reasonable land owner would be willing to sell their land for development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. Those options may include the current use value of the land or its value for a realistic alternative that complies with planning policy.

4.15 Whilst neither the PPG nor the Harman Report[16] recommends or provides guidance on what is considered an appropriate premium the Harman Report advocates that this will need to be sufficient to persuade landowners to sell. The guidance further recognises that in certain circumstances, particularly in

[15] Viability Testing Local Plans – June 2012
[16] Viability Testing Local Plans – Advice for Planning Practitioner

areas where landowners have long term investment horizons and are content with the current land use, the premium will need to be higher than in those areas where landowners are more minded to sell. An example of this is in relation to large Greenfield sites where a prospective seller is potentially making a once in a lifetime decision over whether to sell and asset that may have been in the family or a Trusts ownership for many generations. In this scenario the uplift on current use value will invariably be significantly higher than those in an urban context. In reconciling such issues the guidance stresses the importance of using local sources to provide views on market values as a means of providing a sense check on the approach of the current use value plus premium calculation.

4.16 The guidance also advises against setting benchmarks, which are at the margins of viability. To guard against this it is recommended that an appropriate 'viability cushion' be considered to ensure that sites upon which the Local Plan relies will, on the balance of probability, come forward as required. No recommendation as to what constitutes an appropriate cushion is provided. Instead the guidance advocates that this will be left for the local planning authority to decide in collaboration with their partners and consultees.

Greenfield Benchmarks

4.17 For the purpose of this assessment we have assumed that the majority of the Greenfield sites will be agricultural land or Greenfield in nature such as former gardens, grassed areas etc and applied a benchmark which reflects agricultural use. Values for agricultural land across West Yorkshire fall within a range from circa £16,680per ha (£6,750 per acre) up to £23,475 per ha (£9,500 per acre)[17]. The data is not available at the local authority level but in the absence of any specific data for Calderdale the assessment has incorporated the median value of £20,000 per ha (£8,125 per acre).

[17] UK Land and Farms

4.18 When assessing a suitable premium over and above the current use value the assessment refers to guidance issued by the HCA, which states that premiums for agricultural land should be in the range of 10 to 20 times the current use value.

4.19 In this context and assuming the median value (£8,125 per acre) the benchmark would range between £200,777 and £401,553 per ha (£81,250 and £162,500 per acre). For the purpose of this assessment we have adopted the median figure and applied a viability cushion of 25%. On this basis the benchmark land value used within this assessment is £154,687 (say £155,000 per acre).

Brownfield Benchmarks

4.20 It should be recognised that the majority of Brownfield land will be former / redundant industrial / employment land. In this context the EUV will be based on employment use (B1, B2 and B8). However, this assessment has demonstrated that traditional employment uses are currently unviable (see later). Therefore, Brownfield sites, arguably, do not have an existing use value.

4.21 Instead their value is derived from alternative uses. In this context the assessment has not applied an EUV (plus premium) benchmark to the Brownfield typologies.

5. Development / Site Typologies

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

5.2 Paragraph 009 of the National Planning Policy Guidance (NPPG) advises that viability assessments should be proportionate, but reflect the range of different development likely to come forward in an area and needed to deliver the vision of the plan.

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

5.4 The viability assessment focuses on these types of developments[18] and ensures that they remain broadly viable having taken into consideration the cumulative impact of CIL and the proposed policy requirements set out within the New Local Plan[19].

5.5 Para 006 of the NPPG does not advocate the individual testing of every site or assurance that individual sites are viable. It states that site typologies may be used to determine viability at policy level but an assessment of samples of sites

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

may be helpful to support evidence and more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies.

5.6 Our assumptions with respect to the various development typologies are set out below.

Residential

5.7 When establishing site typologies it is important to base these on the types of sites likely to come forward for development over the plan period. For example, it will be of little value to focus on high density high value urban centre schemes if the majority of housing is proposed to be accommodated on lower density, large scale urban extensions.

5.8 Across any given plan area, development is likely to take place on a range of different types of site. Typologies should focus on the types of sites that make up the majority of unconsented land supply that is likely to come forward for development during the policy period under consideration.

5.9 In this context we have referred to the Councils Strategic Housing Land Availability Assessment (SHLAA) 2014 Review. This document sets out the housing sites under the following categories:

- Sites with planning permission;
- Sites under construction;
- Sites with outline planning permission;
- Schedule of other sites;
- Sites held in abeyance[20]

[19] The policy requirements of the new Local Plan being tested in this assessment are summarised in Section 7
[20] Sites that are considered unlikely to be developed within the timeframe of the Strategic Housing Land Availability Assessment but which are to be re-assessed through the annual review to determine whether they could move forward into the period covered by the Strategic Housing Land Availability Assessment.

- Filtered sites[21]

5.10 When determining the typologies the assessment has focussed on the profile of sites set out within the schedule of 'other sites', as these will provide the new supply of housing land that will be subject to New Local Plan policies, including CIL.

5.11 Our analysis shows that the Borough has 471ha / 1,164 acres (net) of 'other' housing land which has the potential to deliver 17,289 dwellings. From this supply more than two thirds (321ha /793 acres) is Greenfield. Just over one fifth (96ha / 237acres) comprises a mixture of Greenfield and previously developed land (PDL) and the remaining land (54ha / 133acres, which constitutes less than 11.5 % of the overall supply, is Brownfield/PDL.

Greenfield Land Supply

5.12 The majority (88%) of the Greenfield land supply is located within the Boroughs principal settlements of Halifax, Brighouse and Elland. The remaining 12% is provided in the rural / market towns of Todmorden, Sowerby Bridge, Hebden Bridge and Mytholmroyd. The location of the Greenfield land supply is summarised in Table 1.

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

Table 1 –Location of Greenfield Land Supply

Town	Net Land	%
Halifax	157ha (388 acres)	49%
Elland	42ha (104 acres)	13%
Brighouse	85ha (209 acres)	26%
Todmorden	15ha (37 acres)	5%
Sowerby Bridge	13ha (33 acres)	4%
Hebden Bridge	5ha (11 acres)	1.5%
Mytholmroyd	5ha (11 acres)	1.5%
Totals	312ha (794 acres)	100%

- The main supply of Greenfield land, at almost 50% is located within Halifax
- Just over a quarter (26%) is within Brighouse and 13% is located within Elland
- Todmorden and Sowerby Bridge account for around 5% and 4% of the Greenfield land supply respectively.
- Around 1.5% of the Greenfield land is within Hebden Bridge and Mytholmroyd.

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

Table 2 – Profile of Greenfield Land Supply

Size Threshold	No Sites	Net Developable Land	(%) of sites	(%) of land
<1ha (2.47 acres)	92	41.20ha (102 acres)	51%	13%
1.01ha to 2.5ha (2.49 to 6.18 acres)	53	86.71ha (214 acres)	29%	27%
2.51ha to 5ha (6.20 to 12.35 acres)	22	75.13ha (186 acres)	12%	23%
5.1ha to 10ha (12.6 to 24.71 acres)	9	62.40ha (154 acres)	5%	19%

Size Threshold	No Sites	Net Developable Land	(%) of sites	(%) of land
10.1ha to 15ha (24.96 to 37.07 acres)	3	35.27ha (87 acres)	2%	11%
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	0%	0%
>20ha (49.42 acres)	1	20.44ha (51 acres)	1%	6%
Totals	**180**	**321ha (794 acres)**	**100%**	**100%**

- Just over half (51%) of the total number of sites are less than 1ha (2.47 acres). However, these sites only constitute 13% of the total land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for more than a quarter of the Greenfield supply both in terms of the number of sites and amount of available land.
- Sites between 2.51ha (6.20 acres) and 5ha (12.35 acres) account for 12% of the total number of sites but comprise almost a quarter of the available land.
- Cumulatively, sites greater than 5ha (12.35 acres) account for only 8% of the total number of sites but constitute more than a third (36%) of the available Greenfield land.

5.14 Further fined grained analysis has demonstrated a clear variation within each town. This analysis is set out in Tables 3 to 9.

Table 3 – Profile of Greenfield Land Supply in Halifax

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	42	19.5ha (48.3 acres)	47.73%	12.43%
1.01ha to 2.5ha (2.49 to 6.18 acres)	28	46.4ha (114.8 acres)	31.82%	29.56%
2.51ha to 5ha (6.20 to 12.35 acres)	12	39.3ha (97.19 acres)	13.64%	25.03%
5.1ha to 10ha (12.6	5	38.2ha (7.86acres)	5.68%	24.30%

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
to 24.71 acres)				
10.1ha to 15ha (24.96 to 37.07 acres)	1	13.7ha (33.7 acres)	1.14%	8.69%
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**88**	**157ha (388 acres)**	**100%**	**100%**

- Small sites (sub 1ha / 2.47 acres) account for almost half of the total number of sites but only comprise 13.43%of the available land.
- The majority of the land supply (29.56%) is available within the 1.01ha (2.49 acres) to 2.5ha (6.18 acres) size range.
- Sites between 2.51ha (6.20 acres) and 5ha (12.35 acres) account for almost 14% of the total number of sites and just over a quarter of the available land.
- Sites between 5.1ha (12.6acres) and 10ha (24.71 acres) account for almost 6% of the total number of sites but almost a quarter of the available land.
- The remaining land supply (8.69%) is provided within the 10.1ha (24.96 acres) to 15ha (37.07acre) size range. However this is provided within one site, which accounts for just over 1% of the total number of sites.

Table 4 – Profile of Greenfield Land Supply in Elland

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	10	5.47ha (13.52 acres)	50%	13.05%
1.01ha to 2.5ha (2.49 to 6.18 acres)	3	4.23ha (10.45 acres)	15%	10.08%
2.51ha to 5ha (6.20 to 12.35 acres)	4	14.99ha (37.04 acres)	20%	35.78%

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
5.1ha to 10ha (12.6 to 24.71 acres)	3	17.22ha (42.55 acres)	15%	41.09%
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**20**	**42 acres (104 acres)**	**100%**	**100%**

- Small sites account for half of the total number of sites but only constitute around 13% of the available land supply.
- The majority of the land supply (41.09% is provided in the 5.1ha (12.6 acres acres) to 10ha (24.71 acres) size range. This is provided within 3 sites, which equates to 15% of the total number of sites.
- Sites within the 1.01ha to 2.5ha (2.49 to 6.18 acres) size range also comprise 15% of the total number of sites but only account for 10% of the available land.
- The remaining land supply (35.78%) is provided within the 2.51ha to 5ha (6.20 to 12.35 acres) size range. There are four sites within this range, which account for a fifth of the total number of sites.

Table 5 – Profile of Greenfield Land Supply Brighouse

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	11	5.03ha (12.43 acres)	35.48%	5.94%
1.01ha to 2.5ha (2.49 to 6.18 acres)	13	20.50ha (50.66 acres)	41.94%	24.20%
2.51ha to 5ha (6.20 to 12.35 acres)	3	10.13ha (25.03 acres)	9.68%	12%

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
5.1ha to 10ha (12.6 to 24.71 acres)	1	7ha (17.30 acres)	3.23%	8.26%
10.1ha to 15ha (24.96 to 37.07 acres)	2	21.62ha (53.43 acres)	6.45%	25.52%
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	1	20.44ha (50.51 acres)	3.23%	24.13%
Totals	**31**	**85ha (210 acres)**	**100%**	**100%**

- Just over a third of the total number of available sites are less than 1ha (2.47 acres). However, these sites only account for 5.94% of the land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for almost 42% of the total number of sites but account for only a quarter of the available land.
- Sites between 2.51ha to 5ha (6.20 to 12.35 acres) account for almost 10% of the total number of sites and around 12% of the available land.
- There is only 1 site in the 5.1ha to 10ha (12.6 to 24.71 acres) size range which comprises just over 8% of the available land.
- Sites between 10.1ha to 15ha (24.96 to 37.07 acres) account for just over a quarter of the available land but constitute only 6.45% of the total number of sites.
- There is only 1 site greater than 20ha (49.42acres) which accounts for almost a quarter of the available land.

Table 6 – Profile of Greenfield Land Supply in Todmorden

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	6	2.57ha (6.35 acres)	54.55%	16.99%
1.01ha to 2.5ha (2.49 to 6.18 acres)	3	5.22ha (12.89 acres)	27.27%	34.47%
2.51ha to 5ha (6.20 to 12.35 acres)	2	7.35ha (18.16 acres)	18.18%	48.54%
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**11**	**15ha (37.07 acres)**	**100%**	**100%**

- Small sites less than 1ha (2.47 acres) account for just over half (54.55%) of the total number of sites but only comprise around 17% of the overall land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for just over a quarter of the total number of sites and just over a third of the overall land supply.
- Almost half of the overall land supply (48.54%) constitutes sites between 2.51ha (12.6 acres) and 5ha (12.35 acres). However, these sites only account for around 18% of the total number of sites.

Table 7 – Profile of Greenfield Land Supply in Sowerby Bridge

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	14	5.41ha (13.37 acres)	77.78%	40.96%
1.01ha to 2.5ha (2.49 to 6.18 acres)	4	7.79ha (19.25 acres)	22.22%	59.04%
2.51ha to 5ha (6.20 to 12.35 acres)	-	-	-	-
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**18**	**13ha (32.12 acres)**	**100%**	**100%**

- Sites less than 1ha (2.47 acres) account for just over three quarters of the total number of sites but only constitute around 40% of the overall land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for almost a quarter of the total number of sites and around 60% of the available land supply.

Table 8 – Profile of Greenfield Land Supply in

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	8	3.08ha (7.41 acres)	88.89%	68.16%
1.01ha to 2.5ha (2.49 to 6.18 acres)	1	1.44ha (3.56 acres)	11.11%	31.84%
2.51ha to 5ha (6.20	-	-	-	-

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
to 12.35 acres)				
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**9**	**4.5ha (11.12 acres)**	**100%**	**100%**

- Small sites (sub 1ha / 2.47 acres) comprise 88.89% of the total number of sites and constitute around two thirds of the overall land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for around 11% of the total number of sites and around a third of the available land.

Table 9 – Profile of Greenfield Land Supply in Mytholmroyd

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	1	0.10ha (0.25 acres)	33.33%	2.21%
1.01ha to 2.5ha (2.49 to 6.18 acres)	1	1.09ha (2.69 acres)	33,33%	24.10%
2.51ha to 5ha (6.20 to 12.35 acres)	1	3.33ha (8.23 acres)	33.33%	73.69%
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**3**	**4.52ha (11.17 acres)**	**100%**	**100%**

- Small sites (sub 1ha / 2.47 acres) comprise around a third of the total number of sites but only constitute around 2% of the overall land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for a third of the total number of sites and around a quarter of the available land.
- The remaining sites are within the 2.51ha to 5ha (6.20 to 12.35 acres) size range, and they comprise almost three quarters of the available land.

5.15 The assessment has also considered the typical / average plot size within each town (the results of this analysis are set out in Tables 10 and11) and used this as the basis for identifying the range of development typologies that are likely to come forward for development over the plan period.

Table 10 – Site Profile (Main Towns)

Site Thresholds	Halifax			Elland			Brighouse		
	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)
<1ha (2.47 acres)	42	19.54 (47.9 acres)	**0.5ha (1.2 acres)**	10	5.47ha (14.18a acres)	**0.55ha (1.36 acres)**	11	5.03ha (12.4 acres)	**0.46ha (1.14 acres)**
1.01ha to 2.5ha (2.49 to 6.18 acres)	28	46.45ha (114.8 acres)	**1.7ha (4.2 acres)**	3	4.23ha (10.5 acres)	**1.41ha (3.5 acres)**	13	20.50ha (50.7 acres)	**1.58ha (3.90 acres)**
2.51ha to 5ha (6.20 to 12.35 acres)	12	39.33ha (97.2acres)	**3.3ha (8.2 acres)**	4	14.99ha (37 acres)	**3.75ha (9.3 acres)**	3	10.13ha (25 acres)	**3.38ha (8.4 acres)**
5.1ha to 10ha (12.6 to 24.71 acres)	5	38.18ha (94.4 acres)	**7.6ha (18.8 acres)**	3	17.22ha (42.5 acres)	**5.74ha (14.2 acres)**	1	7ha (17.3 acres)	**7ha (17.3 acres)**
10.1ha to 15ha (24.96 to 37.07 acres)	1	13.65ha (33.7 acres)	**13.65ha (33.7 acres)**	-	-	**-**	2	21.62ha (53.4 acres)	**10.81ha (26.71 acres)**
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	**-**	-	-	**-**	-	-	**-**
>20ha (49.42 acres)	-	-	**-**	-	-	**-**	1	20.44ha (50.5 acres)	**20.44ha (50.51 acres)**

Table 11 – Site Profile (Market Towns)

Site Thresholds (ha)	Todmorden			Sowerby Bridge			Hebden Bridge			Mytholmroyd		
	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)
<1ha (2.47 acres)	6	2.57ha 6.4 acres)	**0.43ha (1.06 acres)**	14	5.41ha (13.4 acres)	**0.39ha (1 acre)**	8	3.08ha (7.6 acres)	**0.39ha (0.9 acres)**	1	0.10ha (0.3acres)	**0.10ha (0.3 acres)**
1.01ha to 2.5ha (2.49 to 6.18 acres)	3	5.22ha (12.9 acres)	**1.74ha (4.30 acres)**	4	7.79ha (19.25 acres)	**1.95ha (4.8 acres)**	1	1.44ha (3.6 acres)	**1.44ha (3.6 acres)**	1	1.09ha (2.7 acres)	**1.09ha (2.7 acres)**
2.51ha to 5ha (6.20 to 12.35 acres)	2	7.35ha (18.2 acres)	**3.68ha (9.1 acres)**	-	-	**-**	-	-	**-**	1	3.33ha (8.2 acres)	**3.33ha (8.2 acres)**
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	**-**	-	-	**-**	-	-	**-**	**-**	**-**	**-**
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-	-	**-**	-	-	**-**	**-**	**-**	**-**
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-	-	**-**	-	-	-	-	-	-
>20ha (49.42 acres)	-	-	-	-	-	**-**	-	-	-	-	-	-

Greenfield Development Typologies

5.16 The Greenfield typologies applied within this assessment, based on the aforementioned analysis, are summarised in Table 12.

Table 12 – Greenfield Development Typologies

Typology	Gross Area – Ha (Acres)	Net Area – Ha (Acres)
1	0.44ha (1.09 acres)	0.4ha (1 acre)
2	1.72ha (4.25 acres)	1.55ha (3.83 acres)
3	4.67ha (11.54 acres)	3.50ha (8.65 acres)
4	9.00ha (22.24 acres)	6.75ha (16.68 acres)
5	16.33ha (40.35 acres)	12.25ha (30.27 acres)
6	26.67ha (65.90 acres)	20ha (49.42 acres)

Brownfield / Previously Developed Land (PDL) Supply

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

5.18 As expected the majority (72.20%) of the Brownfield land supply is located within the Boroughs principal settlements of Halifax, Brighouse and Elland. The remaining 27.80% is provided in the rural / market towns of Todmorden, Sowerby Bridge, Hebden Bridge and Mytholmroyd. The location of the Brownfield land supply is summarised in Table 13.

Table 13 –Location of Brownfield Land Supply

Town	Net Land	%
Halifax	46.68ha (115 acres)	31.15%
Elland	18.87ha (46.63 acres)	12.59%
Brighouse	42.67ha (105.44 acres)	28.47%
Todmorden	7.63ha (18.85 acres)	5.09%
Sowerby Bridge	31.39ha (77.57 acres)	20.94%
Hebden Bridge	2.28ha (5.63 acres)	1.52%
Mytholmroyd	0.36ha (0.89 acres)	0.24%
Totals	150ha (370 acres)	100%

- Almost a third of the Brownfield land is located within Halifax.
- Just over a quarter (28.27%) is within Brighouse and almost 13% is located within Elland
- Todmorden accounts for around 5% of the Brownfield land supply
- Sowerby Bridge accounts for just over 20% of the Brownfield supply but most of this 24.72ha (61.08 acres) is provided in one site.
- Less than 2% of the Brownfield land is within Hebden Bridge and Mytholmroyd.

5.19 The profile of the Brownfield land supply, with respect to 'plot size', is summarised in Table 14.

Table 14 – Profile of Brownfield Land Supply

Size Threshold	No Sites	Net Developable Land	(%) of sites	(%) of land
<1ha (2.47 acres)	95	32.71ha (80.82 acres)	71%	22%
1.01ha to 2.5ha (2.49 to 6.18 acres)	25	38.52ha (95.19 acres)	19%	26%
2.51ha to 5ha (6.20 to 12.35 acres)	9	30.80ha (76.1 acres)	7%	21%
5.1ha to 10ha (12.6 to	3	23.14ha (57.18 acres)	2%	15%

Size Threshold	No Sites	Net Developable Land	(%) of sites	(%) of land
24.71 acres)				
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	1	24.72ha (61.08 acres)	1%	16%
Totals	**133**		**100%**	**100%**

- Almost three quarters of the total number of sites are less than 1ha (2.47 acres). However, these sites only constitute 22% of the total land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for more than a quarter of the Brownfield land supply but only account for 19% of the total number of sites.
- Sites between 2.51ha (6.20 acres) and 5ha (12.35 acres) account for 7% of the total number of sites but comprise almost a quarter of the available land.
- Sites between 5.1ha to 10ha (12.6 to 24.71 acres) account for 2% of the total number of sites but comprise around 15% of available land.
- Cumulatively, sites greater than 10ha (24.71 acres) account for only 1% of the total number of sites but constitute around 16% of the available Brownfield land.

5.20 Further fined grained analysis has demonstrated a clear variation in the Brownfield land supply within each town. This analysis is set out in Tables 15 to 21.

Table 15 – Profile of Brownfield Land Supply in Halifax

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	40	13.80ha (34.10 acres)	71.43%	29.56%
1.01ha to 2.5ha (2.49 to 6.18 acres)	12	18.62ha (46.01 acres)	21.43%	39.88%
2.51ha to 5ha (6.20 to 12.35 acres)	4	14.27ha (35.26 acres)	7.14%	30.56%
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**56**	**46.68ha (115.35 acres)**	**100%**	**100%**

- Small sites (sub 1ha / 2.47 acres) account for almost three quarters of the total sites but only comprise 29.56% of the available land.
- The majority of the land supply (39.88%) is available within the 1.01ha (2.49 acres) to 2.5ha (6.18 acres) size range.
- Sites between 2.51ha (6.20 acres) and 5ha (12.35 acres) account for just over 7% of the total number of sites and almost a third of the available land.

Table 16 – Profile of Brownfield Land Supply in Elland

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	9	4.27ha (10.55 acres)	69.23%	22.64%
1.01ha to 2.5ha (2.49 to 6.18 acres)	2	3.23ha (7.98 acres)	15.38%	17.10%
2.51ha to 5ha (6.20 to 12.35 acres)	1	3.87ha (9.56 acres)	7.69%	20.51%
5.1ha to 10ha (12.6 to 24.71 acres)	1	7.50ha (18.53 acres)	7.69%	39.75%
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**13**	**18.87ha (46.63 acres)**	**100%**	**100%**

- Small sites account for two thirds of the total number of sites but only constitute around a quarter of the available land supply.
- The majority of the land supply (39.75%) is provided in the 5.1ha (12.6 acres acres) to 10ha (24.71 acres) size range. This is provided within 1 site, which equates to 7.69% of the total number of sites.
- Sites within the 1.01ha to 2.5ha (2.49 to 6.18 acres) size range comprise just over 15% of the total number of sites and account for around 17% of the available land.
- The remaining land supply (20.51%) is provided within the 2.51ha to 5ha (6.20 to 12.35 acres) size range. There is one site within this range, which accounts 7.69% of the total number of sites.

Table 17– Profile of Brownfield Land Supply Brighouse

Size Threshold	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	10	3.43ha (8.48 acres)	41.67%	8.03%
1.01ha to 2.5ha (2.49 to 6.18 acres)	9	13.63ha (33.7 acres)	37.5%	31.93%
2.51ha to 5ha (6.20 to 12.35 acres)	3	9ha (22.24 acres)	12.5%	23%
5.1ha to 10ha (12.6 to 24.71 acres)	2	3ha (7.41 acres)	8.33%	36.65%
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**24**	**42.67ha (105.4 acres)**	**100%**	**100%**

- The majority (41.67%) of the available sites are less than 1ha (2.47 acres). However, these sites only account for 8.03% of the available land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for just over a third of the total number of sites and almost a third of the available land.
- Sites between 2.51ha to 5ha (6.20 to 12.35 acres) account for around 12% of the total number of sites and almost a quarter of the available land.
- Sites between 5.1ha to 10ha (12.6 to 24.71 acres) accounts for nearly 9% of the total number of sites but constitute more than a third of the available land.

Table 18 – Profile of Brownfield Land Supply in Todmorden

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	14	4.95ha (12.23 acres)	93.33%	64.91%
1.01ha to 2.5ha (2.49 to 6.18 acres)	-	-	-	-
2.51ha to 5ha (6.20 to 12.35 acres)	1	2.68ha (6.62 acres)	6.67%	35.09%
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals	**15**	**7.63ha (18.85 acres)**	**100%**	**100%**

- Small sites less than 1ha (2.47 acres) account for more than 93% of the total number of sites and comprise around two thirds of the overall land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for just over a quarter of the total number of sites and just over a third of the overall land supply.
- Almost a third of the overall land supply constitutes sites between 2.51ha (12.6 acres) and 5ha (12.35 acres). This is provided in one site.

Table 19 – Profile of Brownfield Land Supply in Sowerby Bridge

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	12	3.62ha (8.95 acres)	80%	11.53%
1.01ha to 2.5ha (2.49 to 6.18 acres)	2	3.05ha (7.54 acres)	13.33%	9.72%
2.51ha to 5ha (6.20 to 12.35 acres)	-	-	-	-
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	1	24.72ha (61.09 acres)	6.67%	78.75%
Totals		**31.39ha (77.57 acres)**	**100%**	**100%**

- Sites less than 1ha (2.47 acres) account for 80% of the total number of sites but only constitute around 11.5% of the overall land supply.
- Sites between 1.01ha (2.49 acres) and 2.5ha (6.18 acres) account for approximately 13% the total number of sites and around 10% of the available land supply.
- The majority of land is provided within the size band greater than 20ha (49.42 acres), which accounts for more than three quarters of the available land. However, this is provided in one single site.

Table20 – Profile of Brownfield Land Supply in Hebden Bridge

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	8	2.28ha (5.63 acres)	100%	100%
1.01ha to 2.5ha (2.49 to 6.18 acres)	-	-	-	-
2.51ha to 5ha (6.20 to 12.35 acres)	-	-	-	-
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals		**2.28ha (5.63 acres)**	**100%**	**100%**

- Small sites (sub 1ha / 2.47 acres) comprise 100% of the Brownfield land supply.

Table 21– Profile of Brownfield Land Supply in Mytholmroyd

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
<1ha (2.47 acres)	2	0.36ha (0.89 acres)	100%	100%
1.01ha to 2.5ha (2.49 to 6.18 acres)	-	-	-	-
2.51ha to 5ha (6.20 to 12.35 acres)	-	-	-	-
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-
10.1ha to 15ha	-	-	-	-

Spatial Zone	No Sites	Net Developable Land	Percentage (%) of sites	Percentage (%) of land
(24.96 to 37.07 acres)				
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-
>20ha (49.42 acres)	-	-	-	-
Totals			**100%**	**100%**

- Small sites (sub 1ha / 2.47 acres) comprise 100% of the Brownfield land supply.

5.21 The assessment has also considered the typical / average plot size within each town (the results of this analysis are set out in Tables 22 and 23) and used this as the basis for identifying the range of Brownfield typologies that are likely to come forward for development over the plan period.

Table 22 – Site Profile (Main Towns)

Site Thresholds	Halifax			Elland			Brighouse		
	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)
<1ha (2.47 acres)	40	13.80ha (34.1 acres)	**0.3ha (0.74 acres)**	9	4.27ha (10.6 acres)	**0.47ha (1.2 acres)**	10	3.43ha (8.47 acres)	**0.34ha (0.84 acres)**
1.01ha to 2.5ha (2.49 to 6.18 acres)	12	18.62ha (46 acres)	**1.6ha (4 acres)**	2	3.23ha (8 acres)	**1.61ha (4 acres)**	9	13.63ha (33.68 acres)	**1.51ha (3.73 acres)**
2.51ha to 5ha (6.20 to 12.35 acres)	4	14.27ha (35.3 acres)	**3.6ha (8.8 acres)**	1	3.87ha (9.6 acres)	**3.87ha (9.6 acres)**	3	9.98ha (24.66 acres)	**3.33ha (8.23 acres)**
5.1ha to 10ha (12.6 to 24.71 acres)	-			1	7.50ha (18.5 acres)	**7.50ha (18.5 acres)**	2	15.64ha (38.65 acres)	**7.82ha (19.32 acres)**
10.1ha to 15ha (24.96 to 37.07 acres)	-			-			-		
15.1ha to 20ha (37.31acre to 49.42 acres)	-			-			-		
>20ha (49.42 acres)	-			-			-		

Table 23 – Site Profile (Market Towns)

Site Thresholds (ha)	Todmorden			Sowerby Bridge			Hebden Bridge			Mytholmroyd		
	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average Size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)	No. Sites	Ha (Acres)	Average size (ha / acre)
<1ha (2.47 acres)	14	4.95ha (12.23 acres)	**0.35ha (0.9 acres)**	12	3.62ha (8.9 acres)	**0.30ha (0.7 acres)**	8	2.28ha (5.6 acres)	**0.29ha (0.7 acres)**	2	0.36ha (0.9 acres)	**0.18ha (0.4 acres)**
1.01ha to 2.5ha (2.49 to 6.18 acres)	-	-	-	2	3.05ha (7.5 acres)	**1.53ha (3.8 acres)**	-	-	-	-	-	-
2.51ha to 5ha (6.20 to 12.35 acres)	1	2.68ha (6.6 acres)	**2.68ha (6.62 acres)**	-	-	-	-	-	-	-	-	-
5.1ha to 10ha (12.6 to 24.71 acres)	-	-	-	-	-	-	-	-	-	-	-	-
10.1ha to 15ha (24.96 to 37.07 acres)	-	-	-	-	-	-	-	-	-	-	-	-
15.1ha to 20ha (37.31acre to 49.42 acres)	-	-	-	-	-	-	-	-	-	-	-	-
>20ha (49.42 acres)	-	-	-	1	24.72ha (61.08 acres)	24.72ha (61.08 acres)	-	-	-	-	-	-

Brownfield Development Typologies

5.22 Based on the previous analysis the assessment has identified a range of Brownfield typologies that represent the scale of development opportunities that are likely to come forward for development over the plan period. These are summarised in Table 24.

Table 24– Brownfield Development Typologies[22]

Typology	Net Area – Ha (Acres)
One	0.26ha (0.64 acres)
Two	1.57ha (3.88 acres)
Three	3.36ha (8.30 acres)
Four	7.65ha (18.91 acres)

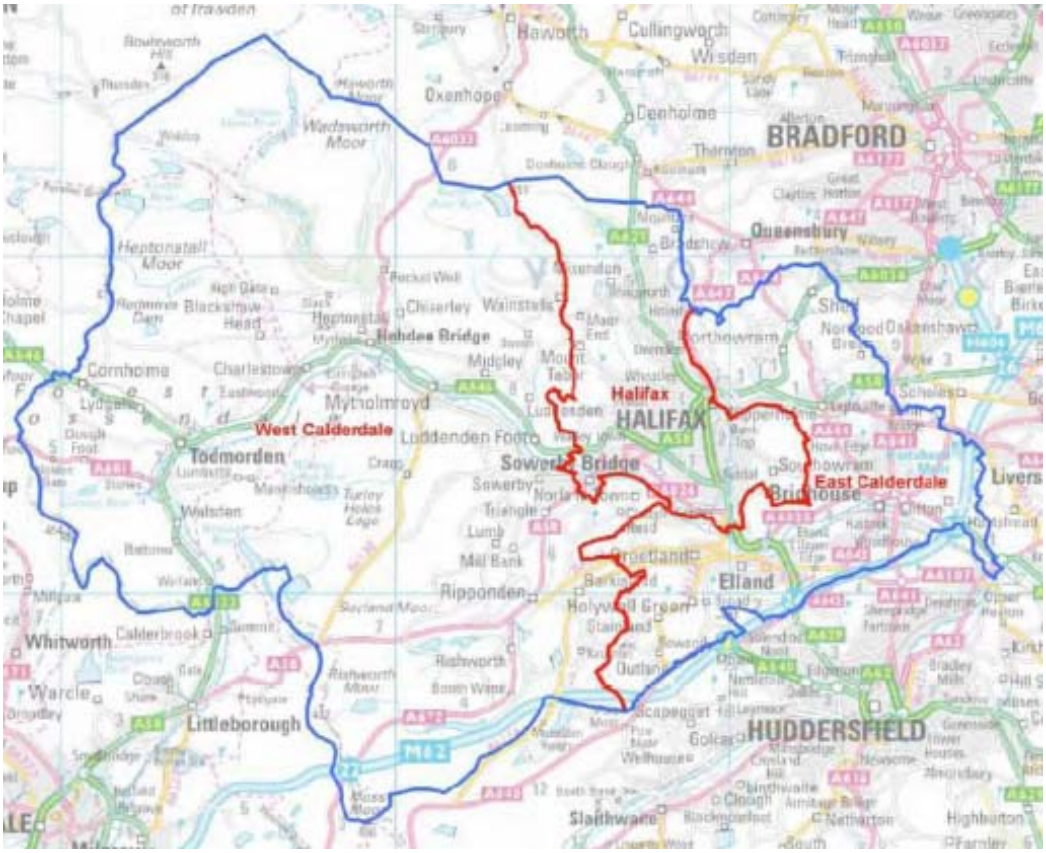
Employment (incorporating B1, B2 and B8 uses)

5.23 The 2012 Employment Land Review update anticipates a gross need for 98,000sq.m (1,054,900sq.ft) of (B1a) office space and 215,000sq.m (2,314,250sq.ft) of (B1b, c B2 and B8) industrial / warehouse space across the Borough over the plan period (up to 2029). These requirements are taken forward into Policy CP2 of the Core Strategy Preferred Options 2012.

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

[22] The SHLAA does identify a Brownfield site within Sowerby Bridge which extends to 24.72ha (61.08 acres). However, this relates to the Copley Bridge Development Opportunity which has planning permission. In this context the

Figure 2– Economic Markets within Calderdale



Source: Calderdale Employment Land Review (ELR) 2008.

East Calderdale

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

development would not be liable for CIL nor would it subject to the new Local Plan policies. In this respect we have ignored this site when determining the Brownfield typologies.

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

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

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

5.28 Brighouse (including Bailiff Bridge, Hipperholme, Hove Edge, Lightcliffe and Rastrick) is expected to accommodate a significant proportion of the Boroughs employment needs. The Core Strategy Preferred Options Summary

Document (Autumn 2012) indicates that 35,000sq.m (376,750sq.ft) of office space and 40,000sq.m (430,570sq.ft) of industrial and warehouse space is required by 2029. Further employment growth is also planned in Elland (including Greetland and Stainland) with 10,000sq.m (107,642sq.ft) of offices and 50,000sq.m (538,213sq.ft) of industrial / warehousing space required by 2029.

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

Halifax

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

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

5.32 The 2008 ELR noted Halifax is oversupplied in terms of office accommodation, stating that much of the existing supply was older stock and unsuited to modern working practises. In terms of industrial premises the 2008 ELR also stated that the existing supply was qualitatively poor. New speculative

development is often not financially viable without public sector support, partially due to poor accessibility.

West Calderdale

5.33 West Calderdale is remotely located from the motorway network and includes the main settlements of Mytholmroyd, Hebden Bridge and Todmorden. In terms of the office market the area is most attractive to local occupier's dues to its remoteness.

5.34 Industrial accommodation in West Calderdale is largely light industrial, manufacturing or small workshops. The area is not generally suitable for large warehousing and distribution due to the long distance from the motorway and lack of large flat sites for such development.

5.35 The 2012 ELR concluded that the market for both offices and industrial accommodation was small compared to the rest of Calderdale but there was a shortage of industrial space, particularly smaller units for light industry and workshops.

5.36 The following amounts of development are proposed within the area by 2029.

- Luddenden Dean, Mytholmroyd and Cragg Value: 10,000sq.m (107,643sq.ft) of industry and warehousing space and 100sq.m (1,076sq.ft) of office / light industry.
- Hebden Bridge: 1000sq.m (10,765sq.ft) of new small scale office development and 500sq.m (5,382sq.ft) of industrial and warehouse accommodation.
- Todmorden (including Walsden): 2,000sq.m (21,529sq.ft) of new office development and 3,000sq.m (32,292sq.ft) of new industrial and warehouse accommodation.

5.37 Within this context a range of 'development typologies', reflecting the scale of opportunities within each market value area, have been appraised within the assessment. These are set out within Table 25

Table 25 – Employment Typologies

Description	Gross Size sq.m (sq.ft)	Market Area		
		East Calderdale	Halifax	West Calderdale
Offices (B1a)	3,855 (41,500)	✓	✓	✗
	1,858 (20,000)	✓	✓	✗
	465 (5,000)	✓	✓	✓
	232 (2,500)	✓	✓	✓
Industrial (B1, b, c and B2)	4,645 (50,000)	✓	✓	✗
	2,322 (25,000)	✓	✓	✗
	1,394 (15,000)	✓	✓	✗
	929 (10,000)	✓	✓	✗
	232 (2,500)	✓	✓	✓
Storage and Distribution (B8)	13,935 (150,000)	✓	✓	✗
	6,968 (75,000)	✓	✓	✗
	2,322 (25,000)	✓	✓	✗
	232 (2,500)	✓	✓	✓

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

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

5.39 The site areas relating to each typology are set out in Table 26.

Table 26– Employment Typologies Site Areas

Description	Gross Size sq.m (sq.ft)	Town / Urban Centre	Other Areas
Offices (B1a)	3,855 (41,500)	0.46ha (1.14 acres)	0.70ha (1.73 acres)
	1,858 (20,000)	0.23ha (0.57 acres)	0.35ha (0.86 acres)
	465 (5,000)	0.08ha (0.20 acres)	0.12ha (0.29 acres)
	232 (2,500)	0.04ha (0.10 acres)	0.06ha (0.14 acres)
Industrial (B1, b, c and B2)	4,645 (50,000)	n/a	1.33ha (3.29 acre)
	2,322 (25,000)	n/a	0.66ha (1.63 acres)
	1,394 (15,000)	n/a	0.40ha (0.96 acres)
	929 (10,000)	n/a	0.27ha (0.68 acres)
	232 (2,500)	n/a	0.07ha (0.17 acres)
Storage and Distribution (B8)	13,935 (150,000)	n/a	3.98ha (9.83 acres)
	6,968 (75,000)	n/a	1.99ha (4.92 acres)
	2,322 (25,000)	n/a	0.66ha (1.63 acres)
	232 (2,500)	n/a	0.07ha (0.17 acres)

Source: Yorkshire and the Humber Translating Jobs into Land' Final Report (2010) and GVA

Retail

5.40 The Calderdale Retail Needs Assessment (RNA) – Population and Expenditure Update (January 2014) sets out the retail requirements / needs, in terms of new floor space, up to 2026. The updated retail needs are set out in Tables 27 and 28

Table 27 – Potential Convenience Requirements (net sq.m)

	2019	2026
Halifax	2,476 – 5,927	3,408 – 8,161
Brighouse	375 – 898	694 – 1,662
Elland	-	
Hebden Bridge	-	
Sowerby Bridge	-	
Todmorden	338 - 809	486 – 1,164

Source: *Retail Needs Assessment – January 2014Update*

Table 28– Potential Comparison Requirements (net sq.m)

	2019	2026
Halifax	-	18,559 – 30,932
Brighouse	468 – 779	1,853 – 3,088
Elland		557 – 928
Hebden Bridge	207 – 345	848 – 1,413
Sowerby Bridge		174 – 290
Todmorden	287 - 478	1,124 – 1,873

Retail Needs Assessment – January 2012 Update

Definite unmet need
Potential unmet need
All need met

5.41 Within this context the assessment has incorporated a range of typologies that could represent the scale / types of development that are likely to come forward over the plan period. These are set out within Table 29.

Table 29 – Retail Typologies

Description	Gross Size sq.m (sq.ft)	Site Area (Ha)
Town Centre (Halifax) comparison retail	7,895 (85,000)	0.56ha
Town Centre (Brighouse) comparison retail[23]	2,000 (21,529)	0.14ha
Town Centre (Elland) comparison	750 (8,074)	0.05ha
Town Centre (Hebden Bridge) comparison	1,100 (11,840)	0.08ha
Town Centre (Sowerby Bridge) comparison	250 (2,691)	0.02ha
Town Centre (Todmorden) comparison	1,500 (16,146)	0.11ha
Convenience Stores[24] - Borough wide[25]	372 (4,000)	0.09
Supermarkets[26] - Borough wide	2,500 (26,900)	0.63
Superstores (36) – Borough wide	4,000 (43,000)	1.00
Hypermarket (36) – Borough Wide	6,000 (64,500)	1.50
Retail Warehouse[27] - Borough Wide	1,500 (16,146)	0.38

[23] The typology is based on a traditional mall style layout.
[24] Typical stores with a net trading area of less than 280sq.m (3,000sq.ft) open for long hours (including Sundays) and selling products from at least 8 different grocery categories (e.g. SPAR, Co-Operative Group and Londis etc.
[25] We accept that that not all of the convenience formats will be applicable across the borough but for the purpose of modelling the costs and values (see later) are homogeneous, therefore, there is no need to breakdown the convenience typologies to reflect the retail needs of the principal settlements.
[26] Supermarkets generally have a sales area of 280 – 2,325sq.m (3,000 – 25,000sq.ft). The PPS4 glossary for supermarkets included stores up to 2,500sq.m (26,910sq.ft) and superstores were stores above 2,500sq.m (26,910sq.ft). Although superseded by the NPPF, which no longer includes definitions, it does still use the 2,500sq.m (26,910sq.ft) size category as the impact test threshold and, therefore, this distinction is implicit. Hypermarkets are over 5,575sq.m (60,000sq.ft). All sell a broad range of mainly grocery items, non-food is also available (e.g. Tesco, Sainsbury's and ASDA).
[27] A large store, typically on a single level and ranging in size between 743sq.m and 1,858sq.m (8,000 and 20,000sq.ft). Specialising in the sale of bulky goods, such as carpets, furniture, electrical goods or bulky DIY items.

A3 and A4 Leisure Uses

5.42 The following typologies have been incorporated into the assessment.

Table 30 – A3/A4 Typologies

Description	Gross Size sq.m (sq.ft)	Site Area (Ha)
Restaurants and Cafes (A3)[28]	140(1,500)	0.20
Drinking Establishments – Pub (A4)	300 (3,230)	0.42

D2 Leisure Uses

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

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

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

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

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

Hotels

5.47 The hotel market is considered to be at a reasonably mature stage after a decade of significant expansion. This period saw a major drive to full service hotel companies becoming 'asset tight/asset right' through the divestment of their property interests to investors but retention of, primarily, management contracts to continue operating their hotels.

5.48 The management contract approach also played a strong role in driving growth in the full service hotel sector by supporting the creation of new hotels by developers. The limited service sector, dominated by Premier Inn and Travelodge, also expanded extensively over the past ten years but these companies focussed more on the leasing model which better suited the requirements of institutional investors.

5.49 A management contract is an agreement between a hotel owner and hotel management company under which, for a fee, the management company operates the hotel. In a management agreement, the chain basically

provides the same services as a franchise agreement, such as brand, reservation system etc., but on top of this, there is an agency agreement, meaning the brand operates the hotel, making all the day-to-day decisions on behalf of the owner. While input from the owner is welcome, interference in the day to day running of the operation is not permitted otherwise it is no longer a management agreement. At the beginning of each financial year, a budget is prepared and presented to the owner. It presents the projected revenue and operating costs, and once the cost structure is established, the manager must stick to the budget. The gross operating profit and net profit of the hotel belong to the owner, less a fee for the operator.

5.50 In a lease agreement the hotel group basically rents a building and runs the entire operation and they simply pay rent every year. Lease agreements are not particularly popular among big operators, because they are quite risky and costly. Ownership and leasing are an "asset heavy" way to develop. It is often the most profitable, but at the same time, the riskiest model. The reason it is not so popular is that hotel companies cannot develop a large number of properties with lease agreements otherwise the balance sheet becomes too heavy and inhibits the ability to maximise gearing. In the last financial crisis, companies that were heavily leveraged with leases and ownership were almost on the edge of bankruptcy, because they had huge losses, and had to keep paying the rent. As an operating company, most groups attempt to have a balanced portfolio with the right amount of lease agreements, the right amount of ownership and the right amount of management agreements.

5.51 In terms of further development there are a number of factors that will drive interest and the viable delivery of hotel investment. Development will depend on whether or not developer / operator criteria can be met, but more importantly the overall strength and growth prospects of the local hotel market. The key performance indicators relate to occupancy and in particular the Average Daily Room Rate (ADR) and Revenue Per Available Room (RevPAR). These are the key performance metrics which underpin

viability and performance in the hotel sector. If these are weak the demand for further development will also be weak.

5.52 We have no information relating to these indicators and, therefore, are unable to quantify if there is any demand / capacity for further hotel development across the Borough. This said we are aware that the Council has recently received interest in the Cow Green Car Park for a new hotel but at the current point in time details are limited and of a confidential nature. In addition Eureka, as part of their masterplan, is also proposing to develop a new 'family hotel'.

5.53 Despite this perceived demand these schemes may not actually be delivered. A key area 'holding' up developments at the current point in time is the lack of bank finance – there are only a handful of schemes being developed in the UK which do not have an element of bank finance (London being the exception). For schemes to progress in Calderdale the flow of development equity is an important factor. This financial 'log jam' is yet to be unlocked in the UK regional market which is reducing the number of delivered hotel schemes. This is likely to continue to be the case over the short term.

5.54 Within this context hotels are currently not considered to be a major driver of growth and have therefore not been modelled within this assessment.

Care Homes

5.55 Whilst our research indicates that Calderdale has an established provision of care homes there is a strong probability that further provision could be developed over the plan period. For this reason the assessment has included care homes within the analysis. This is based on a 65 bed nursing home

providing nursing and dementia care. The building would be over two storeys with 65 single en suite bedrooms[29].

Sui Generis Uses

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

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

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

5.59 Scrap yards – it is considered unlikely that there would be new scrap yard/recycling uses in the future due to the relatively low value compared to existing and alternative use values. A further consideration is that these uses are likely to occupy the same sorts of premises as many industrial uses and,

[29] For the purpose of our assessment we have assumed that each bedroom would be 12sq.m. In addition we have assumed 4.1sq.m of communal space per resident. On this basis the care home facility would extend to 1,047sq.m

therefore, the viability will be covered by our assessment of industrial uses. It is also more likely that these uses will come forward through a change of use and, therefore, would not liable for CIL.

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

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

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

Other Non-Commercial Land Uses

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

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

(11.264sq.ft).

- Emergency services facilities.

5.64 Whilst it is recognised that these forms of development could come forward they have not been tested for the following reasons:

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

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

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

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

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

6. Policy Specific Assumptions

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

Residential Density

6.2 The Core Strategy (Preferred Options 2012) sets out the density requirements in relation to site location and size. In particular policy TPH 3 (Residential Density) requires all new housing developments to be constructed in accordance with the densities shown in Table 31, except where circumstances justify a different density. Such circumstances include:

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

Table 31 – Policy TPH 3 (Residential Density)

	Location	Site Size	0.4ha	0.4 – 2ha	>2ha
	Gross to Net Ratio[30]		100%	90%	75%
1	Town Centre (as defined on proposals map)	Gross Density	60dph	60dph	60dph
		Net Density	60dph	54dph	45dph
2	Near public transport nodes (e.g. Rail Station	Gross Density	50dph	50dph	50dph
		Net Density	50dph	45dph	38dph

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

	Location	Site Size	0.4ha	0.4 – 2ha	>2ha
	Gross to Net Ratio[30]		100%	90%	75%
	750m)				
3	Walking distance of town centres (750m from edge of town centre notation on proposals map)	Gross Density	50dph	50dph	50dph
		Net Density	50dph	45dph	38dph
4	Other urban areas (remaining areas shown on Proposals Map and sites immediately adjacent urban areas	Gross Density	40dph	40dph	40dph
		Net Density	40dph	36dph	30dph
5	Rural areas (within and adjacent smaller settlements in Green Belt and Area around Todmorden – washed over of inset on Proposals Map)	Gross Density	35dph	35dph	35dph
		Net Density	35dph	32dph	26dph

Source: Core Strategy Preferred Options 2012

6.3 The densities shown in Table 31 reflect the principles of achieving higher densities in more sustainable locations such as around the main town centres and close to main public transport routes and bus and rail stations and are intended to be a starting point for proposed schemes. It is acknowledged that because the majority of brownfield sites will be within existing urban areas these will generally be subject to the higher density requirements.

6.4 Within this context the densities set out in Table 32 have been incorporated into the assessment.

Table 32 – Site Densities

Spatial Zone	Net Density		
	<0.4ha	0.4 – 2ha	>2ha
Brownfield[31]	55dph	50dph	42dph
Greenfield[32]	38dph	34dph	28dph

Policy TPH5 - Market Development Mix / Types

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

6.6 The Strategic Housing Market Assessment (SHMA) 2015 sets out the type of housing required under two growth scenarios including:

- Past 10 past growth including UPC; and
- Employment Led REM

6.7 The type of properties likely to be required under both scenarios is shown in Table 33

Table 33 - Private Market Housing Mix

Dwelling Type	10 year Past Growth including UPC	Employment Led (REM)
Studio or small 1 bed apartment	17%	17%
2 bedroom flat or small mews house	29%	28%

[31] The Brownfield densities reflect the median net densities set out within rows 1 and 3 of Table 25
[32] The Greenfield densities reflect the median net densities set out within rows 4 and 5 of Table 25

Dwelling Type	10 year Past Growth including UPC	Employment Led (REM)
2 or 3 bedroom family house, either mews or semi detached	27%	27%
3 or 4 bedroom family semi-detached home or small 4 bedroom detached house	12%	12%
Large 4+ bedroom family detached house	15%	16%
Total	**100%**	**100%**

Source: Strategic Housing Market Assessment (July 2015)

6.8 Within this context we have applied a mix of private sale / market units based on the Employment Led (REM) scenario, as summarised in Table 34.

Table 34 – Market / Private Sector Housing Mix

House Type	Brownfield [33]		Greenfield[34]
	Sites <0.5ha	>1ha	
1 bed flat	40%	17%	
2 bed flat	60%	14%	
2 bed house	-	28%	42%
3 bed house	-	25%	30%
4 + bed house	-	16%	28%
Totals		**100%**	**100%**

Policy TPH6 - Affordable Housing

6.9 Policy TPH6 requires that all new housing developments make the maximum viable contribution towards the provision of affordable housing. However,

[33]Because the majority of brownfield sites will be within existing urban areas these will generally be subject to the higher density requirements. As a consequence it is assumed that small sites would be 100% apartments.

Policy TPH6 recognises that the amount of affordable housing will be influenced by a number of factors including market location, site size threshold, practicality and financial viability and the specific needs of an area, as set out in the Councils Housing Needs Statements.

6.10 Indicative levels of affordable housing, having regard to market conditions at the time of publishing the Core Strategy Preferred Options 2012. The Policy requirements of TPH6 are based on four categories of housing market strength / values. These are categorised as Very Hot, Hot, Medium and Cold. The corresponding thresholds and contributions within each zone are set out in Table 35

Table 35 – Affordable Housing Thresholds and Contributions

Zone	Size Threshold (no dwellings)	Proportion of affordable housing
Very Hot	5	35%
Hot	5	30%
Medium	15	25%
Cold	15	20%

Source: Core Strategy Preferred Options 2012

6.11 The viability of delivering these affordable housing thresholds was tested and demonstrated as being achievable through the previous Economic Viability Assessment (EVA), which was undertaken as part of the Strategic Housing Market Assessment (SHMA) April 2011.

6.12 The rates set out in Table 36, therefore, form a starting point for negotiation but actual viability will be assessed at the time planning applications are submitted[35]. The affordable housing will also be provided on site unless the Council agree that special circumstances justify a contribution in lieu.

[34] For the Greenfield typologies we have assumed that all developments will be housing biased.
[35] Proposing parties (developers/agents/landowners) will be required to undertake an open – book financial appraisal to demonstrate that the maximum reasonable and viable contribution to affordable housing is being provided.

6.13 For the purpose of this assessment the thresholds and proportions of affordable housing outlined in Table 36 have been incorporated into the assessment.

Affordable Tenure

6.14 The Strategic Housing Market Assessment (SHMA) April 2011 recommended that, to support development viability and affordable housing supply, affordable housing sought through policy should target a tenure split of 25% social rented housing and 75% intermediate housing. The 2015 SHMA does not make any recommendations on tenure split but acknowledges the role of intermediate products as an important bridge in the gap between social renting and owner occupation.

6.15 For the purpose of this assessment we have included the tenure split set out in the 2011 SHMA being 25% social rent and 75% intermediate housing. However, it is also recognised that flexibility should be retained in order to facilitate variation to this tenure split where exceptional circumstances are demonstrable on a site by site basis and to take account of the tenure mix within the area in which the site is located.

Affordable Mix

6.16 The SHMA (July 2015) indicates that there is a need for all sizes of property with a particular requirement for smaller units with two bedrooms or less. The affordable need by size is summarised in Table 37.

Table 37 – Affordable Housing Need by Size

	1 bed	2 bed	3 bed	4+ bed	Total
Net annual affordable housing	40%	30%	20%	10%	100%

Source: Strategic Housing Market Assessment (July 2015)

6.17 Based on this need we have applied the mix of affordable housing set out within Table 38 within our assessment.

Table 38 – Affordable Housing Mix

House Type	Brownfield [36]		Greenfield[37]
	Sites <0.5ha	>1ha	
1 bed flat	60%	40%	-
2 bed flat	40%	15%	-
2 bed house	-	15%	70%
3 bed house	-	20%	20%
4 + bed house	-	10%	10%
Totals		**100%**	**100%**

Affordable Housing Revenue

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

Social Rented

6.19 The values for the social rented units are considerably below the open market rental values. The Councils Housing Strategy 2012 to 2017 shows the market rents for various housing forms across the Borough. These are set out in Table 39

Table 39– Average Weekly Market Rents

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

[36]Because the majority of brownfield sites will be within existing urban areas these will generally be subject to the higher density requirements. As a consequence it is assumed that small sites would be 100% apartments.
[37] For the Greenfield typologies we have assumed that all developments will be housing biased.

Source: Calderdale Housing Strategy 2012 - 2017

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

Table 40 – Social Rental Values

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

Source: Calderdale Housing Strategy 2012 - 2017

6.21 Within this context the following rental values have been applied to the social rented units.

Table 41 – Social Rent Values

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

6.22 To determine the capital / transfer values we have deducted a 10% management charge from the annual rental income and then the net rent is capitalised using a yield of 5.25%. On this basis the values for the social rented units are set out in Table 42. These are the values that have been included within our assessment.

Table 42 – Social Transfer Values

House Type	Transfer Price (£)	Say (£)
1 bed / 2 person flat	£59,746	£60,000
2 bed / 4 person flat	£79,704	£80,000
2 bed / 4 person house	£44,611	£45,000
3 bed / 5 person house	£54,872	£55,000
4 bed / 6 person house	£69,987	£70,000

Intermediate Tenures

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

Policy TPH4 - Property / Unit Sizes

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

6.25 However, on the 27th of March 2015 the Government published its "Technical Housing Standards – nationally described space standard" and updated the NPPG to reflect the policy approach set out in the written ministerial statement.

6.26 This standard deals with internal space within new dwellings and is suitable for application across all tenures. It sets out requirements for the Gross Internal (floor) Area of new dwellings at a defined level of occupancy as well as floor areas and dimensions for key parts of the home, notably bedrooms, storage and floor to ceiling height. The standard gross internal areas relevant to the property typologies included within this assessment are shown in Table 43.

Table 43 – Technical Housing Standards Property / Unit Sizes

Property Type	Technical Housing Standards	
	Sq.m	Sq.ft
1 bed / 2 person flat	58	624[38]
2 bed / 4 person flat	79	850
2 bed / 4 person house	79	850
3 bed / 5 person house	93	1,001
4 bed / 6 person house	106	1,141

6.27 These standards have been incorporated within the assessment rather than those prescribed under Policy TPH4.

Policy CP13 - Sustainable Construction

Residential

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

6.29 It should be recognised that Building Regulations currently set the national minimum requirements for all new homes at between Code levels 3 and 4 and these costs will be covered within the Base Construction Costs (see above). However, the Government is moving away from the Code for Sustainable Homes approach towards achieving zero carbon standards. For new homes (and other buildings) the Government is now committed to

driving up energy performance standards through Building Regulations and they have set a clear end point for strengthening Building Regulations, with the zero carbon standard anticipated in 2016.

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

6.31 Within this context we have not included any allowance for Code. However, Para 008 of the NPPG advises that where any relevant future change to regulation or policy (either national or local) is known the likely impact on current costs should be considered. In this respect we have considered the impact of moving to zero carbon standards.

6.32 New analysis produced by Sweett Group (Cost Analysis: Meeting the Zero Carbon Standard – February 2014) for the Zero Carbon Hub sets out the costs (above Part L1A 2013) for achieving the Zero Carbon standards for a range of typical house types, via the assumed lowest cost route to compliance. The costs are summarised in Table 44.

Table 44 – Zero Carbon Costs

Element	Detached House	Semi Detached House	Mid Terraced House	Low Rise Apartment
Carbon Compliance	£4,998	£2,885	£2,401	£947
Allowable Solutions	£2,118	£1,504	£1,508	£1,375
Total	**£7,116**	**£4,389**	**£3,910**	**£2,322**

[38] We have applied a gross to net ratio for the apartments of 85%.

Extra Over Cost	£60psm	£58psm	£51psm	£43psm

Source: Cost Analysis: Meeting the Zero Carbon Standard – February 2014

6.33 For the purpose of our assessment we have tested the sensitivity of Zero Carbon standards by adding the extra over cost per square meter to the base construction costs as summarised in Table 44. For the purpose of housing we have applied the average cost of £56psm (5.20sq.ft).

Commercial

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

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

6.35 Within the context we have tested the impact on viability of achieving BREEAM Excellent or equivalent standards.

6.36 At present, it is considered that the overall approach to achieving zero carbon non-domestic buildings will adopt a 'fabric first' hierarchy of measures. Target Zero[39] have issued guidance on the design and construction of sustainable, low and zero carbon buildings in the UK. This guidance also includes an estimate of the likely cost increases associated with achieving the various BREEAM standards. The typical over costs for achieving BREEAM Excellent are set out in Table 45.

[39] Target Zero is a programme of work, funded by Tata Steel and The British Constructional Association (BCSA). The research has been undertaken by a consortium of leading organisations in the field of

Table4 5 – BREEAM Cost Increases (over base case)

Development Type	Excellent
Offices	0.8%
Industrial Buildings (including Warehousing)	0.4%
Supermarket	1.8%
Mixed / Other Use[40]	1.6%

Source: Target Zero

Policy TPH5 - Lifetime Homes Standards

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

6.38 However, new standards announced on 26th March 2015, and the policy that surrounds them will govern the design and supply of accessible and adoptable homes from now on. Planning authorities will only be able to specify those housing standards provided in the 'New National Technical Standards' which provide specifications for accessible homes in three categories, ranging from a base line, largely aligned with the existing Part M of the Building Regulations to a category designed to meet the needs of wheel chair users as occupants. Anything other than base line standard will only be permitted where a planning authority has demonstrated that they address a clearly evidenced need, and where their impact on viability has been considered, in accordance with the National Planning Policy Framework and Planning Guidance.

6.39 In terms of need the draft version of the Strategic Housing Market Assessment (July 2015) suggests that there is an on-going need to ensure that there is a sufficient supply of adopted homes to accommodate disabled people. The

sustainable construction including AECOM and Cyril Sweet with steel construction expertise provided by Tata Steel RD&T and the Steel Construction Institute (SCI)

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

needs of this group will be covered by the new standards, particularly the category designed to meet the needs of wheel chair users as occupants.

6.40 On this basis the policy is now superseded and it has not been tested within this assessment.

Policy TPRE 1 - Renewable and Low Carbon Energy

Residential

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

6.42 The requirement for 15% of energy to be generated from renewable energy is thought to equate to the carbon reduction target for Code for Sustainable Homes Level 3. If the renewable energy requirement is increased to 20% it is thought to equate to between the requirements for Codes Levels 3 and 4.

6.43 Building Regulations currently set the national minimum requirements for all new homes at between Code levels 3 and 4 therefore the impact of this renewable energy policy is likely to be achieved through current standards as set out in the Building Regulations.

6.44 On this basis we have not tested the impact of Policy TPRE 1 on residential development within this assessment.

Commercial

6.45 Policy TPRE 1 requires that all non-residential developments in excess of 1,000sq.m (10,764sq.ft) source 15% of their energy demand from on site or

decentralised renewable and low carbon sources until the end of 2015 and 20% from 2016 until the end of 2020 (or meet future national standards where these are higher).

6.46 For the purpose of this assessment we have assumed that the requirements under Policy TPRE1 will be the equivalent of complying with BREEAM Outstanding requirements. On this basis the extra over cost would equate to 10.1 of the base construction costs.

Allocating land for housing

6.47 Policy TPH1 states that when determining specific land allocations to deliver the housing requirement .....the Council will give first priority to the re-use of brownfield land. Policy CP4 reinforces the emphasis and sets an interim target of 55%[41] of all new housing to be built on brownfield land.

6.48 As outlined in the previous section the assessment includes a range of Brownfield sites / development typologies, based on the Councils Strategic Housing Land Availability Assessment (SHLAA) 2014 Review, that are thought to reflect the profile of sites likely to come forward over the plan period.

6.49 The remediation and site preparation costs etc. associated with bringing forward brownfield land are considered within the next section.

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

7 Standard Appraisal Assumptions

7.1 Para 008 of the NPPG advises plan makers not to plan to the margins of viability but instead allow for a buffer which will accommodate changing markets and avoid the need for frequent plan updating. It advocates that current costs and values should be considered when assessing the viability of plan policy and expressly states that policies should be deliverable and should not be based on an expectation of future rises in values at least for the first five years of the plan period. This will help to ensure realism and avoid complicating the assessment with uncertain judgements about the future. However, where any relevant future change to regulatory or policy (either national or local) is known it is recommended that any likely impact on current costs should be considered.

7.2 The assumptions used within our modelling are set out below. However, even at this stage, it must also be recognised that whilst our assumptions will generally align with normal or usual figures expected in the majority of developments they may differ, in some cases, from the figures that may be used in actual development schemes.

Construction Costs

7.3 For the purpose of this assessment we have used lower quartile cost date from BCIS, re based to the third quarter 2015 and adjusted to reflect local sensitivities in Calderdale.

7.4 The cost data from BCIS excludes external works. Whilst these works are likely to vary from site to site they would typically include all works associated with the exterior works of a project, ranging from ducts and drainage to general landscaping, parking, paving and perimeter boundaries etc. We have, therefore, included an additional allowance for these elements.

7.5 On this basis the following costs have been applied within our assessment.

Table 46 – Base Construction Costs

Description	BCIS Lower Quartile Rates		External Works (%)	Total Build Costs	
	£psm	£psf		£psm	£psf
Estate Housing[42]	£764	£71	15%	**£879**	**£82**
Apartments	£896	£83	10%	**£986**	**£92**
Offices (B1)	£938	£87	10%	**£1,032**	**£96**
Industrial (B2)	£447	£42	10%	**£492**	**£46**
Storage and Distribution (B8)	£405	£38	10%	**£446**	**£41**
Town Centre Comparison Retail	£934	£87	10%	**£1,027**	**£95**
Convenience Stores	£829	£77	10%	**£912**	**£77**
Supermarkets	£829	£77	10%	**£912**	**£85**
Superstores	£829	£77	10%	**£912**	**£77**
Hypermarkets	£829	£77	10%	**£912**	**£85**
Retail Warehouse	£491	£46	10%	**£540**	**£50**
Restaurants and Cafes (A3)	£1,130	£105	10%	**£1,243**	**£115**
Drinking Establishments (A4)	£1444	£134	10%	**£1,588**	**£148**
Care Homes	£1005	£93	15%	**£1,106**	**£103**

Source: BCIS and Bilfinger GVA

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

- Developer on costs including preliminaries, site set up costs etc.
- Standard development costs – substructures;
- Standard development costs – superstructures;

[42] No distinction has been made between affordable and private sale units

Project / Professional Fees

7.7 Many viability studies incorporate an assessment of fees based upon a percentage of the base construction costs. Figures for fees relating to design, planning and other professional fees can range between 5% and 10%. Typically such costs will include:

- Outline application costs;
- Environmental statements;
- Design and access statements;
- Masterplan and design codes;
- Public consultation costs;
- The discharge of planning conditions and approval of reserved matters;
- Planning application fees;
- Project management costs;
- Building regulation fees; and
- Statutory undertakers' fees including bonding costs.

Residential

7.8 Project fees have been included at a rate of 8% for small developments (i.e. less than 50 dwellings) and 5% for larger sites (i.e. those greater than 50 dwellings). The allowance is applied to the total construction costs (base construction costs and external works).

Commercial

7.9 Commercial fees are included at 8% of the total construction costs.

Remediation / Ground Conditions

7.10 In exercises like this it is very difficult to make allowances for such costs, which are invariably subject to the sites previous use etc. For the purpose of this assessment we have referred to guidance issued by the Homes and Communities Agency (HCA) on dereliction, demolition and remediation costs (March 2015).

7.11 It is assumed that most sites will fall under Category A[43], which comprise small scale and general industrial sites, colliery or mine spoil heaps, miscellaneous factories and works (not heavy industry) and sites with very small to small fuel tanks.

7.12 The assessment makes a second assumption that all of the Brownfield sites will fall within the low water risk category.

7.13 Based on these assumptions the remediation costs are:

- Employment / commercial with limited soft landscaping and flats / apartments – between £50,000 and £130,000 per hectare; and
- Residential with private gardens – between £75,000 and £205,000 per ha.

7.14 For the purpose of this assessment we have applied the median costs and applied a locational factor of 0.86, as per the rates set out within the HCA guidance. On this basis the following costs have been applied within our assessment:

Table 47 – Remediation Costs

Description	Median Cost £per ha	Location factor	Cost £ per ha
Employment/commercial and apartments / flats	£90,000	0.86	£77,400
Residential with gardens	£140,000	0.86	£120,400

7.15 It should be noted that these costs have only been applied to the Brownfield development / site typologies.

[43] Other categories include; Category B, which includes garages, workshops, pithead sites, railway lines, textiles, small scale timber treatment, sewage works, smaller chemical works, sites with small to mid-sized fuel tanks; Category C, which includes metal workings, scrap yards and shipyards, paints and solvents, small gasworks/gas holder sites, smaller power stations, rail depots (maintenance and refuelling) and site with large fuel tanks; and Category D,

Site Preparation

7.16 It is also assumed that a proportion of the Brownfield / previously development land will also require an element of site preparation and demolition to facilitate their redevelopment. Assuming complex sites[44] site preparation is charged at between £15 and £75psm of site area.

7.17 Assuming the median figure of £45psm and after adjusting for location factors the overall cost for site preparation is £39psm or £390,000 per ha.

Contingencies

7.18 Contingencies are an allowance for unexpected development costs. Within the assessment contingencies of 3% are included for Greenfield sites. A higher contingency of 5% has been applied to the Brownfield sites to reflect the increased likelihood of unexpected development costs.

S106 Contributions

7.19 The Council has previously sought contributions for education, open space, sport and recreational facilities via tariff style planning obligations, as set out within the Councils Supplementary Planning Documents (SPD's)[45]

7.20 However, the CIL Regulations provides for the reform of the current system of developer contributions towards infrastructure, principally through S106 Agreements, so that the two regimes can operate alongside one another. As at 1st April 2015, the Council became restricted in its use of S106 planning obligations. A planning obligation (under S106 of the Town and Country

which includes major gasworks, iron and steel works, large chemical works, refineries and major fuel depots, ship breaking and building, larger power stations and sites with large tank farms.

[44] Complex sites are defined as having; mid-rise buildings in dense configurations, not requiring extensive shoring and propping and limited restrictions on working method (head height, site density etc); having obstructions in the ground such as machinery bases and pits that may need removal; containing areas of deep foundations, requiring a large number of site investigations; requiring areas of local cut and fill, hard breakout and heavy vegetation removal; and containing multiple service corridors.

[45] Developer Contributions towards Meeting Open Space, Sport and Recreation Facilities (2008) and Developer Contributions towards Meeting Education Needs (2009).

Planning Act 1990) cannot now be sought for infrastructure intended to be funded by the levy and no more than five S106 obligations can be pooled by the Council to provide the same item of infrastructure. Any mechanism that attempted to fund significant strategic infrastructure through more than five obligations would need to be through CIL. This effectively eliminates the potential for the Council to use S106 planning style tariffs and the Council has now withdrawn the SPD's relating to education and open space, sport and recreational facilities.

7.21 Whilst Section 106 will remain, for site acceptability matters such as those which are needed to make the development work in physical terms, (i.e. access, flood protection and wildlife measures) the contributions must be 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.

7.22 However, it is difficult to deal with direct site acceptability matters in a study of this nature, as the assessment is based on hypothetical schemes. For the purpose of this assessment we have not included any S106 costs but we have taken this into account when analysing the results from the modelling by ensuring a sufficient margin has been deducted from the maximum CIL rates to cover all unforeseen / unknown costs (see later).

Highways and Public Transport Contributions

7.23 The standard approach for the Council is to consider highways and other off site infrastructure on a site by site basis (i.e. if there is a particular need for a contribution in the locality the Council will seek a contribution). Once again it is, therefore, difficult to include costs for highways and public transport contributions as the assessment is based on hypothetical schemes. As per our approach to S106 we have not included any costs but we have taken this into account when analysing the results from the modelling by ensuring a sufficient margin has been deducted from the maximum CIL rates.

Sale and Marketing

Residential

7.24 The assessment includes sales and marketing at 3% of Gross Development Value.

Commercial

7.25 Lettings agent's fees have been included at 15% of the estimated first years rental value (ERV). This assumes joint agency. A further allowance of 5% has been included for letting legal fees. Investment agent's fees are also included at 1% of the schemes net development value.

7.26 Marketing costs are included at 3% of Net Development Value.

Legal Fees

Residential

7.27 Legal fees are included at the rate of £450 per property.

Commercial

7.28 Investment legal fees are included at 0.25% of the schemes Net Development Value.

Finance Charges / Interest Rate

7.29 It is difficult to establish what the appropriate rate of interest would be in the current market. Current margins are substantial despite the current Bank of England base rate being 0.5%.

7.30 It is also widely recognised that the approach to development varies widely and is influenced by the equity invested in the site along with the financial organisation / strength of the developer. For example, a larger plc. developer may access debt finance from a revolving corporate structure whilst a smaller

developer may access debt finance on a site by site basis. The interest rates can therefore differ widely between these approaches.

7.31 For the purpose of this assessment we have included an interest rate of 6%.

Value Added Tax

7.32 VAT is incorporated within the costs stated.

Tax Relief and Grants

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

Holding costs

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

Gross Profit Margin

7.35 A key element of viability is to allow a risk adjusted market return to the developer. Without this there is no commercial justification to a developer investing money into a site.

Residential

7.36 Most residential developers operate on the basis of a gross developer margin (inclusive of overhead recovery). For the purpose of this assessment we have applied a gross margin equal to 18% of the Gross Development Value (GDV).

Commercial

7.37 Most commercial developers operate on the basis of a gross developer margin on cost. For the purpose of this assessment we have applied a 20% gross margin, which is inclusive of overhead recovery. This is applied to the total development costs.

Stamp Duty and Legal Fees on Residual Land Value

Stamp Duty

7.38 The gross residual land value would be subject to stamp duty at the rates which are consistent with current HM Revenue and Customs requirements. These are set out in Table 38.

Table 38- Stamp Duty Thresholds for Non-Residential[46] Land or Property

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

Legal Fees

7.39 An allowance of 1.8% of the gross residual land value has been included within the assessments. .

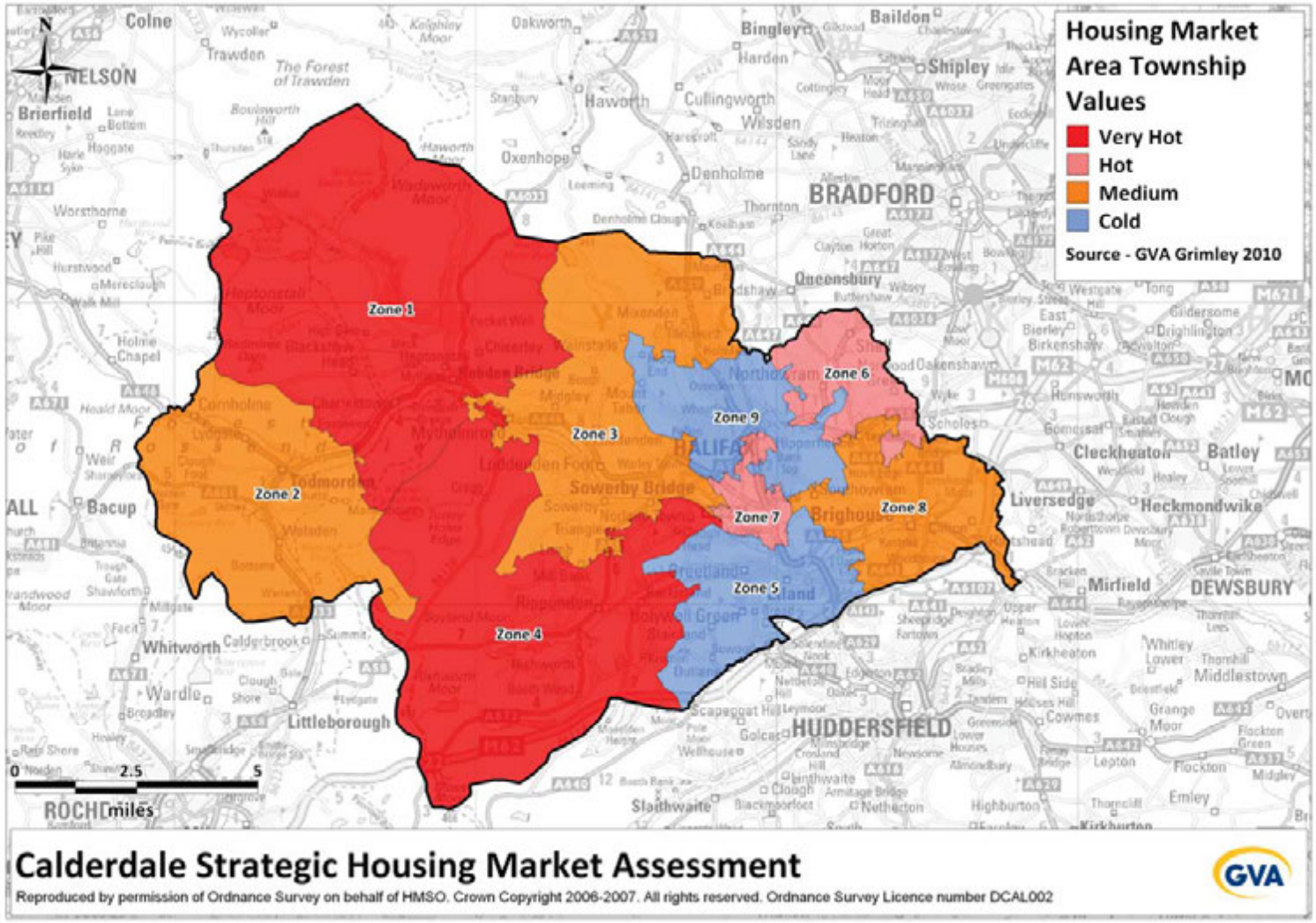
Residential Sales Values

7.40 It is accepted that different sale values will apply in various locations across the Borough. This fact was recognised in the SHMA (2011) which divided the Borough into 4 market zones. These are shown in Figure 1 and are categorised as very hot, hot, medium and cold. These areas have subsequently been taken forward in the SHMA (2014) document.

7.41 This assessment carries forward these defined zones and has calculated the average selling price, as at September 2015, for the various housing typologies. The results of this analysis are set out in Table 49.

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

Figure 1


Housing Market Area Township Values
Very Hot
Hot
Medium
Cold
Source - GVA Grimley 2010
Zone 1
Zone 2
Zone 3
Zone 4
Zone 5
Zone 6
Zone 7
Zone 8
Zone 9
BRADFORD
HALIFAX
HUDDERSFIELD
DEWSBURY
Colne
NELSON
Brierfield
Bingley
Baildon
Shipley
Haworth
Oxenhope
Denholme
Queensbury
Cleckheaton
Batley
Liversedge
Heckmondwike
Mirfield
Whitworth
Littleborough
Todmorden
Sowerby Bridge
Brighouse
Bacup
Wardle
Slaithwaite
0 2.5 5
miles
Calderdale Strategic Housing Market Assessment
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GVA

Table 49 – Average all Property Price (December 2013)

House Type	Size (sq.ft)	Very Hot	Hot	Medium	Cold
1 bed / 2 person flat	530	£110,000	£105,000	£100,000	£90,000
2 bed / 4 person flat	723	£125,000	£115,000	£110,000	£100,000
2 bed / 4 person house	850	£130,000	£125,000	£115,000	£105,000
3 bed / 5 person house	1,001	£185,000	£175,000	£160,000	£150,000
4 bed / 6 person house	1,141	£255,000	£245,000	£235,000	£225,000

Commercial Values

7.42 A summary of the value inputs, for the respective land uses, are set out in Table 50.

Table 50 - Commercial Value Inputs

Sector	Typology	Headline Rent	Yield	Incentives
Office	East Calderdale	£129psm (£12psf)	9%	12 months rent free
Office	West Calderdale	£129psm (£12psf)	9%	12 months' rent free
Office	Halifax	£161 psm (£15psf)	8%	12 months rent free
Industrial, Storage & Distribution	Borough wide	£57psm (£5.25)	7.5%	6 months rent free
Retail	Town Centre (Halifax) comparison retail	£129psm (£12psf)	7%	12 months rent free
	Town Centre (Brighouse) comparison retail	£108psm (£10psf)	8%	12 months rent free
	Town Centre (Elland) comparison retail	£108psm (£10psf)	8%	12 months rent free
	Town Centre (Hebden Bridge) comparison retail	£108psm (£10psf)	8%	12 months rent free
	Town Centre (Sowerby Bridge) comparison retail	£108psm (£10psf)	8%	12 months rent free
	Town centre (Todmorden) comparison retail	£108psm (£10psf)	8%	12 months rent free

Sector	Typology	Headline Rent	Yield	Incentives
	Retail warehouses	£108psm (£10.00psf)	7.50%	24 months rent free
	Borough wide supermarkets/superstores/hypermarkets	£172psm (£16.00psf)	6.50%	12 months rent free
	Borough wide convenience retail	£145psm (£13.50psf)	6.50%	12 months rent free
A3 – A5 uses	Borough wide	£188psm (£17.50psf)	8.00%	12 months rent free
Care Home	Borough wide	£3,500 per bed	7.5%	-

8. Appraisal Results

8.1 Taking into consideration the assumptions set out in Sections 7 and 8 we have calculated the residual land values, using the residual appraisal method as explained at Section 4, for the various site / development typologies[47] across each value area.

8.2 The results of our analysis are included at Appendix I and a summary of the main findings are presented below.

Residential Results

Affordable Housing

8.3 Our analysis demonstrates that the affordable targets set out under Policy TPH6 are achievable but only on Greenfield / unconstrained sites. The targets are not sustainable with respect to Brownfield sites but this assumes that all sites will be contaminated when in reality this will not be the case. However, even when remediation costs are excluded Brownfield sites are still unable to sustain the levels of affordable housing set out under Policy TPH6.

8.4 When remediation costs and affordable housing are excluded from our analysis Brownfield development becomes viable but only within the Very Hot and Hot market value areas (with the exception of small sites – which we assumed would be 100% flatted schemes).

8.5 Our analysis, therefore, suggests that the affordable targets are too high for Brownfield sites. However, as outlined in Section 6 only 11.5% of the future land supply for housing (non-consented) is Brownfield / PDL. In addition Policy TPH6 recognises that the amount of affordable housing will be influenced by a number of factors including market location, site size threshold, practicality

and financial viability and the specific needs of an area as set out in the Councils Housing Needs Statements. In this context the policy is flexible and allows applicants to seek a reduction in the affordable housing contributions subject to local viability considerations.

Viability of CIL

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

8.7 Within our assessment we have modelled the potential for CIL having also considered the cumulative impact of Policy TPH6 (Affordable housing). On this basis we have demonstrated through our assessment that:

- CIL is viable within the cold value zone at a maximum charge of £40psm.
- Within the medium value zone a maximum charge of £95psm is sustainable.
- CIL is viable within the hot value zone at maximum charge of £110psm; and
- A maximum CIL of £230psm is viable within the very hot value zone.

8.8 It should be recognised that the charges are based on Greenfield / unconstrained sites. CIL would further compound the viability challenges associated with Brownfield sites.

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

[47] Described within Section 6

8.10 As outlined within Section 6 our analysis of the SHLAA shows that almost 88% of the future housing capacity (non-consented sites) is Greenfield. On this basis there is a robust and evidence based justification for the rates set out above.

Impact of Zero Carbon

8.11 The costs associated with zero carbon standards make the affordable housing targets, set out under Policy TPH6, unachievable in the cold value areas. However, the targets would still be achievable in the very hot, hot and medium value zones.

8.12 When considering the cumulative impact of policy TPH6 and zero carbon standards CIL is only sustainable at the following rates.

- CIL is not viable within the Cold market zone;
- Within the medium and hot value zones a maximum charge of £25psm is sustainable.
- CIL is viable within the very hot value zone at maximum charge of £150psm.

Commercial Results

Offices and Industrial

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

8.14 As expected the impacts of Policies CP13 and TPRE1 simply compound the viability challenges associated with these uses.

Retail

8.15 Our assessment has demonstrated that town centre comparison retail is not viable. Viability is further compounded through policies CP13 and TPRE1.

8.16 All forms of convenience retail are viable with land values ranging from circa £328,500 per ha (£133,000 per acre) for small conveince retail up to around £2,471,100 per ha (£1,000,000 per acre) for large format convenience stores. These values are based on greenfield / unconstrained sites. However, most developments will take place on Brownfield (constrained) land and will be, more often than not, promoted as enabling development.

8.17 Through our assessment we have established that small convenience retail is not viable on Brownfield sites. However, the larger format convenience stores are viable generating land values of around £2,075,000 per ha (£840,000 per acre).

8.18 Retail warehousing is also viable, demonstrating land values of circa £864,885per ha (£350,000 per acre) for Greenfield (unconstrained sites). The land value falls to £383,000 per ha (£155,000 per acre for Brownfield (constrained sites).

8.19 When considering the cumulative impact of policies CP13 and TPRE1 the land value falls to around £1,618,570 per ha (£655,000 per acre) for large forms of convenience retail. The value for retail warehousing falls to circa £48,186per ha (19,500 per acre) and would not provide sufficient incentive for landowners to release land for development.

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

8.20 The assessment has demonstarted that both forms of development are currentlty unviable. Viability is further compounded through Policies CP13 and TPRE1.

Care Homes

8.21 The assessment demonstrates that care home development is viable and capable of generating land values of approximately £1,606,215 per ha (£650,000 per acre). For Brownfield sites the value falls to circa £1,013,151 per ha (£410,000 per acre).

8.22 When considering the cumulative impact of policies CP13 and TPRE1 the land value falls to around £1,250,000 per ha (£506,000 per acre) for greenfield sites. The value of Brownfield sites falls to £657,470per ha (£266,064per acre).

Viability of CIL

8.23 Within our assessment we have modelled the potential for CIL having also considered the cumulative impact of Policies CP13 and TPRE1. On this basis we have demonsrated that:

- Large forms of convenience retail can sustain a maximum charge of £75psm. This would generate land values of circa £1,235,550 per ha (500,000 per acre).[48]
- Care Homes can sustain a maximum CIL of £90psm[49].

[48] The BIG 4 supermarket chains have all significantly scaled back their store opening plans with many now seeking to dispose of their sites for alternative uses. As a result the short term demand for large format convenience stores is likely to be low which will be translated into land prices. In view of the changing market dynamics in this sector it is not possible to accurately predict what a developer will be willing to pay for land. For this purpose of this assessment we have assumed where there is a need for major convenience retail developers would be willing to pay up to £1,235,550 per ha (£500,000 per acre).

[49] This assumes that the majority of schemes will be brought forward on Greenfield sites

9. Conclusions and Recommendations

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

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

Pursuing sustainable development requires careful attention to viability and costs in plan making and decision taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, design standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.

9.3 Paragraph 174 further states that.....

Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these

standards and policies should not put the implementation of the plan at serious risk, and should facilitate development throughout the economic cycle. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.

Definition of viability

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

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

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

9.5 The Harman Report identifies that the primary role of the Local Plan viability assessment is to provide evidence that the requirements of the NPPF have been met. As such it should consider the cumulative impact of national and local policies upon the economic viability of development.

9.6 The report recognises that Local Plan viability assessment is not conducted to give a precise answer as to the viability of every development likely to take place during the plan period, nor is it there to provide a definitive 'yes or no' to the likelihood of development across the whole plan area or plan period.

Instead it seeks to provide a high level assurance that the policies within the plan have been considered for their cumulative impacts, and that these are not likely to compromise the economic viability of development needed to deliver the plan.

The Community Infrastructure Levy

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

The Viability of CIL

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

9.9 Given that the CIL, once set, is non-negotiable, the onus will be with the Council to demonstrate that they have not set the levy at a level that causes development activity to stall or cease. However, Regulation 14 recognises that the introduction of CIL may put some potential development sites at risk'. In fact it is accepted that the levy may put some schemes at risk but as long as it strikes an appropriate balance overall, and does not put the overall development of the area at risk it will accord with the Regulations.

Residential

9.10 Within our assessment we have modelled the potential for CIL having also considered the cumulative impact of Policy TPH6 (Affordable housing). On this basis we have demonstrated through our assessment that:

- CIL is viable within the cold value zone at a maximum charge of £40psm.
- Within the medium value zone a maximum charge of £95psm is sustainable.
- CIL is viable within the hot value zone at maximum charge of £110psm; and
- A maximum CIL of £230psm is viable within the very hot value zone.

9.11 It should be recognised that the charges are based on Greenfield / unconstrained sites. Brownfield sites are unable to sustain CIL.

9.12 However, Local Plan level viability is very closely linked to the concept of deliverability. In the case of housing, a Local Plan can be said to be deliverable if sufficient sites are viable to deliver the plan's housing requirements over the plan period. As outlined within Section 6 our analysis of the SHLAA shows that only 12% of the future housing capacity (non-consented sites) is Brownfield. As outlined previously Regulation 14 recognises that the introduction of CIL may put some potential development sites at risk'. In fact it is accepted that the levy may put some schemes at risk but as long as it strikes an appropriate balance overall, and does not put the overall development of the area at risk it will accord with the Regulations.

9.13 When considering the cumulative impact of policy TPH6 (affordable housing) and zero carbon standards CIL is only sustainable at the following rates.

- CIL is not viable within the Cold market zone;

- Within the medium and hot value zones a maximum charge of £25psm is sustainable.
- CIL is viable within the very hot value zone at maximum charge of £150psm.

9.14 However, the costs associated with zero carbon standards have declined significantly since 2011 and are expected to continue to fall as we approach 2020. In addition the Government issued a statement in July whereby they backtracked on their plans to tighten energy efficiency standards in 2016. The Government has also shelved the allowable solutions scheme – a mechanism that would have allowed developers to deliver greenhouse gas savings elsewhere if it was not cost effective to do so on site. As a result there is now some uncertainty whether the Government will actually press ahead with the tightening of Building Regulations in 2016 to ensure all schemes comply with zero carbon standards. In this respect we recommend that the CIL rates be based on current costs (i.e. excluding the cumulative impact of zero carbon standards).

Non Domestic - Land Uses

Employment (B1, B2 and B8)

9.15 The assessment demonstrates that speculative development is currently unviable[50] across the Borough and will not be able to sustain a CIL charge. This is a situation mirrored in most of the Country. However, the Council seek to introduce a nominal charge as some local authorities have sought to pursue.

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

Retail (A1)

9.16 The viability evidence has demonstrated that:

- Large forms of convenience retail can sustain a maximum charge of £75psm.

9.17 Other forms of retail are unable to sustain a CIL charge. Again the council could look to introduce a nominal charge for all other forms of retail uses.

Residential Institutions / Care Homes (C2)

9.18 Evidence suggests these uses are able to support a maximum CIL charge of £90psm.

Sui Generis and Other Uses

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

Setting the CIL Rates

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

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

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

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

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

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

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

9.24 However, it is important to recognise that whilst robust assumptions have been used, which generally align with normal or usual figures expected in the majority of developments they may differ, in some case, from the figures that may be used in actual development schemes. To allow for such circumstances it is important to ensure that CIL charges include an element of tolerance and should, therefore, not be set at the maximum rates, which could place development at the margins of viability.

9.25 We would recommend a tolerance of 30% be applied to the maximum rates. On this basis the recommended charging rates are set out within Table x.

Table 52 – Calderdale Proposed CIL Rates (Residential)

Use	Maximum CIL Charge	Tolerance Allowance 30%	Recommended Charge[51]
Very Hot Zone	£230psm	30%	£75psm[52]

[51] Rounded to nearest £5.

Use	Maximum CIL Charge	Tolerance Allowance 30%	Recommended Charge[51]
Hot Zone	£110psm	30%	£75psm
Medium Zone	£95psm	30%	£65
Cold Zone	£40psm	30%	£25psm
Large format convenience retail (>500sq.m)[53]	£75psm	30%	£50psm
Residential Institutions / Care Homes (C2)*	£90psm	30%	£60psm
All other uses	-	-	£5psm or NIL

9.26 In terms of the residential rates it is recommended that these be applicable to housing only with all flatted schemes subject to a zero or nominal charge.

Review

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

9.28 It is recommended that there is an early review of potential charges, following an initial operating period, when there will be evidence as to how the local market, landowners and developers have responded to the charges, which

[52] The rate having made a tolerance allowance at £161psm is considered too high in the context of charges being proposed in neighbouring authorities. It is, therefore, recommended that the rate be aligned with the Hot Market Zone

[53] Generally with a sales area of 280sq.m or more

the adoption of CIL will bring. Monitoring information will need to be published each year in the Annual Monitoring Report. The review will require the Council to go through all the stages of public consultation and Examination again based on the most up to date evidence.

Appendices

Appendix I

Development Appraisal Tables

Residential Tables

Table 1 – Baseline GREENFIELD Values[1] - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£349,663	£292,421	£422,453	£322,314
2	1.72ha (4.25 acres)	£377,169	£315,023	£284,799	£284,799
3	4.67ha (11.54 acres)	£310,610	£215,759	£234,540	£234,540
4	9.00ha (22.24 acres)	£310,610	£215,913	£234,540	£234,540
5	16.33ha (40.35 acres)	£310,610	£215,957	£234,540	£234,540
6	26.67ha (65.90 acres)	£310,610	£215,886	£234,540	£234,540

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

[1] Inclusive of Policies TPH3, TPH5 and TPH6

Table 2 – Impact of CIL at £25psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£329,765	£272,940	£391,841	£291,702
2	1.72ha (4.25 acres)	£357,480	£295,915	£262,081	£203,395
3	4.67ha (11.54 acres)	£294,396	£202,672	£215,831	£167,502
4	9.00ha (22.24 acres)	£294,396	£202,817	£215,831	£167,502
5	16.33ha (40.35 acres)	£294,396	£202,858	£215,831	£167,502
6	26.67ha (65.90 acres)	£294,396	£202,791	£215,831	£167,502

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 3 – Impact of CIL at £50psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£309,867	£253,459	£361,228	£261,089
2	1.72ha (4.25 acres)	£337,791	£276,807	£239,363	£179,163
3	4.67ha (11.54 acres)	£278,181	£189,585	£197,122	£147,546[2]
4	9.00ha (22.24 acres)	£278,181	£189,720	£197,122	£147,546
5	16.33ha (40.35 acres)	£278,181	£189,759	£197,122	£147,546
6	26.67ha (65.90 acres)	£278,181	£189,697	£197,122	£147,546

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

[2] The maximum CIL in the Cold Market Value area is £40psm. This generate a land value of £155,528per acre.

Table 4 - Impact of CIL at £75psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£289,969	£233,979	£330,616	£235,319
2	1.72ha (4.25 acres)	£318,102	£257,699	£216,645	£154,930
3	4.67ha (11.54 acres)	£261,967	£176,498	£178,413	£127,589
4	9.00ha (22.24 acres)	£261,967	£176,624	£178,413	£127,589
5	16.33ha (40.35 acres)	£261,967	£176,660	£178,413	£127,589
6	26.67ha (65.90 acres)	£261,967	£176,602	£178,413	£127,589

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 5– Impact of CIL at £100psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£270,071	£219,004	£300,003	£204,063
2	1.72ha (4.25 acres)	£298,413	£238,591	£193,927	£130,697
3	4.67ha (11.54 acres)	£245,752	£163,411	£159,704[3]	£107,633
4	9.00ha (22.24 acres)	£245,752	£163,528	£159,704	£107,633
5	16.33ha (40.35 acres)	£245,752	£163,561	£159,704	£107,633
6	26.67ha (65.90 acres)	£245,752	£163,507	£159,701	£107,633

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

[3] CIL at £95psm generates a land value of £163,446 per acre

Table 6 – Impact of CIL at £125psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£250,173	£199,114	£269,391	£172,808
2	1.72ha (4.25 acres)	£278,724	£219,483	£171,208	£107,595
3	4.67ha (11.54 acres)	£229,537	£150,324[4]	£140,995	£87,677
4	9.00ha (22.24 acres)	£229,537	£150,431	£140,995	£87,677
5	16.33ha (40.35 acres)	£229,537	£150,462	£140,995	£87,677
6	26.67ha (65.90 acres)	£229,537	£150,413	£140,995	£87,677

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

[4] CIL at £110psm generates a land value of £158,269 per acre

Table 7 – Impact of CIL at £150psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£235,112	£179,225	£243,705	£143,009
2	1.72ha (4.25 acres)	£259,035	£200,375	£148,490	£83,105
3	4.67ha (11.54 acres)	£213,323	£137,237	£122,286	£67,720
4	9.00ha (22.24 acres)	£213,323	£137,335	£122,286	£67,720
5	16.33ha (40.35 acres)	£213,323	£137,363	£122,286	£67,720
6	26.67ha (65.90 acres)	£213,323	£137,318	£122,286	£67,720

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 8 – Impact of CIL at £175psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£214,796	£159,335	£212,539	£111,432
2	1.72ha (4.25 acres)	£239,346	£181,267	£125,772	£59,846
3	4.67ha (11.54 acres)	£197,108	£124,150	£103,577	£48,271
4	9.00ha (22.24 acres)	£197,108	£124,239	£103,577	£47,764
5	16.33ha (40.35 acres)	£197,108	£124,264	£103,577	£47,764
6	26.67ha (65.90 acres)	£197,108	£124,223	£103,577	£47,764

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 9 – Impact of CIL at £200psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot[5]	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£194,480	£139,445	£181,284	£79,854
2	1.72ha (4.25 acres)	£219,657	£162,160	£104,148	£35,200
3	4.67ha (11.54 acres)	£180,894	£111,063	£84,869	£28,103
4	9.00ha (22.24 acres)	£180,894	£111,142	£84,868	£28,103
5	16.33ha (40.35 acres)	£180,894	£111,165	£84,868	£27,808
6	26.67ha (65.90 acres)	£180,894	£111,120	£84,868	£27,808

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

[5] The maximum CIL rate that can be sustained is £230psm

Table 10 – Impact of ZERO CARBON and ZERO CIL on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£275,386	£224,657	£346,338	£246,199
2	1.72ha (4.25 acres)	£305,659	£250,352	£212,783	£155,359
3	4.67ha (11.54 acres)	£251,719	£171,466	£175,233	£127,943
4	9.00ha (22.24 acres)	£251,719	£171,589	£175,233	£127,943
5	16.33ha (40.35 acres)	£251,719	£171,624	£175,233	£127,943
6	26.67ha (65.90 acres)	£251,719	£171,567	£175,233	£127,943

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 11 – Impact of ZERO CARBON and CIL at £25psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£255,488	£209,487	£315,726	£220,116
2	1.72ha (4.25 acres)	£285,970	£231,244	£190,065	£131,126
3	4.67ha (11.54 acres)	£235,504	£158,379	£156,524	£107,987
4	9.00ha (22.24 acres)	£235,504	£158,492	£156,524	£107,987
5	16.33ha (40.35 acres)	£235,504	£158,525	£156,524	£107,987
6	26.67ha (65.90 acres)	£235,504	£158,472	£156,524	£107,987

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 12 – Impact of ZERO CARBON and CIL at £50psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£240,539	£189,597	£285,114	£188,861
2	1.72ha (4.25 acres)	£266,281	£212,136	£167,347	£108,029
3	4.67ha (11.54 acres)	£219,290	£145,292	£137,815	£88,030
4	9.00ha (22.24 acres)	£219,290	£145,396	£137,815	£88,030
5	16.33ha (40.35 acres)	£219,290	£145,426	£137,815	£88,030
6	26.67ha (65.90 acres)	£219,290	£145,378	£137,815	£88,030

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 13 – Impact of ZERO CARBON and CIL at £75psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£220,223	£169,707	£254,501	£157,605
2	1.72ha (4.25 acres)	£246,592	£193,029	£144,629	£83,539
3	4.67ha (11.54 acres)	£203,075	£132,205	£119,106	£68,074
4	9.00ha (22.24 acres)	£203,075	£132,300	£119,106	£68,074
5	16.33ha (40.35 acres)	£203,075	£132,327	£119,106	£68,074
6	26.67ha (65.90 acres)	£203,075	£132,283	£119,106	£68,074

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 14 – Impact of ZERO CARBON and CIL at £100psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£199,907	£149,817	£228,592	£127,649
2	1.72ha (4.25 acres)	£226,903	£173,921	£123,205	£60,289
3	4.67ha (11.54 acres)	£186,861	£119,118	£100,397	£48,628
4	9.00ha (22.24 acres)	£186,861	£119,203	£100,397	£48,118
5	16.33ha (40.35 acres)	£186,861	£119,228	£100,397	£48,118
6	26.67ha (65.90 acres)	£186,861	£119,188	£100,397	£48,118

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 15 – Impact of ZERO CARBON and CIL at £125psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£179,591	£131,264	£197,337	£96,072
2	1.72ha (4.25 acres)	£207,214	£154,813	£100,245	£35,648
3	4.67ha (11.54 acres)	£170,646	£106,031	£81,688	£28,460
4	9.00ha (22.24 acres)	£170,646	£106,107	£81,688	£28,460
5	16.33ha (40.35 acres)	£170,646	£106,129	£81,688	£28,161
6	26.67ha (65.90 acres)	£170,646	£106,094	£81,688	£28,161

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 16 – Impact of ZERO CARBON and CIL at £150psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£159,275	£111,170	£166,081	£64,495
2	1.72ha (4.25 acres)	£187,524	£135,705	£77,286	£10,386
3	4.67ha (11.54 acres)	£154,432	£92,944	£62,979	£8,553
4	9.00ha (22.24 acres)	£154,432	£93,011	£62,979	£8,553
5	16.33ha (40.35 acres)	£154,432	£93,011	£62,979	£8,292
6	26.67ha (65.90 acres)	£154,432	£92,999	£62,979	£8,292

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 17 – Impact of ZERO CARBON and CIL at £175psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£140,388	£91,075	£136,213	£32,918
2	1.72ha (4.25 acres)	£167,835	£116,597	£55,468	-£1
3	4.67ha (11.54 acres)	£138,217	£79,857	£44,740	-£1
4	9.00ha (22.24 acres)	£138,217	£79,914	£44,740	-£1
5	16.33ha (40.35 acres)	£138,217	£79,931	£44,270	-£1
6	26.67ha (65.90 acres)	£138,217	£79,904	£44,270	-£1

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 18 – Impact of ZERO CARBON and CIL at £200psm on Baseline GREENFIELD Values - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
1	0.44ha (1.09 acres)	£119,863	£70,981	£104,636	£1,341
2	1.72ha (4.25 acres)	£148,146	£98,524	£32,356	-£1
3	4.67ha (11.54 acres)	£122,003	£66,770	£26,375	-£1
4	9.00ha (22.24 acres)	£122,003	£66,818	£25,832	-£1
5	16.33ha (40.35 acres)	£122,003	£66,832	£25,561	-£1
6	26.67ha (65.90 acres)	£122,003	£66,810	£25,561	-£1

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 19 – Baseline BROWNFIELD Values[1] - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
One	0.26ha (0.64 acres)	-£1	-£1	-£1	-£1
Two	1.57ha (3.88 acres)	£48,435	£10,272	-£1	-£1
Three	3.36ha (8.30 acres)	-£1	-£1	-£1	-£1
Four	7.65ha (18.91 acres)	-£1	-£1	-£1	-£1

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

[1] Inclusive of Policies TPH3, TPH5 and TPH6

Table 20 – Baseline BROWNFIELD Values - NO REMEDIATION - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
One	0.26ha (0.64 acres)	-£1	-£1	-£1	-£1
Two	1.57ha (3.88 acres)	£84,200	£47,702	-£1	-£1
Three	3.36ha (8.30 acres)	£11,247	-£1	-£1	-£1
Four	7.65ha (18.91 acres)	£12,827	-£1	-£1	-£1

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 21 – Baseline BROWNFIELD Values - NO REMEDIATION AND NO AFFORDABLE - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
One	0.26ha (0.64 acres)	-£1	-£1	-£1	-£1
Two	1.57ha (3.88 acres)	£283,237	£206,445	£111,501	£11,720
Three	3.36ha (8.30 acres)	£171,551	£108,310	£29,467	-£1
Four	7.65ha (18.91 acres)	£177,333	£114,093	£34,940	-£1

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Table 22 – Baseline BROWNFIELD Values - NO REMEDIATION AND NO AFFORDABLE BUT INCLUDING ZERO CARBON - £ per acre

Scenario	Net Site Area – ha (acres)	Very Hot	Hot	Medium	Cold
One	0.26ha (0.64 acres)	-£1	-£1	-£1	-£1
Two	1.57ha (3.88 acres)	£219,942	£143,150	£48,533	-£1
Three	3.36ha (8.30 acres)	£119,426	£56,782	-£1	-£1
Four	7.65ha (18.91 acres)	£125,208	£61,967	-£1	-£1

Greater than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Close to the current use value (CUV) plus premium benchmark (£155,000 per acre)

Not viable or lower than the current use value (CUV) plus premium benchmark (£155,000 per acre)

Commercial Tables

Table 1 – Baseline GREENFIELD (UNCONSTRAINED SITES) Values - £ per acre

Description	Gross Size sq.m (sq.ft)	Halifax	East Calderdale	West Calderdale
Offices (B1)	3,855 (41,500)	-£1	-£1	-
	1,858 (20,000)	-£1	-£1	-
	465 (5,000)	-£1	-£1	-£1
	232 (2,500)	-£1	-£1	-£1
Industrial (B2)	4,645 (50,000)	-£1	-£1	-
	2,322 (25,000)	-£1	-£1	-
	1,394 (15,005)	-£1	-£1	-
	929 (10,000)	-£1	-£1	-
	232 (2,500)	-£1	-£1	-£1
Storage and Distribution (B8)	13,935 (150,000)	-£1	-£1	
	6,968 (75,000)	-£1	-£1	-
	2,322 (25,000)	-£1	-£1	-
	232 (2,500)	-£1	-£1	-£1
Town Centre Comparison Retail - Halifax	7,895 (85,000)	n/a	n/a	n/a
Town Centre Comparison Retail - Brighouse	2,000 (21,529)	n/a	n/a	n/a
Town Centre Comparison Retail -	750 (8,074)	n/a	n/a	n/a

Description	Gross Size sq.m (sq.ft)	Halifax	East Calderdale	West Calderdale
Elland				
Town Centre Comparison Retail – Hebden Bridge	1,100 (11,840)	n/a	n/a	n/a
Town Centre Comparison Retail – Sowerby Bridge	250 (2,691)	n/a	n/a	n/a
Town Centre Comparison Retail - Todmorden	1,500 (16,146)	n/a	n/a	n/a
Convenience Store	372 (4,000)	£133,304	£133,304	£133,304
Supermarkets	2,500 (26,900)	£1,093,744	£1,093,744	£1,093,744
Superstore	4,000 (43,000)	£1,102,494	£1,102,494	£1,102,494
Hypermarkets	6,000 (65,000)	£1,064,284	£1,064,284	£1,064,284
Retail Warehouse	1,500 (16,146)	£356,272	£356,272	£356,272
Restaurants and Cafes (A3)	140 (1,500)	-£1	-£1	-£1
Drinking Establishments (A4)	300 (3,230)	-£1	-£1	-£1
Care Home (65 beds)	65 beds	£651,542	£651,542	£651,542

Table 2 – Baseline GREENFIELD (UNCONSTRAINED SITES) Impact of POLICIES CP13 and TPRE1 on Values - £ per acre

Description	Gross Size sq.m (sq.ft)	Halifax	East Calderdale	West Calderdale
Care Home (65 beds)	65 beds	£506,878	£506,878	£506,878

Table 3 – Baseline GREENFIELD (UNCONSTRAINED SITES) Impact of POLICIES CP13 and TPRE1 and CIL 90psm on Values - £ per acre

Description	Gross Size sq.m (sq.ft)	Halifax	East Calderdale	West Calderdale
Care Home (65 beds)	65 beds	£400,824	£400,824	£400,824

Table 4 – Baseline BROWNFIELD (CONSTRAINED SITES) Values - £ per acre

Description	Gross Size sq.m (sq.ft)	Halifax	East Calderdale	West Calderdale
Offices (B1)	3,855 (41,500)	-£1	-£1	-
	1,858 (20,000)	-£1	-£1	-
	465 (5,000)	-£1	-£1	-£1
	232 (2,500)	-£1	-£1	-£1
Industrial (B2)	4,645 (50,000)	-£1	-£1	-
	2,322 (25,000)	-£1	-£1	-
	1,394 (15,005)	-£1	-£1	-
	929 (10,000)	-£1	-£1	-
	232 (2,500)	-£1	-£1	-£1
Storage and Distribution (B8)	13,935 (150,000)	-£1	-£1	-£1
	6,968 (75,000)	-£1	-£1	-
	2,322 (25,000)	-£1	-£1	-
	232 (2,500)	-£1	-£1	-£1
Town Centre Comparison Retail - Halifax	7,895 (85,000)	-£1	-£1	-£1
Town Centre Comparison Retail - Brighouse	2,000 (21,529)	-£1	-£1	-£1
Town Centre Comparison Retail -	750 (8,074)	-£1	-£1	-£1

Description	Gross Size sq.m (sq.ft)	Halifax	East Calderdale	West Calderdale
Elland				
Town Centre Comparison Retail – Hebden Bridge	1,100 (11,840)	-£1	-£1	-£1
Town Centre Comparison Retail – Sowerby Bridge	250 (2,691)	-£1	-£1	-£1
Town Centre Comparison Retail - Todmorden	1,500 (16,146)	-£1	-£1	-£1
Convenience Store	372 (4,000)	-£1	-£1	-£1
Supermarkets	2,500 (26,900)	£844,856	£844,856	£844,856
Superstore	4,000 (43,000)	£853,325	£853,325	£853,325
Hypermarkets	6,000 (65,000)	£853,325	£853,325	£853,325
Retail Warehouse	1,500 (16,146)	£155,210	£155,210	£155,210
Restaurants and Cafes (A3)	140 (1,500)	-£1	-£1	-£1
Drinking Establishments (A4)	300 (3,230)	-£1	-£1	-£1
Care Home (65 beds)	65 beds	£410,000	£410,000	£410,000

Table 5 – Baseline BROWNFIELD (CONSTRAINED SITES) Impact of POLICIES CP13 and TPRE1 on Values - £ per acre

Description	Gross Size sq.m (sq.ft)	Halifax	East Calderdale	West Calderdale
Supermarkets	2,500 (26,900)	£646,479	£646,479	£646,479
Superstore	4,000 (43,000)	£653,361	£653,361	£653,361
Hypermarkets	6,000 (65,000)	£653,361	£653,361	£653,361
Retail Warehouse	1,500 (16,146)	£19,479	£19,479	£19,479
Care Home (65 beds)	65 beds	£266,604	£266,604	£266,604

Table 6 – Baseline BROWNFIELD (CONSTRAINED SITES) Impact of POLICIES CP13 and TPRE1 and CIL at 45psm on Values - £ per acre

Description	Gross Size sq.m (sq.ft)	Halifax	East Calderdale	West Calderdale
Supermarkets	2,500 (26,900)	£502,108	£502,108	£502,108
Superstore	4,000 (43,000)	£507,835	£507,835	£507,835
Hypermarkets	6,000 (65,000)	£507,835	£507,835	£507,835
Retail Warehouse	1,500 (16,146)	-£1	-£1	-£1