



**Brighton & Hove
City Council**

**Proposed Submission City Plan Part 2
Brighton & Hove Development Plan April
2020**

Hearing Session: 16 November 2021 (AM)

**Statement in Response to Matter 17:
Infrastructure and Viability**

**BY
BRIGHTON & HOVE CITY COUNCIL**

List of Abbreviations

CPP1 - City Plan Part 1
CPP2 – City Plan Part 2
CIL – Community Infrastructure Levy
IDP – Infrastructure Delivery Plan
NDSS – Nationally Described Space Standards

Matter 17 Infrastructure and Viability

Whether the Plan is positively prepared and justified, effective and consistent with national policy and the City Plan Part 1 in relation to infrastructure and viability.

Issue 1 Infrastructure

Q1. Is the Plan's approach towards infrastructure justified, effective and consistent with national policy, so as to ensure the timely delivery of the scale and distribution of development in the Plan?

1. Yes. Infrastructure requirements to support planned development in the city were comprehensively considered through the preparation and examination of the CPP1. Policy CP7 Infrastructure and Developer Contributions in CPP1 sets out the approach to identifying infrastructure requirements through the Infrastructure Delivery Plan (IDP, Annex 2 to the adopted Plan) and securing appropriate developer contributions towards infrastructure through S106 planning obligations. The policy clarifies that S106 planning obligations will be sought only where they meet the statutory tests. The IDP is a 'live' document and was updated in 2017. A further comprehensive IDP update is scheduled to be considered at the council's Tourism, Equalities, Communities and Culture Committee (TECC) November 2021. The council's first Infrastructure Funding Statement was published November 2020 and will be updated annually in accordance with CIL Regulations this year.
2. Since adoption of the CPP1, the Council has formally adopted a Community Infrastructure Levy (CIL Charging Schedule, July 2020) and CIL charging commenced October 2020. The purpose of CIL is to address infrastructure requirements generated as the result of the cumulative impacts of development and S106 planning obligations remain for site specific mitigation. Guidance clarifying the types of infrastructure covered by CIL and what is covered by S106 was revised and adopted June 2020¹.
3. Where appropriate, CPP2 identifies specific infrastructure required to support planned development associated with the additional Special Area Policy SA7; the additional strategic site allocations SSA1 – SSA7; H1 housing and mixed-use site allocations and H2 Urban Fringe site allocations.
4. More generally, many of the development management policies in CPP2 seek to safeguard, improve and enhance infrastructure provision. These

¹ Revised Developer Contributions Technical Guidance, June 2020.

include, for example, DM9 Community Facilities; DM22 Landscape Design and Trees; DM25 Communications Infrastructure; DM33 Safe, Sustainable and Active Travel; DM37 Green Infrastructure and Nature Conservation; DM42 Protecting the Water Environment; DM43 Sustainable Drainage; DM46 Heating and cooling network infrastructure.

5. Updated traffic modelling has considered the cumulative impacts of planned development on the strategic road network. (See also Council response to Matter 6, Issue 2, Question 2)

Q2. What are the likely impacts of the proposed development on infrastructure, and what specific improvements are required or have been proposed?

6. As set out above, the strategic infrastructure requirements associated with planned development were considered as part of the preparation and examination of the CPP1. The IDP identifies the types of infrastructure and specific infrastructure projects that are required over the plan period.
7. Where appropriate, CPP2 identifies specific infrastructure required to support planned development associated with the additional Special Area Policy SA7; the additional strategic site allocations SSA1 – SSA7; H1 housing and mixed- use site allocations and H2 Urban Fringe site allocations.

SA7 Benfield Valley

8. Infrastructure improvements are sought as part of the proposed development and long-term management and maintenance of Benfield Valley. These include green infrastructure and biodiversity (including net gain) improvements; creation of gateway / interpretation facilities in connection with the South Downs National Park; improved sustainable transport infrastructure including safe pedestrian and cyclist access including a north/south linear footpath/cycleway.

SSA1 Brighton General Hospital Site

9. The strategic site allocation makes provision for a 10,000 – 12,000 sqm health hub and care facility. Other infrastructure requirements include amenity and greenspace improvements; contributions to green infrastructure, provision for children’s playspace and /or multi-use sports facility; improved sustainable transport infrastructure and delivery of sewerage network reinforcement.

SSA2 Combined Engineering Depot

10. Improvements are sought as part of the development proposals to sustainable transport infrastructure; an improved pedestrian environment for New England Road, improved green infrastructure and delivery of sewerage network reinforcement.

SSA3 Land at Lyons Close, Hove

11. Requires improvements to sustainable transport infrastructure; pedestrian environment, green infrastructure and delivery of sewerage network reinforcement.

SSA4 Sackville Trading Estate and Coal Yard

12. Requires improvements to sustainable transport infrastructure; pedestrian environment, green infrastructure and delivery of sewerage network reinforcement.

SSA5 Madeira Terrace and Maderia Drive

13. Requires improvements to sustainable transport, cycling infrastructure and pedestrian environment together with contributions to public realm and event space improvements.

SSA6 Former Peter Pan leisure site

14. Infrastructure requirements include improvements to sustainable transport, public realm and biodiversity.

SA7 Land adjacent to American Express Community Stadium, Village Way

15. Infrastructure requirements include improvements to sustainable transport and green infrastructure.

H1 Housing sites and Mixed-Use Sites

16. Sites are identified where specific water and wastewater infrastructure considerations need to be addressed. Sites will also be subject to other general infrastructure improvements addressed by development management policies.

H2 Housing Sites – Urban Fringe

17. Sites are identified where specific water and wastewater infrastructure considerations need to be addressed. Green infrastructure and biodiversity improvements (including net gain) are sought including incorporation of

local food growing opportunities. Other infrastructure considerations include consideration of the need for community facilities; consideration of opportunities to provide renewable energy provision and improved linkages to the South Downs National Park.

18. Development will also be subject to infrastructure considerations addressed by relevant CPP1 strategic planning and CPP2 development management policies.

Issue 2 Viability

Q1. Were viability assessments undertaken during the preparation of the Plan in accordance with the relevant national guidance? Are the recommendations of any viability assessment reflected in the Plan? (See Initial Question 25 the Council's responses)

19. Yes, the Council can confirm that viability assessments were undertaken in accordance with relevant national guidance as set out below:
- a) The CIL Viability Studies 2017 - 2018 (OD80a-j) were undertaken to support and justify the council's 2020 adopted CIL (CD14). The viability work for CIL was required to demonstrate that policy requirements for both CPP1 and CPP2 could be accommodated alongside a CIL charge. The council can confirm that the viability studies were undertaken in accordance with the relevant CIL Regulations 2010 (as amended), CIL Guidance and PPG. The viability studies were examined as part of the evidence base for putting in place a CIL Charging Schedule.
 - b) The Build to Rent Study 2019 (ED02a and 2b). The viability assessment approach follows best practice for such development appraisal exercises. Stakeholder consultation was carried out to support the proposed methodology (see Section 4 Methodology, ED02a) which adopted a Discounted Cash Flow model to consider investment value, based on a range of rental income flows. A residual land value (RLV) approach was taken to test build to rent housing delivery scenarios.
 - c) The Brighton & Hove Energy Study 2018 (ED11, sections 5.6 and 7.2). The study considered that as DM44 supports and enhances the existing Policy CP8 the original assumptions associated with viability testing for CP8² (and carried out in accordance with relevant national guidance) would be similar for DM44. Viability considerations for the higher EPC standards set out in DM44.2 were considered in Section 3 of ED11 and drew on evidence that the vast majority of new domestic and non-domestic buildings in the city are currently achieving a B rating or higher and

² The CPP1 Combined Policy Viability Study Update, September 2014 indicated that achieving CSH level 4 in developments across most of the city was possible.

assumption therefore that this target will not have an impact on the viability of development.

Are the recommendations of any viability assessment reflected in the Plan? (See Initial Question 25 the Council's responses)

20. The CIL viability work has informed the council's current CIL charging schedule. This work included factoring in the relevant policy standards and requirements from CPP1 (e.g. sustainability standards set out in CPP1, CP8; the affordable housing contributions in CPP1, CP20 alongside those emerging through the preparation of CPP2 e.g. introducing space and accessibility standards proposed in DM1).
21. The findings therefore support the Policy DM1 requirement for all new residential development to meet the nationally described space standards (NDSS) and to be accessible and adaptable in accordance with Building Regulation M4(2) and the requirement for schemes of 10 or more residential units to provide 10% affordable housing and 5% of all housing units as M4(3) wheelchair user housing. The standards proposed in DM1 were also incorporated in the Build to Rent Study 2019 (ED02a and 2b).
22. The recommendations of the Build to Rent Study (ED02a and 2b) are reflected in Policy DM6 Build to Rent particularly with regard to the provision for affordable private rent housing. The study demonstrates that build to rent schemes in the city are capable of supporting up to 20% affordable units provided at discounted rents at least 20% below equivalent local market rents. The study indicates that greater levels of discount would be required to deliver units that are genuinely affordable to most households on the council's Housing Register who are seeking affordable rented housing. In response to this, the policy seeks the provision of genuinely affordable rents taking account of the overall viability of the proposed development. Footnote 29 to DM6 states that this will generally require that the affordable rents are set no higher than the Local Housing Allowance (LHA) Housing Benefit limit (including service charges). The supporting text at Paragraph 2.50 states that in negotiating the affordable element of build to rent schemes the council will consider the trade-off between the number of affordable units to be provided and the level of affordable discount that may be achieved. It should also be noted that in setting affordable housing requirements, Policy DM6 states explicitly that affordable housing contributions will be negotiated and will be subject to the overall viability of the proposed development (See also Council response to Matter 11, DM6).
23. Policy DM44 Energy Efficiency and Renewables extends the CPP1 Policy CP8 Sustainable Development standard of at least 19% improvement on the carbon emission targets set by Part L to cover all development including non-residential and also sets out minimum Energy Performance Certificate (EPC) ratings ahead of the Minimum Energy Efficiency Standards (MEES) Regulations. Analysis of development viability to justify

this is set out in the Brighton & Hove Energy Study 2018 (ED11 see sections 5.6 and 7.2 page 78 and 90.) The policy does acknowledge that technical feasibility and overall viability are factors that will be taken into consideration. Where the standards cannot be met onsite, then mitigation measures may be sought in accordance with CPP1, CP7 Infrastructure and Developer Contributions.

Q2. Are the policy requirements such that the cumulative cost of all relevant policies will not undermine the deliverability of the Plan having regard to the types of development and sites proposed?

24. As part of the preparation and formal examination of CPP1, the council was required to produce a whole plan Combined Policy Viability Study which took account of all policy requirements to ensure that taken together they would not undermine the deliverability of the plan. The role of the CPP2 is to assist in the implementation and delivery of the adopted CPP1. In only a few policy areas does it introduce additional policy requirements as identified above.

25. The CIL Viability Studies build upon and assist in updating the CPP1 viability evidence base, taking account of all the relevant policy requirements from CPP1 and factoring in additional CPP2 policy standards to ensure that a CIL would not prevent chargeable forms of development coming forward. This evidence base is therefore relevant and significant for considering the overall viability of residential types of development, purpose built student accommodation and purpose built shared living accommodation and retail development.

26. It is acknowledged that not all forms of planned development were found to be viable for a CIL charge; recognising that this would not be realistic for some types of development (e.g. employment provision, health and community facilities). Where policy requirements in CPP2 look to go beyond what was required in CPP1 (e.g. the standards set in DM44 for all types of development) it is clearly acknowledged that viability considerations will be taken into account when considering development proposals so that development is not unduly prohibited from coming forward.