

South Lakeland District Council – Local Plan Viability Policy Review

12 July 2017

South Lakeland Local Plan, Core Strategy, Adopted 20 th October 2010 – Policies:	Impact on Viability *	Implications for Local Plan Viability Assessment
CS 1.1 Sustainable Development Principles	Indirect	The presumption in favour of sustainable development will guide all planning application decisions; which will impact on the nature of developments that secure planning permission; impacting indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.
CS1.2 – The Development Strategy	Indirect	<p>This policy states that approximately:</p> <ul style="list-style-type: none"> • 55% of development should be concentrated in Principal Service Centres (Kendal 35% and Ulverston 20%); • 13% in Key Service Centres (Grange-over-Sands, Milnthorpe and Kirkby Lonsdale); • 21% in Local Service Centres (Burneside, Oxenholme, Natland, Swarthmoor, Allithwaite, Cartmel, Levens, Endmoor, Sandside/Storth, Holme, Arnside, Burton-in-Kendal, Flookburgh/Cark, Penny Bridge/Greenodd, Broughton-in-Furness, Kirkby-in-Furness and Great/Little Urswick) • 11% in Smaller villages, hamlets and open countryside <p>Priority will be given to the reuse of existing buildings and brownfield land for housing – 28% of development.</p> <p>The ‘infilling and rounding off’ approach to development in small villages and hamlets is to be replaced by policy DM13 Housing Development in Small Villages and hamlets in the draft Development Management Policies DPD.</p> <p>The concentration of development in Principal Service Centres may have an impact on land values creating distinct market areas. We have undertaken a thorough market analysis of residential, commercial and agricultural land values to look into whether there is a variation in both Existing Use Values (EUV) and Market Values (MV) across the District.</p>

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		<p>Our approach adopts both a bottom-up (EUV plus premium) and top-down (MV less discount) to arrive at an appropriate Threshold Land Value for the agreed development typologies.</p> <p>Again, the distribution of development across the District will impact on property markets through the price mechanism. We have used current values (and costs) within our appraisals.</p>
CS2 – Kendal Strategy	Indirect / Direct	<p>There are elements of this policy which are indirect, such as allocating land as a regeneration area and targeting housing on previously developed land and the various policies for regeneration, housing, economy, access, environment, and health and wellbeing (sustainable communities). This may influence land and property values through the price mechanism. For the purpose of this report we have used current costs and values and recommend SLDC keep viability under review going forward.</p> <p>The direct impact on viability is where the Council make specific requirements. In this respect, the original policy had a requirement to provide 35% affordable housing (of which up to 60% is social rented).</p> <p>We understand from the Council that, the Affordable Housing: Building webpage guidance¹ is being implemented. This supersedes this CS policy and updated annually. The current requirement is for 50% Affordable Rent and 50% Low Cost Home Ownership (LCHO). We have factored this explicitly into our viability appraisals.</p> <p>Another direct cost on development is the requirement that developers of all new significant developments include and duly implement a Travel Plan. For the purposes of our appraisals we have assumed that the cost of Travel Plan preparation is covered within the planning application professional fee budget.</p> <p>We have agreed with the Council our assumptions on Travel Plan implementation costs and other Section 106 costs for the respective development typologies appraised.</p>
CS3.1 Ulverston and Furness Area	Indirect / Direct	<p>Similar comments apply as for Kendal (CS2). The majority of policies have an indirect influence where land is allocated for certain uses impacting on land and property values through the price</p>

¹ <https://www.southlakeland.gov.uk/housing/affordable-housing/affordable-housing-building/>

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		<p>mechanism. For the purpose of this report we have used current values (and costs) and recommend SLDC keep viability under review going forward.</p> <p>The only direct influence is the (original) policy of 35% affordable housing requirement with 60% of that being social rented.</p> <p>We understand from the Council that, the Affordable Housing: Building webpage guidance is being implemented. This supersedes this CS policy and updated annually. The current requirement is for 50% Affordable Rent and 50% Low Cost Home Ownership (LCHO). These requirements have been adopted in our appraisals.</p>
CS3.2 Ulverston Canal Head and corridor	Indirect	Ditto - The regeneration status designated to the area may have an indirect impact on values through the price mechanism. For the purpose of this report we have used current values (and costs) and recommend SLDC keep viability under review going forward.
CS4 Cartmel Peninsula	Indirect / Direct	<p>Similar comments apply as for Kendal (CS2). The majority of policies have an indirect influence where land is allocated for certain uses impacting on land and property values through the price mechanism. For the purpose of this report we have used current values (and costs) and recommend SLDC keep viability under review going forward.</p> <p>The only direct influence is the (original) policy of 35% affordable housing requirement with 55% of that being social rented.</p> <p>We understand from the Council that, the Affordable Housing: Building webpage guidance is being implemented. This supersedes this CS policy and updated annually. The current requirement is for 50% Affordable Rent and 50% Low Cost Home Ownership (LCHO). These requirements have been adopted in our appraisals.</p>
CS5 The East (including Milnthorpe and Kirkby Lonsdale)	Indirect / Direct	Similar comments apply as for Kendal (CS2). The majority of policies have an indirect influence where land is allocated for certain uses impacting on land and property values through the price mechanism. For the purpose of this report we have used current values (and costs) and recommend SLDC keep viability under review going forward.

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		<p>The only direct influence is the (original) policy of 35% affordable housing requirement with 55% of that being social rented.</p> <p>We understand from the Council that, the Affordable Housing: Building webpage guidance is being implemented. This supersedes this CS policy and updated annually. The current requirement is for 50% Affordable Rent and 50% Low Cost Home Ownership (LCHO). These requirements have been adopted in our appraisals.</p>
CS 6.1 Meeting the housing requirement	Indirect	<p>This policy sets out how the Council will meet the need for additional dwellings over the Plan period (8,000 between 2003-2025). It references the policy document which deals with land allocations and states the approach to unallocated sites. The supply of sites and new development will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Our typologies matrix reflects the sites allocated for development in the Land Allocations DPD.</p>
CS 6.2 Dwelling Mix and Type	Indirect	<p>This policy has an indirect impact as there is no quantum in terms of mix and types which would result in a direct impact on viability.</p> <p>There is an updated policy position on housing mix and type within the Strategic Housing Market Assessment. These percentage requirements on new developments are used as an indicative guide for our typologies matrix which has been agreed with the Council before running the appraisals.</p>
CS 6.3 Provision of affordable housing	Direct	<p>The percentage of affordable housing to be provided on allocated sites will be dependent on local land supply, housing need and viability, including the potential for allocating sites solely for affordable housing.</p> <p>Planning permission will only be permitted for residential development provided that the scheme provides local affordable housing in accordance with the following:</p> <ul style="list-style-type: none"> • On all schemes of nine or more dwellings in the Principal/Key Service Centres, and three or more dwellings outside of these areas, no less than 35% of the total number of dwellings proposed are affordable.

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		<ul style="list-style-type: none"> • The affordable housing provided is made available solely to people in housing need at an affordable cost for the life of the property i.e. it is affordable in perpetuity; • The mix and tenure of affordable housing provided reflects the identified housing needs...; and • The affordable housing shall be mixed within the development. <p>Note that in terms of the “10-unit threshold” for ‘affordable housing and tariff style planning obligations’ set out in the Written Ministerial Statement (WMS) of 28 November 2014, the Planning Inspectorate (PINS) has confirmed that it does not automatically outweigh local policies in a letter to the London Borough of Richmond upon Thames. SLDC has a long-standing policy position for the delivery of affordable housing on small sites and, will continue to require 35% on-site affordable housing on small sites as set out above.</p> <p>Our scheme typologies matrix and viability appraisals are specifically designed to test the viability of the Policy CS 6.3 in the context of the cumulative impact of all of the new policies herein. The drafting of this policy is an iterative process having regard to the results of the viability appraisals and specifically the sensitivity appraisals.</p> <p>It is important to note that, “exceptionally”, a lower requirement for affordable housing will be acceptable where there is clear, independently verified evidence that it would make the development unviable.</p>
CS 6.4 Rural exception policy	Direct	<p>As above, our appraisals are to test the viability of this policy so we have appraised a hypothetical RES scheme. This policy has a direct impact on viability given it requires 100% of units to be affordable, and therefore the purpose of our appraisal is to establish the quantum of any subsidy required for 100% affordable housing scheme.</p> <p>It should be noted that the Council are proposing an updated policy in regards to RES, this is within the emerging Development Management Document, under policy DM14 and is discussed below.</p>
CS 6.5a Gypsies and Travellers	Indirect	<p>This policy is to maintain an adequate supply of private sites for the housing requirements of Gypsies, Travellers, Showmen and Roma based on current evidence of existing and future need.</p>

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		<p>This is not a large sector of the property market and therefore the supply of these sites will have limited, if any impact, on viability. Cost and value assumptions and land supply / price should be monitored for future reviews.</p> <p>Note that this policy is to be superseded by a new updated policy in the draft DM DPD (DM 26)</p>
Policy CS6.5b Travelling Show People	Indirect	<p>As above – policy 6.5a</p> <p>Note that this policy is to be superseded by a new updated policy in the draft DM DPD (DM 26)</p>
CS6.6 Making effective and efficient use of land and buildings	Direct	<p>The Council is seeking to deliver 28% of housing development on previously developed land and buildings. It also requires an average density of at least 30 dwellings per hectare, seeking higher densities on appropriate sites, particularly those:</p> <ul style="list-style-type: none"> • Close to transport hubs such as bus stations or main bus routes; • In or adjoining Kendal, Ulverston, Grange, Milnthorpe and Kirkby Lonsdale centres. <p>This is an important policy with a direct impact on viability as it determines how many units can fit onto any particular site. For the purposes of our appraisal of the hypothetical scheme typologies it is important to determine the quantum of land required in order to calculate the TLV (Threshold Land Value).</p> <p>Our typologies matrix has been agreed with the Council to reflect these density requirements. Thus, the notational site area and therefore TLV is based on the number of units in the typology and the relevant density assumption.</p>
Policy CS 7.1 Meeting the employment requirement	Indirect	<p>The allocation of land for employment uses impacts indirectly on the supply of land for residential use (i.e. if a site is allocated for employment use, then it cannot also be allocated for residential use); and therefore impacts the TLV of residential development land due to reduced supply. That said we have sought to utilise appropriate evidenced / justified land values within our analysis and we recommend that values are monitored for future reviews.</p>

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CS 7.2 Type of employment land required and sectoral split	Indirect	<p>This policy sets the requirements for the split of employment land allocations between different commercial sectors, with 70% allocated for general B class use and the remaining 30% specifically allocated for high quality B1 employment use.</p> <p>As above, this has an indirect impact on the supply of land for both residential and other commercial uses (i.e. if a site is allocated for employment use, then it cannot also be allocated for residential use); and therefore impacts the TLV of residential development land due to reduced supply. That said we have sought to utilise appropriate evidenced / justified land values within our analysis and we recommend that values are monitored for future reviews.</p>
CS 7.3 Education and Skills	Direct	<p>The NPPF advises that LPAs should give great weight to the need to create, expand or alter schools and work with school promoters to identify and resolve key planning issues before applications are submitted. Provision of education infrastructure is an integral part of new residential development and is an important element in achieving sustainable communities.</p> <p>There is no specified contribution within this policy, but there is a requirement that, ‘development proposals make a contribution to education and training needs’. We have analysed site specific EVAs for evidence of contributions and agreed with the Council the required quantum of contributions for education and skills within the typologies matrix.</p>
CS 7.4 Rural Economy	Indirect	<p>This policy sets out the ways in which South Lakeland’s rural economy will be supported - so that it may grow and diversify in a sustainable way to provide long term economic, environmental and social benefits for local communities.</p> <p>It is important that the rural economy is strong as the service centre(s) economy is determined, in part, by the catchment / rural hinterland.</p>
Policy CS 7.5 Town Centre and Retail Strategy	Indirect	<p>This policy sets out the Council’s proposals for the ongoing enhancement and focus of town and village centres as locations for commercial, retail, leisure, cultural and community activity (town centre uses) based on the settlement hierarchy.</p> <p>The vitality of the service centres impacts indirectly on the desirability of that location as a place to live; and hence residential values. We have had regard to current residential values as part of our</p>

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		<p>viability appraisals. The vitality of the settlements should continue to be monitored as this will impact future values.</p> <p>Note that we have had regard to this policy when defining our typologies for the retail and commercial uses for CIL. For example, the policy states that ‘retail and other town centre development of a scale appropriate to these roles and in sustainable locations will be supported in each Principal, Key and Local Service Centre, provided that development respects the character of the centre, including its special architectural and historic interest and assists in maintaining its existing retail function’. Furthermore, ‘the development of additional retail floorspace outside of the town centres will normally be strongly resisted, particularly where vacancy rates in the centres are high.’ Consequently, most retail development is likely to be brownfield.</p>
Policy CS 7.6 Tourism Development	Indirect	<p>This policy to enable sustainable growth in tourism.</p> <p>There is no direct impact on the value/cost assumptions in respect of our appraisals.</p>
Policy CS 7.7 Opportunities Provided by Energy and the Low Carbon Economy	Indirect	<p>This policy sets out the Council’s approach to renewable and low carbon energy development.</p> <p>The energy sector is part of the District and Country’s critical infrastructure and is not part of the mainstream residential and commercial sectors to be tested herein.</p>
Policy CS 8.1 Green Infrastructure	Indirect	<p>This policy is in regard to the green infrastructure network. This policy is not considered to impact on the supply of land/sites for development which would indirectly influence land values through the price mechanism. However, we have used current values (and costs) within our appraisals.</p>
Policy CS 8.2 Protection and enhancement of landscape and settlement character	Direct	<p>This policy relates to the requirements of new developments to maintain the visual character of the local area. This has a cost implication for development, and thus impacts on viability. We have used BCIS costs rebased to South Lakeland and analysed build costs in site specific EVAs to ensure our appraisals reflect this policy requirement. We have also undertaken a stakeholder consultation process to obtain information from developers active in the local area and thus refined our cost assumptions (as appropriate) based on any further available evidence.</p>

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Policy 8.3a Accessing Open Space, Sport and Recreation	Indirect	<p>This policy is to promote health, wellbeing and equality by safeguarding and improving sport, open space and built sports facilities.</p> <p>It set outs accessibility standards and thus only has an indirect impact on viability. It would only have a direct impact if it made a requirement on new developments to contribute towards the provision of such space – see Policy 8.3b below.</p>
Policy 8.3b Quantity of Open Space, Sport and Recreation.	Direct / Indirect	<p>As stated above, this policy outlines the need for a contribution from new residential development towards the provision of open space, sport and recreation facilities e.g. Parks and gardens; Natural and semi-natural greenspace; Amenity greenspace; Provision for children and young people; Cemeteries, disused churchyards and other grounds; Civic spaces; Allotments; Playing pitches (football, cricket, rugby, hockey, bowls and tennis)</p> <p>This policy has a direct impact on viability, however the impact of this is shown implicitly within our appraisals. The residential density assumptions take into account the requirement to provide on-site public open space and the cost of provision is included as part of the external works costs/site specific S106 assumption.</p> <p>Furthermore, this impacts on the supply of land/sites for development which indirectly influences land values through the price mechanism. Again, we have used current values (and costs) within our appraisals.</p>
Policy CS 8.4 Biodiversity and geodiversity	Direct	<p>This policy incorporates a range of requirements to improve bio-diversity all development proposals.</p> <p>Costs associated with these requirements are included within our use of appropriate local construction cost benchmarks and external works cost benchmarks which developers will take into consideration biodiversity requirements (which developers have been delivering).</p> <p>It should be noted that these are ‘aspirational’ requirements and the delivery of these will be the subject of site specific S106 planning and land purchase negotiations.</p>

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Policy CS 8.5 Coast	Indirect	This policy has no direct implication for viability, it makes reference to other policy documents which outline requirements for development proposals in coastal areas. Our typologies matrix is reflective of the sites allocated in the Land Allocations DPD and has been agreed with the Council before running the appraisals.
Policy CS 8.6 Historic Environment	Direct	<p>This policy has a direct impact on our viability assessment given that there is a cost associated with this policies requirements from developments in conservation areas and other historic environment assets.</p> <p>We have used current costs based on the BCIS and rebased them to South Lakeland along with evidence from site-specific EVAs which take into consideration costs of 'typical' development across the District. We acknowledge that construction costs are likely to be higher within designated heritage environments, but values are also likely to be higher. Furthermore, developments involving heritage assets are likely to require a bespoke approach to viability e.g. enabling development and/or grants.</p>
Policy CS 8.7 Sustainable Construction, Energy Efficiency and Renewable Energy	Direct	<p>This policy sets out the Council's approach to renewable and low carbon energy development as required by building regulations. Note that Code for Sustainable Homes has been subsumed into the latest building regulations.</p> <p>Note that we have used BCIS based on the last five years, which therefore only includes schemes based on the current, 2010, building regulations. By careful design the policy's requirements should be deliverable within the normal building cost budget benchmarks. Where this is not possible, abnormal costs should be deducted from the land value. We have taken this into consideration within our typologies matrix and development appraisals.</p>
Policy CS 8.8 Development and Flood Risk	Indirect	<p>This policy is to help growth in South Lakeland to avoid and alleviate flood risk.</p> <p>This has a spatial impact in that development will take place in areas of low flood risk wherever possible and always in areas with the lowest acceptable flood risk. This impacts the supply of sites/land and values through the price mechanism.</p>

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Policy CS 8.9 Minerals and Waste	Indirect	This policy has regards to the expectations of new development to minimise the production of waste. However, we do not anticipate the associated costs with meeting the requirements of this policy are over and above BCIS costs and thus these have been factored into the appraisals.
Policy 8.10 Design	Direct	<p>This policy incorporates a range of criteria to deliver ‘good’ design which benefits the local economy, environment and quality of life, including health and wellbeing. This includes respecting the form of surrounding buildings including density, scale, height, massing and use of high quality materials which should be locally sourced wherever possible.</p> <p>We have had regard to appropriate development densities when preparing our development typologies and use appropriate local construction cost benchmarks which take into consideration the high quality environment that persists across the District.</p>
Policy CS 9.1 Social and Community Infrastructure	Indirect	This policy regards health and wellbeing of all residents, there is no direct impact on viability. However, we will appraise a residential care / extra care housing typology(s) to ensure policy does not impede the viability of these much needed schemes. The assumptions associated with residential care / extra care housing typologies have been agreed with the Council having reviewed site-specific EVA evidence.
Policy CS 9.2 Developer Contributions	Direct	<p>This policy was introduced on the basis of the now superseded planning Circular 05/2005. It stated that the Council would work with developers and service providers to secure the necessary improvement to the following types of infrastructure and to determine the appropriate range and level of provision / contributions for the following:</p> <ul style="list-style-type: none"> • Physical infrastructure e.g. transport, waste recycling, drainage etc. • Social / community infrastructure e.g. health care facilities, education and community facilities • Green infrastructure e.g. recreation provision, biodiversity, public realm improvements etc. <p>Contributions are calculated on a site-by-site basis; we have reviewed site specific EVA evidence and agreed the appropriate quantum of contributions for the respective development typologies.</p>

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		<p>Note that any S106 contributions from developers would need to satisfy the tests that ‘they are necessary to make the development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind’ – i.e. ‘site specific’. These tests are set out as statutory tests in the Community Infrastructure Levy Regulations 2010 and as policy tests in the National Planning Policy Framework. We have had regard to the quantum of site-specific S106 obligations <i>and</i> CIL in carrying out our appraisals herein.</p>
<p>Policy CS 10.1 Accessing Services</p>	<p>Indirect</p>	<p>This policy has regard to improving accessibility in and around the District. There is no requirement within the policy in regards to new developments and thus has no direct impact on our viability assessment. Areas with better connectivity are likely to be more desirable locations to live and thus there is an indirect link to residential values and ultimately land values through the price mechanism. We have undertaken a thorough market analysis to establish distinct market areas.</p>
<p>Policy CS 10.2 Transport impact of new development</p>	<p>Indirect/Direct</p>	<p>This policy has regard to the impact of new development on the transport system. It sets out a number of criteria that new developments must fulfil or satisfy which will have an impact on the spatial distribution of development, but there are no specific costs or quantum associated with these requirements.</p> <p>The policy incorporates parking standards that are to be ‘in accordance with any adopted and emerging sub-regional and / or local policy and guidance’ (there is a new Draft Cumbria Design Guide which provides guideline parking standards that can be applied flexibly, based on the Parking Guidelines in Cumbria (1997)). These, or similar, standards have been embedded in planning and design within Cumbria for a number of years and therefore reflected in the density assumptions – see density comments above policy CS6.6 Making effective and efficient use of land and buildings</p>

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Policy LA1.0 Presumption in favour of sustainable development	Indirect	The presumption in favour of sustainable development will guide all planning application decisions; which will impact on the nature of developments that secure planning permission; impacting indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.
Policy LA1.1 Development Boundaries	Indirect	<p>The concentration of development within certain development boundaries may have an impact on land values creating distinct market areas. We have undertaken a thorough market analysis of residential, commercial and agricultural land values to look into whether there is a variation in both Existing Use Values and Market Values across the District. The respective market papers outline the distinct market areas.</p> <p>Note that for the purposes of defining retail and commercial CIL typologies we have differentiated by types which are within the development boundaries which are more likely than otherwise to be brownfield schemes and types which are out-with the development boundaries which are more likely than otherwise to be greenfield schemes (e.g. strategic sites).</p>
Policy LA1.2 Town Centre Boundaries	Indirect	<p>The definition of town centres may have an impact on land values, rents and yields creating distinct market areas. We have undertaken a thorough market analysis to highlight any variation in values and distinguish distinct market areas.</p> <p>Note that for the purposes of differentiating retail CIL, we have used the development boundary in LA1.1 rather than the more tightly drawn LA1.2. This is because all sites within the development boundaries are likely to be brownfield and therefore have similar viability characteristics, notwithstanding that this policy would direct retail to within the tighter town centres.</p>
Policy LA1.3 Housing Allocations	Indirect	This policy outlines the sites allocated for housing development, providing the site area, number of units and time frame for which the sites are expected to come forward. We have used this policy to inform the development typologies which have been agreed with the Council.

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Policy LA1.4 Broad Locations for New Housing	Indirect	<p>This policy identifies Appleby Road and Burton Road (both in Kendal) as broad locations to meet housing needs. Given that this policy recognises where future development should be located it will have an indirect impact on land and residential values through the price mechanism. We have used current costs and current values in our appraisals based on market research which identifies distinct market areas.</p>
Policy LA1.5 Existing Employment Areas	Indirect	<p>This policy refers to sites that are already in employment use at the time of formulating this plan.</p> <p>The policy is to ensure that a sufficient supply of employment land and premises is available to meet local employment needs and promote new business creation. To policy is to retain certain specified employment sites unless certain conditions can be demonstrated (e.g. site is no longer suitable for employment use; the loss of the site would not compromise the District's supply of premises etc).</p> <p>This has an indirect impact on the supply of land for both residential and other commercial uses (i.e. if a site is to be retained in employment use, then it cannot also be allocated/developed for residential use); and therefore impacts the TLV of residential development land due to reduced supply. That said we have sought to utilise appropriate evidenced / justified land values within our analysis and we recommend that values are monitored for future reviews.</p>
Policy LA1.6 Strategic Employment Sites	Indirect	<p>This policy identifies two sites as strategic employment sites:</p> <ul style="list-style-type: none"> • Land at Scroggs Wood, Kendal • Land at Canal Head, Ulverston (now site 2.1 ha is completely developed out (Tritech)) <p>These sites are both sites for new commercial development. We have reviewed the property market for commercial property in order to determine whether there is any scope for CIL (note that currently CIL is £0 commercial uses).</p> <p>The allocation of land for employment uses has an indirect impact on the supply of land for both residential and other commercial uses (i.e. if a site is allocated for employment use, then it cannot also be allocated for residential use); and therefore impacts the TLV of residential development land due to reduced supply. That said we have sought to utilise appropriate evidenced / justified land values within our analysis and we recommend that values are monitored for future reviews.</p>

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Policy LA1.7 Business and Science Park Sites	Indirect	<p>This policy allocates land for offices and high-tech industry, it has identified the following sites:</p> <ul style="list-style-type: none"> • Land East of Burton Road, Kendal • Land at Lightburn Road, Ulverston <p>Ditto - These sites are both sites for new commercial development. We have reviewed the property market for commercial property in order to determine whether there is any scope for CIL (note that currently CIL is £0 for commercial uses).</p> <p>It is important that planning obligations and CIL do not undermine the viability of these uses as to do so would impact the economic development of the District.</p> <p>The allocation of land for employment uses has an indirect impact on the supply of land for both residential and other commercial uses (i.e. if a site is allocated for employment use, then it cannot also be allocated for residential use); and therefore impacts the TLV of residential development land due to reduced supply. That said we have sought to utilise appropriate evidenced / justified land values within our analysis and we recommend that values are monitored for future reviews.</p>
Policy LA1.8 Local Employment Allocations	Indirect	<p>This policy allocates land to meet local employment needs and promote new businesses, it has identified the following:</p> <ul style="list-style-type: none"> • 3 sites in Kendal • 2 sites in Milnthorpe • 1 site in Burneside • 1 site in Endmoor • 2 sites in Holme • 1 site in Ulverston (now completely developed out 0.72 ha for Bender Uk Ltd) • 1 site in Broughton in Furness

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		<p>Ditto - These sites are all sites for new commercial development. We have reviewed the property market for commercial property in order to determine whether there is any scope for CIL (note that currently CIL is £0 commercial uses).</p> <p>The allocation of land for employment uses has an indirect impact on the supply of land for both residential and other commercial uses (i.e. if a site is allocated for employment use, then it cannot also be allocated for residential use); and therefore impacts the TLV of residential development land due to reduced supply. That said we have sought to utilise appropriate evidenced / justified land values within our analysis and we recommend that values are monitored for future reviews.</p>
Policy LA1.9 Green Gaps	Indirect	<p>This policy identifies green gaps between settlements to maintain visual and functional separation. Protecting land from development will impact land values indirectly through the price mechanism and the restriction of the supply of land for both residential and commercial uses. We have used current costs and current values in our appraisals based on market evidence.</p>
Policy LA1.10 Existing Green Infrastructure	Indirect	<p>This policy provides further detail to the CS policies and ensures new development safeguards and where possible enhances the District's green infrastructure. This has the potential to have an indirect impact on the supply of land for development and thus will impact land values through the price mechanism. We have used current costs and current values within our appraisals.</p>
Policy LA1.11 Existing Outdoor Formal Sports Facilities	Indirect	<p>This policy provides further detail to the CS policies and ensures that outdoor sports facilities for which there is a need are maintained and enhanced. This has the potential to have an indirect impact on the supply of land for development and thus will impact land values through the price mechanism. We have used current costs and current values within our appraisals.</p>
Policy LA2.1-LA2.8 (Various Sites allocated for Residential)	Indirect	<p>These policies ensure the respective sites will deliver high quality sustainable development and that landscape, transport, drainage and biodiversity impacts are effectively mitigated. Development briefs are required for the sites allocated.</p> <p>The supply of sites and new development will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Our typologies matrix reflects the sites allocated within the Land Allocations DPD.</p>

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<p>Policy LA2.9 Strategic Employment and Science/Business Park Allocations, Kendal</p>	<p>Direct</p>	<p>This policy ensures that development reflects the Community’s aspirations for high quality, has a positive impact on the surrounding area and its infrastructure, and conserves important site features.</p> <p>The policy requires a minimum 10m buffer at Scroggs Wood, amongst other aspirational requirements which would require further costs to bring development forward. Similar requirements are also set out for the Land East of Burton Road site including the retention of a 10m buffer zone either side of the Thirlmere Aqueduct is also required.</p> <p>These buffer zones have an impact on the net developable area of the sites, which impacts land values. We have had regard to this policy when reviewing the scope for CIL on commercial property (note that currently CIL is £0 commercial uses).</p> <p>We have taken into consideration the additional abnormal costs which are excluded from BCIS build costs. Where necessary, we have agreed changes to the abnormal costs based on local evidence.</p>
<p>Policy LA2.10 Mixed-Use Allocation North of Kendal Road, Kirkby Lonsdale</p>	<p>Indirect</p>	<p>The purpose of this policy is to allocate available, deliverable and sustainable sites for a range of types and size of new housing to meet the needs of all sections of the community in Kirkby Lonsdale and to meet the town’s need for employment premises in a sustainable way; ensuring that sites deliver high quality sustainable development and that landscape, transport, drainage and biodiversity impacts are effectively mitigated.</p> <p>The supply of sites and new development will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Our typologies matrix reflects the sites allocated within the Land Allocations DPD.</p>
<p>Policy LA2.11 Land South and East of Milnthorpe</p>	<p>Indirect</p>	<p>This policy is to ensure that the site delivers high quality sustainable development and that landscape, transport, drainage and biodiversity impacts are effectively mitigated.</p> <p>The supply of sites and new development will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Our typologies matrix reflects the sites allocated within the Land Allocations DPD.</p>

Land Allocations Development Plan Document (Adopted 2013)	Impact on Viability *	Implications for Local Plan Viability Assessment
<p>Policy LA2.12 Formal outdoor sports facilities site, South Burneside Football Club, Burneside</p>	<p>Indirect</p>	<p>This policy is to make provision for new outdoor sports facilities to meet local open space and recreation needs and to compensate for loss of current facilities at the Village Recreation (Willink) Field and Tennis Courts.</p> <p>The supply of sites and new development will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Our typologies matrix reflects the sites allocated within the Land Allocations DPD.</p>
<p>Policy LA2.13 Mixed-Use Allocation at Green Dragon Farm, Burton in Kendal</p>	<p>Indirect</p>	<p>This policy is to allocate available, deliverable and sustainable sites for a range of types and sizes of new housing to meet the needs of all sectors of the community in Burton in Kendal and to meet rural needs for employment premises in a sustainable way; To ensure that the site delivers high quality sustainable development and that built heritage landscape, transport, drainage and biodiversity impacts are effectively mitigated.</p> <p>The supply of sites and new development will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Our typologies matrix reflects the sites allocated within the Land Allocations DPD.</p>
<p>Policy LA2.14 Land North of Sycamore Close, Endmoor</p>	<p>Indirect</p>	<p>This policy is to ensure that the site delivers high quality sustainable development and that landscape, transport, drainage and biodiversity impacts are effectively mitigated.</p> <p>The supply of sites and new development will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Our typologies matrix reflects the sites allocated within the Land Allocations DPD.</p>
<p>Policy LA2.15 East of Milnthorpe Road, Holme</p>	<p>Indirect</p>	<p>This policy is to ensure that the site delivers high quality sustainable development in line with the aspirations of the local community and that landscape, transport, drainage and biodiversity impacts are effectively mitigated. The supply of sites and new development will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p>

Land Allocations Development Plan Document (Adopted 2013)	Impact on Viability *	Implications for Local Plan Viability Assessment
		Our typologies matrix reflects the sites allocated within the Land Allocations DPD.
Policy LA2.16 Community Use Site, Lowgate, Levens	Indirect	This policy is to make provision for additional community facilities. The supply of sites and new development will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.
Policy LA3.1 Mixed-Use Allocation at Berner's Pool, Grange-over-Sands	Indirect	LA3.1 sets out the policy framework for the regeneration of the Berner's Pool site to deliver housing, care facilities and open space. Note that the site is partially developed. This is a site specific policy and has no direct impact on the viability of development across the rest of the District. Being an allocated site, which is currently under development, it will impact indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals. Our typologies matrix reflects the sites allocated within the Land Allocations DPD
Policy LA3.2 Mixed-Use Allocation at Land South of Allithwaite Road, Kent's Bank, Grange-over-Sands	Indirect	This is a site specific policy with regard to a mixed-use allocation in Grange-over-Sands. It sets out requirements to be considered when this site is brought forward for development. Whilst it does not directly impact viability across the District, it influences the supply of land and indirectly impacts viability through the price mechanism. We have used current values (and costs) within our appraisals. The requirements placed on this mixed-use allocation have been considered in formulating our cost assumptions for our mixed-used typologies.
Policy LA3.3 Mixed-Use Allocation at Guide's Lot, Grange-over-Sands	Indirect	As above (Policy LA3.2)
Policy LA5.1 Stone Cross Mansion	Indirect	This is another site specific policy in regard to securing a sustainable future for the Stone Cross Mansion. This policy is to allow enabling development to secure the future of the Mansion and therefore will be subject to site specific viability scrutiny in order to determine the minimum amount of enabling development required to secure the Mansion.

Land Allocations Development Plan Document (Adopted 2013)	Impact on Viability *	Implications for Local Plan Viability Assessment
		We understand that the site is currently being developed. There is no direct impact on viability across the District, but an indirect impact on the supply of land and will indirectly influence the property market through the price mechanism. We have used current values (and costs) within our appraisals.
Policy LA5.2 Land at Croftlands: Gascow Farm & Croftlands East, and Croftlands West / Nook Farm	Indirect	<p>This is another site specific policy in regard to ensuring that development manages surface water drainage impacts effectively, and that the development is of high quality and has a positive impact on the surrounding area. There is no direct impact on viability across the District, but an indirect impact on the supply of land and will indirectly influence the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Given the additional requirements on this site in terms of managing surface water drainage ('abnormal costs'), these costs should be deducted from the land value. Furthermore, we understand that significant contributions are being sought from these sites toward the cost of a new roundabout on the A590 trunk road at Swarthmoor. The Croftlands site also requires a local distributor road through the site. This infrastructure is being negotiated on a site specific level.</p>
Policy LA5.3 Ulverston Canal Head Business Park and Employment Regeneration Area	Indirect	<p>Policy LA5.3 seeks to maximise the potential economic and regeneration benefits of the Ulverston Canal Head site.</p> <p>We understand that there are two elements to this Policy. (1) the allocation of Phase 1 Strategic Employment Site (Canal Head Business Park) now developed out and, (2) an area not allocated, but identified as a 'broad location' for employment development.</p> <p>This is a site-specific policy and does not impact on viability district wide. It sets out requirements to be considered when this site is brought forward for development. Whilst it does not directly impact viability across the District, it influences the supply of land and indirectly impacts viability through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Our typologies matrix reflects the sites allocated within the Land Allocations DPD.</p>
Policy LA5.4 Mixed-Use Regeneration Opportunity Area, Ulverston Canal Head	Indirect	This is a site specific policy to provide a policy framework for the regeneration of the sites around Ulverston Canal Head. It sets out requirements to be considered when this site is brought forward for development.

Land Allocations Development Plan Document (Adopted 2013)	Impact on Viability *	Implications for Local Plan Viability Assessment
		<p>Whilst it does not directly impact viability across the District, it influences the supply of land and indirectly impacts viability through the price mechanism. We have used current values (and costs) within our appraisals. The requirements placed on this mixed-use allocation have been considered in formulating our cost assumptions for our mixed-used typologies.</p> <p>Our typologies matrix reflects the sites allocated within the Land Allocations DPD.</p>
<p>Policy LA5.5 Community Use Site, Church Road, Between Great and Little Urswick</p>	<p>Indirect</p>	<p>This is a site specific policy with regard to a community-use allocation in Between Great and Little Urswick. Community uses are not generally subject to CIL charges, as they are part of the social infrastructure and public benefit which the planning system is trying to fund.</p>
<p>Policy LA5.6 Land off Cross-a-Moor, Swarthmoor</p>	<p>Indirect</p>	<p>This is another site specific policy in regard to ensuring the site is sensitively designed and forms a natural extension to the village. There is no direct impact on viability across the District, but an indirect impact on the supply of land and will indirectly influence the property market through the price mechanism. We have used current values (and costs) within our appraisals.</p> <p>Our typologies matrix reflects the sites allocated within the Land Allocations DPD.</p>

Local Plan Draft Development Management Policies (for South Lakeland District outside the National Parks), October 2016; Proposed Main Policy Changes, June 2017 and emerging Publication DPD (Aug 2017)	Impact on Viability *	Implications for Local Plan Viability Assessment
Policy DM1 – General Requirements for all development	Indirect	The General Requirements for all development will guide all planning application decisions; which will impact on the nature of developments that secure planning permission; impacting indirectly on the property market through the price mechanism. We have used current values (and costs) within our appraisals.
Policy DM2 – Achieving High Quality Design	Direct	This policy sets out design principles that new development should follow in order to ensure the District's different characteristics and qualities are maintained and enhanced. There is therefore a direct impact on the construction cost. Notwithstanding this, similar design standards have always been required in South Lakeland and therefore these costs are reflected in the BCIS costs that we have used within our appraisals. Note also that good design leads to high quality environments which are reflected in the value of real estate. We have used current values (and costs) within our appraisals.
Policy DM3 – Historic Environment	Direct	<p>This policy is in place to protect and enhance the heritage and built environment of the District, focusing on heritage assets and conservation areas. There is a cost implication associated with this policy, given it requires developments in conservation areas to meet certain requirements. However, it should be noted that these requirements are already placed in existing policies and legislation such as the NPPF and thus the impact on this policy is not that significant.</p> <p>Regardless, we have used current costs based on the BCIS and rebased them to South Lakeland along with evidence from site-specific EVAs which take into consideration costs of 'typical' development across the District. We acknowledge that construction costs are likely to be higher within designated heritage environments, but values are also likely to be higher. Furthermore, developments involving heritage assets are likely to require a bespoke approach to viability e.g. enabling development and/or grants.</p>

Local Plan Draft Development Management Policies (for South Lakeland District outside the National Parks), October 2016; Proposed Main Policy Changes, June 2017 and emerging Publication DPD (Aug 2017)	Impact on Viability *	Implications for Local Plan Viability Assessment
<p>Policy DM4 – Green Infrastructure, Open Space, Trees and Landscaping</p>	<p>Direct</p>	<p>Elements of this policy have a direct impact on viability because there is a cost associated with replacing trees on site and providing open space within larger developments.</p> <p>The policy requires new developments of over 10 dwellings to provide new high quality on-site provision of open space as part of the overall green infrastructure provision. The policy requires the open space to be of a type and size appropriate to the site, its context and identified local needs.</p> <p>Where new space is not required through other policies (i.e. where accessibility standards from the Core Strategy are met), the policy requires a commuted sum of £200 per bedroom in order to achieve worthwhile improvements to local open spaces, in accordance with the Council’s current evidence of local needs at the time of the application.</p> <p>We have factored these requirements into the site density assumptions and explicitly within our typologies matrix. In terms of the commuted sum we have used £600 per unit as a proxy for 2-4 bed house types.</p>
<p>Policy DM5 – Rights of Way and other routes providing pedestrian and cycle access</p>	<p>Indirect</p>	<p>This policy seeks to maintain and protect the character of rights of way and provide a framework for protection, creation and enhancement of all forms of pedestrian and cycle routes in a safe, attractive and connective manner. It makes a requirement on new development to support access to sustainable forms of transport and promote active travel. There is no requirement in terms of size or costs via a commuted sum and therefore this policy does not have a direct impact on viability.</p>
<p>Policy DM6 – Surface Water disposal, Foul Water disposal and treatment, watercourses, flood defences and consideration of wider land drainage interests</p>	<p>Direct</p>	<p>This policy is to ensure the appropriate management and treatment of surface and foul water disposal to reduce the flood risk in the District. It states that development proposals should include the use of sustainable drainage systems. There are associated costs with this policy and therefore it has a direct impact on viability. The supporting text of the policy does stress that developers should consider drainage solutions at the outset of their scheme design and factor in the costs when acquiring sites.</p> <p>We have included an appropriate allowance for external works costs within our appraisals.</p>

Local Plan Draft Development Management Policies (for South Lakeland District outside the National Parks), October 2016; Proposed Main Policy Changes, June 2017 and emerging Publication DPD (Aug 2017)	Impact on Viability *	Implications for Local Plan Viability Assessment
Policy DM7 – Addressing Pollution and Contamination Impact	Direct	<p>This policy is to ensure the necessary protection of the District’s environment, and public health and safety. This policy indicates that new development should be located in areas where there is no pollution or where exposure to pollution and contamination is adequately remediated or removed to acceptable levels. The policy requires that, ‘where contamination issues are identified, development proposals for the site should incorporate appropriate remediation and subsequent management measures to remove unacceptable risks to human health, groundwater and the wider environment’.</p> <p>These costs should be deducted from the site purchase price based on the ‘polluter pays’ principle.</p>
Policy DM8 – High Speed Broadband for New Developments	Direct	<p>This policy is to ensure new development makes appropriate provision for high-speed broadband connectivity. Developers will also want to deliver this for new schemes as it will aid the marketability of the units. We have included for ‘normal’ services connections within the external works allowance. Where connectivity is very remote and/or it abnormal infrastructure, this will need to be negotiated with the provider and/or the planning authority on a site specific level.</p> <p>Note that the policy recognises the challenges that may be posed in some areas, and where it is not feasible to deliver superfast broadband as part of the development, developers only need to ensure new development is ‘broadband ready’. For residential sites over 30 units the policy requires developers to ensure ultrafast Fibre to the Premises (FTTP) is provided, based on the Openreach announcement that it will provide FTTP for free on sites of this size, therefore no viability implications will arise from this requirement.</p>
Policy DM9 – Parking Provision, new and loss of car parks	Indirect	<p>This policy sets out the factors which will be important for parking provision and management for cars and other vehicles to minimise congestion, encourage sustainable transport modes and reduce conflict between road users.</p> <p>This is a trade off because as (apartment) scheme become higher density, there becomes more units and therefore potentially greater car parking demand. This can only be delivered either on the surface (reducing density) or via under-croft (or basement) parking which increases construction</p>

Local Plan Draft Development Management Policies (for South Lakeland District outside the National Parks), October 2016; Proposed Main Policy Changes, June 2017 and emerging Publication DPD (Aug 2017)	Impact on Viability *	Implications for Local Plan Viability Assessment
		costs and impacts viability. We have taken this into consideration through the application of the relevant density assumption(s). Note also that the policy is stated to be applied 'flexibly'.
Policy DM10 – Safeguarding land for transport infrastructure improvements	Indirect	This policy is to maintain and protect transport routes offering opportunities for future infrastructure improvements and sustainable travel. There are no specific cost implications associated with this policy and therefore does not have a direct impact on viability.
Policy DM11 – Accessible and Adaptable Homes	Direct	<p>This policy is to ensure that new homes are accessible and can be easily adapted as people’s needs change throughout their lifetime.</p> <p>The Council will require:</p> <ul style="list-style-type: none"> • <u>all</u> new homes to meet the optional Building Regulations Requirement M4(2): Category 2 – Accessible and Adaptable Dwellings, and; • in addition, the Council are seeking 5% of units on sites of 40 dwellings or more to meet the M4(3) standards. <p>M4(2) Category 2 - Accessible and adaptable dwellings – are dwellings that provide a higher level of accessibility that is beneficial to a wide range of people who occupy or visit the dwelling, and provides particular benefit to older and disabled people, including some wheelchair users.</p> <p>M4(3) Category 3 - Wheelchair user dwellings – are dwellings that are suitable, or potentially suitable through adaptation, to be occupied by wheelchair users.</p> <p>This has a cost implication for development. In addition to the baseline BCIS construction costs we have made extra-over allowance for these optional Building Regulations requirements to demonstrate that this is achievable:</p> <p style="text-align: center;">+ £521 per unit for accessible and adaptable housing M4(2) Category 2</p>

Local Plan Draft Development Management Policies (for South Lakeland District outside the National Parks), October 2016; Proposed Main Policy Changes, June 2017 and emerging Publication DPD (Aug 2017)	Impact on Viability *	Implications for Local Plan Viability Assessment
		<p>+ £10,111 per unit for wheelchair adaptable dwellings M4(3) Category 3.</p> <p>This is based on the DCLG housing Standards Review, Final Implementation Impact Assessment, March 2015, paragraphs 153 and 157.</p>
<p>Policy DM12 – Self-Build and Custom Build Housing</p>	<p>Indirect</p>	<p>This policy is to ‘encourage’ and provide a positive framework for self-build and custom build housing. It outlines locations where this form of house building is considered appropriate and indicates the positive approach to reviewing such applications. There is a target of 500 self-build homes by 2025, annual increases in self-build permissions, completions and numbers on the register. The emphasis is on encouragement of the sector. The policy states that, ‘in areas where the Council has evidence of strong local demand for self-build and custom build housing it will <i>encourage</i> developers to consider whether an element of self-build plots can be incorporated into development schemes as part of the housing mix.’</p> <p>Note that we have not appraised any self-build schemes explicitly. Self-build housing can be delivered in various ways from individual self-builder to larger schemes involving self-build enabling development². All our residential typologies are on the basis that land can be acquired and developed into a new unit (including appropriate allowance for profit). Where self-building involves plot sales and/or part completed units (e.g. foundations, or ‘wind and watertight’) the working assumption is that the developers profit is commensurate with the development work undertaken and therefore there is sufficient development surplus to incentivise the self-builder to complete the unit.</p>
<p>Policy DM13 – Housing Development in Small Villages and Hamlets</p>	<p>Indirect</p>	<p>This sets the policy and criteria for the scale and form of new housing development in small village and hamlets. This policy indirectly influences viability given that it influences the size and scale of housing, and therefore the build costs and possible sales values. We have appraised typologies based on the allocated sites and site specific EVA evidence, using current costs and values.</p>

² See our report for the Planning Advisory Service, Planning for Self and Custom Build Housing, June 2016 - <https://www.local.gov.uk/sites/default/files/documents/planning-self-and-custom--edc.pdf> (accessed 20/6/17)

Local Plan Draft Development Management Policies (for South Lakeland District outside the National Parks), October 2016; Proposed Main Policy Changes, June 2017 and emerging Publication DPD (Aug 2017)	Impact on Viability *	Implications for Local Plan Viability Assessment
		This policy replaces the ‘infilling and rounding off’ approach to small villages and hamlets in Core Strategy policy CS1.2
Policy DM14 – Rural Exceptions Sites	Direct	<p>This policy is an update to CS6.4 to take into account legislation and national policy on the role of market housing on rural exception sites (RES).</p> <p>The policy is an exceptions policy for the development of <i>affordable</i> housing in rural communities. However, the policy also enables an element of open market housing (in exceptional circumstances) may be allowed on rural exception sites, subject to clear evidence on viability:</p> <ul style="list-style-type: none"> • excessive development costs due to site constraints; • the applicant can demonstrate that the additional revenue created by the development of open market housing is essential to enable the delivery of affordable housing on the site; or • the amount of open market housing is the minimum required to achieve site viability and remains significantly less than the level of affordable housing proposed. <p>Our appraisals are to test the viability of this policy so we have appraised a hypothetical 100% RES scheme. This policy has a direct impact on viability given it requires 100% (or otherwise by exception) of units to be affordable, and therefore the purpose of our appraisal is to establish the quantum of any subsidy required for 100% affordable housing scheme. The appraisals also test a hypothetical RES scheme with 25% market housing to cross-subsidise affordable housing.</p> <p>Note that the danger with allowing market housing on RES sites this is that landowners may not necessarily appreciate that the private market housing is to subsidise the affordable housing delivery and may start to require higher plot values for their land (based on hope value for market housing) - particularly in comparison with allocated site values. This would be detrimental to the supply of affordable housing in rural communities.</p>

Local Plan Draft Development Management Policies (for South Lakeland District outside the National Parks), October 2016; Proposed Main Policy Changes, June 2017 and emerging Publication DPD (Aug 2017)	Impact on Viability *	Implications for Local Plan Viability Assessment
Policy DM15 – Essential Dwellings for Workers in the Countryside	Indirect	DM15 provides a policy framework to guide when a new dwelling may be acceptable in the open countryside to meet the needs of agriculture and rural businesses. There are no direct implications on viability across the District from this policy.
Policy DM16 – Conversion of Buildings in Rural Areas	Indirect	This policy sets out the criteria to indicate how and when traditional buildings in rural areas may be converted to other uses. There is no impact on Plan viability.
Policy DM17 – Retention of Community Facilities	Indirect	This policy is in place to support the sustainability of the District's communities and protection of community facilities. There is no direct impact on viability as a result of this policy which seeks to retain existing community facilities.
Policy DM18 – Tourist accommodation - caravans, chalets, log cabins, camping and new purpose built self-catering accommodation (outside the AONB)	Indirect	DM18 supports proposals for tourist accommodation that are located in appropriate locations and are of an appropriate scale, to ensure that proposals will not have a detrimental impact on their surroundings. This policy has no impact on Plan viability.
Policy DM19 – Equestrian related development	Indirect	There is no direct impact on Plan viability from this policy that supports equestrian related proposals.
Policy DM20 – Advertisements, Signs and Shopfronts	Indirect	There is no direct impact on Plan viability from this policy that outlines the Council's approach to advertisements, signs and shopfronts.
Policy DM21 – Renewable and Low Carbon Energy Development	Indirect	This policy promotes and encourages appropriate renewable energy development, there is no impact on Plan viability.

Local Plan Draft Development Management Policies (for South Lakeland District outside the National Parks), October 2016; Proposed Main Policy Changes, June 2017 and emerging Publication DPD (Aug 2017)	Impact on Viability *	Implications for Local Plan Viability Assessment
Policy DM22 –Hot Food Takeaways	Indirect	This policy has regard to the development of A5 uses. There is no direct impact on Plan viability.
Policy DM23 – Retail Uses Outside of Town Centres	Indirect	<p>This policy is in place to maintain and enhance the vitality, viability and sustainability of the District’s town centres. There are locally set impact thresholds for <i>retail</i> floorspace which will be required for proposals that exceed:</p> <ul style="list-style-type: none"> • 2,000 sqm gross outside of the town centre of Kendal, • 1,000 sqm gross outside Ulverston town centre; and • 500 sqm gross outside of Milnthorpe, Grange-over-Sands and Kirkby Lonsdale town centres. <p>We have appraised a set of typologies for retail development with regard to these typologies. The working assumption where schemes are out-with the designated town centre, but within the development [settlement/urban] boundary is that the typology is likely to be brownfield. Where a scheme is outside the designated town centre <i>and</i> outside the development boundary then this typology is likely to be greenfield.</p> <p>The vitality of the service centres impacts indirectly on the desirability of that location as a place to live; shops and work, impacting on commercial values. We have had regard to current commercial values as part of our viability appraisals. The vitality of the settlements should continue to be monitored as this will impact future values.</p>
Policy DM24 – Kendal Town Centre and Kendal Canal Head Area	Indirect	This policy relates to maintaining and enhancing the vitality, viability, accessibility, social, economic, historical and environmental qualities of Kendal Town Centre and Kendal Canal Head Area (and their environs). There is no direct impact on viability, however requirements in terms of maintaining environmental quality are factored into our appraisals as we have used current BCIS costs rebased to South Lakeland, as well as consulted local agents.

Local Plan Draft Development Management Policies (for South Lakeland District outside the National Parks), October 2016; Proposed Main Policy Changes, June 2017 and emerging Publication DPD (Aug 2017)	Impact on Viability *	Implications for Local Plan Viability Assessment
Policy DM25 – New Agricultural Buildings	Indirect	This policy relates to new agricultural buildings; this has no direct impact on this viability study.
Policy DM26 – Gypsies, Travellers and Travelling Showpeople	Indirect	<p>This policy supersedes policy CS6.5a, and regards maintaining an adequate supply of private sites for the housing requirements of Gypsies, Travellers, Showmen and Roma based on current evidence of existing and future need.</p> <p>This is not a large sector of the property market and therefore the supply of these sites will have limited, if any impact, on viability. Cost and value assumptions and land supply / price should be monitored for future reviews.</p>
Policy DM27 – Enforcement	Indirect	This policy is in place to ensure the Council can respond to suspected breaches of planning control through application of policy and protocol. It does not impact on the viability assessment.

* Those policies with a direct impact on viability include policies such as affordable housing, minimum housing standards etc. that have a measurable impact on viability. These have been explicitly factored into our economic viability appraisals.

Those policies with an indirect impact have been incorporated into the viability study indirectly through the property market cost and value assumptions adopted e.g. market values and BICS costs.

It is important to note that all the policies have an indirect impact on viability. The Council's Local Plan sets the 'framework' for the property market to operate within. All the policies have an indirect impact on viability through the operation of the property market (price mechanism) and via site allocations which shapes land supply over time.

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