

# Application for Vacant Building Credit

Project Ref 022-93938 Piazza Shopping Centre, New Street, Albion Street, Huddersfield, HD1 2TR

## 1. Policy Background

The Vacant Building Credit provisions, originally set out by Ministerial statement, now form part of the National Planning Policy Framework, which states at para 64 :-

*To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount. [Equivalent to the existing gross floorspace of the existing buildings. This does not apply to vacant buildings which have been abandoned.]*

The Planning Practice Guidance on Planning Obligations 2019 provides further explanation of the Vacant Building Credit:

*What is the vacant building credit?*

*National policy provides an incentive for brownfield development on sites containing vacant buildings. Where a vacant building is brought back into any lawful use, or is demolished to be replaced by a new building, the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought. Affordable housing contributions may be required for any increase in floorspace.*

*What is the process for determining the vacant building credit?*

*Where there is an overall increase in floorspace in the proposed development, the local planning authority should calculate the amount of affordable housing contributions required from the development as set out in their Local P plan. A 'credit' should then be applied which is the equivalent of the gross floorspace of any relevant vacant buildings being brought back into use or demolished as part of the scheme and deducted from the overall affordable housing contribution calculation. This will apply in calculating either the number of affordable housing units to be provided within the development or where an equivalent financial contribution is being provided.*

*The existing floorspace of a vacant building should be credited against the floorspace of the new development. For example, where a building with a gross floorspace of 8,000 square metre building is demolished as part of a proposed development with a gross floorspace of 10,000 square metres, any affordable housing contribution should be a fifth of what would normally be sought.*

*Does the vacant building credit apply to any vacant building being brought back into use?*

*The vacant building credit applies where the building has not been abandoned.*

*The courts have held that, in deciding whether a use has been abandoned, account should be taken of all relevant circumstances, such as:*

- *the condition of the property*
- *the period of non-use*
- *whether there is an intervening use; and*
- *any evidence regarding the owner's intention*

*Each case is a matter for the collecting authority to judge.*

*The policy is intended to incentivise brownfield development, including the reuse or redevelopment of empty and redundant buildings. In considering how the vacant building credit should apply to a particular development, local planning authorities should have regard to the intention of national policy.*

*In doing so, it may be appropriate for authorities to consider:*

- whether the building has been made vacant for the sole purposes of re-development*
- whether the building is covered by an extant or recently expired planning permission for the same or substantially the same development*

## **2. Qualification of the Proposed Development for Vacant Building Credit**

The majority of the first and second floors upper floors of the application site that comprise the area of the buildings proposed for residential conversion under the current application have been vacant for the two year period that the applicant has owned the property. In addition the ground floor area of Nos 92, 102 & 106 provide a lobby areas, circulation space, fire escape and access to the upper as part of the proposed residential development. No 92 is in occupation the other two ground floor areas are vacant.

The ground floor of the buildings has been occupied in retail use so there is no question that the use of the buildings have been abandoned. The upper floors have been used as storage space in the past and have a lawful ancillary use as such but have been vacant for some time.

The vacant upper space is simply surplus to requirements and there is no market in Huddersfield for this sort of upper floor commercial space. As such it is precisely the sort of re-use of redundant building space that the Vacant Building Credit policy intends to incentivise.

## **3 Affordable Housing Requirement**

The Local Authority requires 20% Affordable Housing provision under Policy LP11 of the Local Plan

The proposed development of 18 apartments would therefore require 3.6 affordable units – this has been rounded up to 4 units by the Council as a tenure mix of 1 x First Homes, 1 x Intermediate and 2 x Affordable/Social Rent.

## **4. Calculation of the Vacant Building Credit**

Proposed Development 18 Apartments

Step a) Affordable Housing Requirement 18 units x 20% = 3.6 units

Step b) Existing Vacant Floorspace As A Proportion of the Development Floorspace within Application Site

$E/P \times 100$  (where E = Existing Vacant Floorspace and P = Proposed Floorspace)

A schedule of floor areas relevant to the proposed residential conversion are set out in the table below.

**Piazza Shopping Centre Huddersfield Floorspace Schedule**

Unit/Floor	Ground Floor Retail Occupier	Floor	GIA Sqm	Vacant	Proposed Apartments
92 New Street	Freddies	Ground	38.8	No	Yes
92 New Street	Freddies	First	80.5	No	Yes
92 New Street	Freddies	Second	126.5	No	Yes
94 New Street	None	First	40.1	Yes	Yes
96 New Street	Lamore Living	First	94.2		Yes
102 New Street	None	Ground	46.6	Yes	Yes
102-104 New Street	Europe Clothing	First	101.1	Yes	Yes
106 New Street	None	Ground	55.5	Yes	Yes
106 New Street	None	First	55.0	Yes	Yes
108-110 New Street	Stock Kingdom	First	255.4	Yes	Yes
108-110 New Street	Stock Kingdom	Second	227.3	Yes	Yes

Existing Vacant Floorspace :-

Ground Floor – 102.1m<sup>2</sup>

First Floor – 545.8m<sup>2</sup>

Second Floor – 227.3m<sup>2</sup>

Total Floor Area – 875.2m<sup>2</sup>

Proposed Residential Space :-

Ground Floor - 140.9m<sup>2</sup>

First Floor – 626.3m<sup>2</sup>

Second Floor - 353.8m<sup>2</sup>

Total Floor Area - 1,121m<sup>2</sup>

875.2sqm/ 1,121sqm = 78%

Step c) Calculate Affordable Housing Credit

$$3.6 \text{ Units} \times 78\% = 2.8 \text{ units}$$

Step d) Deduct the Affordable Housing Credit from the Policy Compliant Affordable Housing Contribution (Step 1 – Step 3)

$$3.6 \text{ Units} - 2.8 \text{ Units} = 0.8 \text{ Units}$$

## **5 Conclusion**

Under the terms of the Vacant Building Credit provisions the development would require 0.8 Affordable Housing units.

It will not be possible to find a Registered Provider to manage 1 unit in a project so it is proposed to make a commuted sum in lieu of 0.8 units of on-site provision.