

Strategic Sites: From Identification to Delivery

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Where are we now: Planning in a changing economic climate

- ◆ How are strategic sites being affected
- ◆ What are the main issues & problems
- ◆ How severe are they
- ◆ Potential treatments

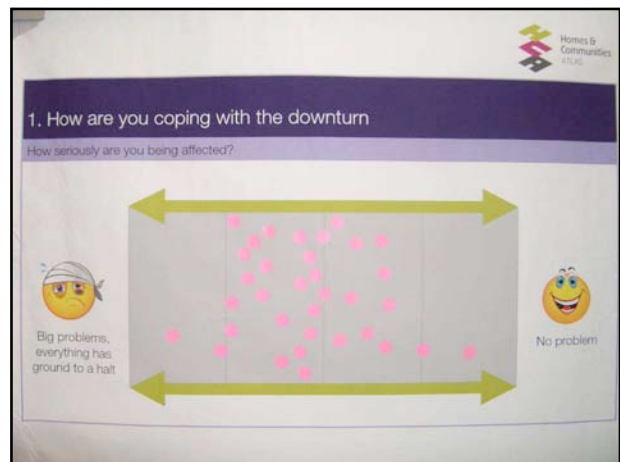


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Today's presentation

- ◆ Introduction to Atlas
- ◆ Where are we now?
- ◆ Should you be worried?
- ◆ What can be done
- ◆ Case Studies & practical learning
- ◆ Discussion Groups
- ◆ Feedback & Q & A

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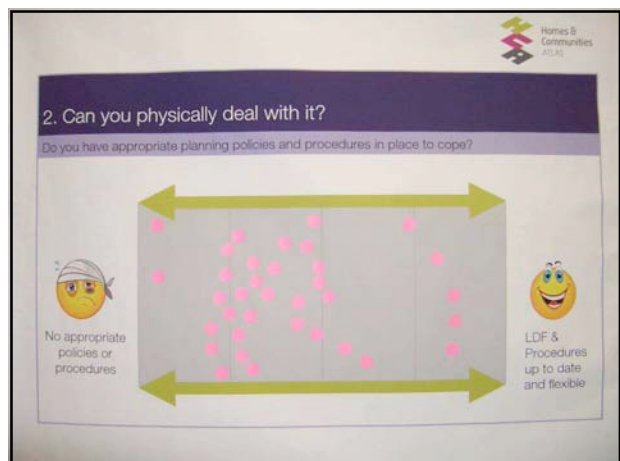


Introducing ATLAS

- ◆ Advisory Team for Large Applications
- ◆ Funded by CLG
- ◆ Hosted and delivered by the HCA
- ◆ Free service provided to Local Authorities but for the benefit of all partners
- ◆ Impartial & independent



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3. Causing you headaches?

Do you have the necessary knowledge, experience and skills to address downturn related issues?

The issues are new to me

No problem

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It's not all bad news

- ◆ Planners are now more important than ever
- ◆ We all still need to deliver quality places
- ◆ Planning is resilient: be creative and look for flexible responses
- ◆ Development Management can help: collaborate to find solutions
- ◆ Opportunity to front-load effort

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4. Are you bunged up?

Are you suffering from important projects that have stalled or got stuck in the system?

Big problems, everything has ground to a halt

No problem

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But there are side effects

- ◆ It may feel a little bit uncomfortable
- ◆ It takes time
- ◆ Flexibility introduces uncertainty
- ◆ It may require renegotiation away from "agreed" positions
- ◆ Not all solutions might work for you!

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The diagnosis: Should we be worried?

- ◆ Implementing local, regional and national strategies relies on growth
- ◆ No development means no new infrastructure - public sector can't fund it all
- ◆ Limited residential development means less affordable housing
- ◆ How do we improve & regenerate our communities without development and growth?


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What can be done? Some options


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What can be done?
Some options






1. Prevention






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1. Prevention
Policy setting & application




- ◆ Robust evidence
- ◆ Flexibility in implementation
- ◆ Economic viability is an important material consideration
- ◆ Affordable Housing & Viability
 - Blyth Valley BC v Persimmon Homes
- ◆ PINS & viability
- ◆ Infrastructure



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What can be done?
Some options





1. Prevention




2. Therapy



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1. Prevention
Strategic Site Allocations



- ◆ Revised PPS12 allows greater flexibility in preparing the LDF
- ◆ Encouragement to ‘allocate’ sites in the core strategy
- ◆ Only “those sites considered central to the achievement of the strategy”
- ◆ Front loading effort to “set the deal” early in process

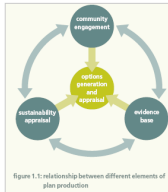


Figure 1.1: relationship between different elements of plan production

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What can be done?
Some options





1. Prevention



2. Therapy



3. Treatment

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2. Therapy
Skills & Knowledge



- ◆ Current times requires new skills
- ◆ But no need to reinvent the wheel
- ◆ Audit existing skills & experience, identify gaps
- ◆ Address gaps: training, draw on partners skills, share skills between authorities, seek help from organisations like ATLAS



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2. Therapy
Address your issues






- ◆ Maintain your integrity
- ◆ Be proactive & positive
- ◆ Achieve “buy in”
- ◆ Ensure effective collaboration
- ◆ Develop a robust approach
- ◆ Review evidence and be reasonable
- ◆ Explore alternative funding / delivery

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North Field, Filton Airfield
Bovis Homes & South Glos DC






Condition 16 to outline planning approval:

The developer shall not occupy or otherwise bring into use more than 30,000 sq m gross of the Class B employment floor space hereby approved until a lane gain improvement scheme on the north-bound carriageway of the M5 motorway has been completed and opened for public use. The scheme shall be:

(i). In accordance with drawings numbered X and containing X measures; or
(ii). In accordance with an alternative scheme broadly in accordance with condition 16. i) above Such a scheme is to be submitted to and agreed by the local planning authority (in consultation with the Secretary of State for Transport).

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3. Treatment
Potential pills to address symptoms

- ◆ Greater use of planning conditions
- ◆ Renegotiate
- ◆ Cascade approaches
- ◆ Contingent Deferred S106 payments
- ◆ Potential solutions may require blend of approaches

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3.2 Treatment
Renegotiating S106s

- ◆ Ability to modify/discharge obligations EITHER formally OR by agreement
- ◆ LPA can reach 3 decisions
 - Obligation **absolutely necessary**, (ie vital to project delivery or acceptability in planning terms)
 - Obligation **no longer serves “useful purpose”** (ie strategic contribution to something that may no longer be being taken forward or is being funded by other means)
 - Obligation still serves a “useful purpose” but **scope for modification** (ie flexibility in amount or timing of payment)
- ◆ But political support to unpick agreements?

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3.1 Treatment
Use of planning conditions



- ◆ Conditions preferred to obligations
- ◆ Grampian style conditions: lawful and commonly used to limit development until a specific event has occurred
- ◆ Key tests
 - Sufficient clarity and agreement as to what is required
 - Requirement not explicitly dependent on future developer funding/contributions (“set the deal” through initial approval)
 - Advise a level of certainty for a solution
- ◆ Limit development to acceptable “threshold point” by which time funding & delivery required to proceed further

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3.3 Treatment
Cascades

- ◆ Scope for future public subsidy, but not allocated at point of decision making
- ◆ Most common in AH where HCA funding uncertain over medium-longer term
- ◆ Brings flexibility:
 - Total % AH based on alternative tenure splits
 - Total % of AH and/or tenure split subject to future grant
- ◆ Other applications of cascade approach, ie if grant /investment puts in cash for other infrastructure – not just AH?

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3.4 Treatment Contingent Deferred Obligations



- ◆ Where (current day) viability appraisal results in inability to fund all defined S106 components
- ◆ Potential where "the need to facilitate the continuation of housing growth" is considered as a significant material consideration, especially relevant in growth areas
- ◆ Requires open book / acceptable valuation approach
- ◆ Retains "total" / full contributions, but acknowledges reduced "initial" contributions based on current day viability, with "deferred" future payments related to changes in values over time

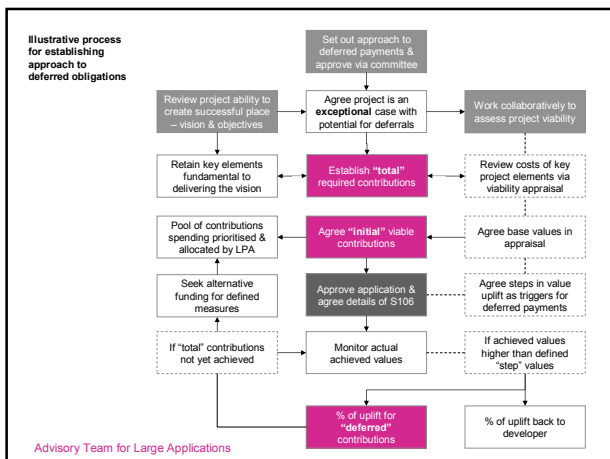
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Some Conclusions



- ◆ There are **NO** easy solutions
- ◆ All sides have to be convinced of the benefits from development
- ◆ Requires a partnership approach, new skills and culture change
- ◆ Can be time intensive to find solutions
- ◆ Front loading effort
- ◆ May involve risk taking

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Ashford BC Approach



- ◆ Approach & principles approved by Committee Feb 09
- ◆ Applicable in "exceptional cases" only
- ◆ Requires development appraisal, independently verified
- ◆ Defers S106 payments linked to changes in sales values
- ◆ Not a tariff as applied uniquely
- ◆ First S106 signed March 2009



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