

Chichester District Council

CABINET

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Delivery of the Tangmere Strategic Development Location

1. Contacts

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2. Recommendation

2.1. The Cabinet is requested to:

- I. **Instruct a Registered Valuer to undertake a valuation of the site, prior to further consideration of the potential to use compulsory purchase powers to facilitate development;**
- II. **Instruct a specialist solicitor to advise on technical and legal matters relating to the compulsory purchase order process including the transfer of land and procurement of a preferred developer.**
- III. **Subject to outcome of I. and II. above being satisfactory, to appoint consultants to prepare a masterplan for the site.**
- IV. **To allocate a sum of up to £100,000 from the Planning Delivery Grant and General Reserve to fund the matters in I. to III. above.**

3. Background

- 3.1. The purpose of this report is seek approval to undertake further work in order to deliver the strategic development location at Tangmere. This includes preparatory work with a view to the Council using relevant compulsory purchase powers. A brief outline of the background to the development is outlined below and the policy framework is included in Appendix 1.
- 3.2. The site at Tangmere has been identified in the Chichester Local Plan: Key Policies (the Local Plan) as a Strategic Development Location (SDL) for the provision of 1000 homes and associated infrastructure including a school, open space and community facilities. The site is fundamental to the delivery of the housing proposed in the Local Plan and for the Council to be able to demonstrate an on-going five year housing land supply. The site is also identified for development in the Tangmere Neighbourhood Plan. The Neighbourhood Plan provides a series of policy principles which will provide the context for masterplanning.
- 3.3. Throughout the formulation of the Local Plan, the Council was assured by the landowners and developers that there was a commitment to jointly deliver the scheme and requisite infrastructure in a coordinated way through the production of a masterplan and subsequent planning applications. However, since the

Local Plan has been adopted and unlike the other strategic development locations there has been no progress in producing a masterplan which, in turn was expected to lead to the submission of a comprehensive outline planning application for the development as a whole. At this point in time the ability of the landowners and developers to work together to deliver the scheme has not been demonstrated and there is no confidence that the site will be delivered. Consequently, it is considered necessary to take steps to examine other methods to bring forward development of the site, including the potential use of a compulsory purchase order (CPO) by the Council.

- 3.4. Officers have been meeting regularly with the consortium of landowners and developers and their respective agents over a number of years. However, there is one landowner whose interests are not represented at these meetings, despite being invited to attend. Given the lack of progress being made, those meetings have presently ceased. Following a meeting held on 18 December 2015, a letter was sent to consortium members requesting detailed information about their intentions in developing the SDL. While the majority of parties responded to the letter and expressed support for joint working to deliver the SDL, not all of those with an interest in the site have responded. Of those that did respond, none were able to offer a timetable for delivery.
- 3.5. At its meeting on 8 October 2013, Cabinet resolved:
'That the general approach for Chichester District Council to use its compulsory purchase powers if necessary in order to bring forward delivery of the strategic development locations in the Local Plan be approved and that preliminary specialist advice be obtained'.
- 3.6. In light of the lack of progress made by the consortium in developing a masterplan, preliminary legal advice has now been obtained from a CPO specialist, and this outlines the need for further work to be undertaken, as outlined in section 5 of this report below.

4. Outcomes to be achieved

- 4.1. Greater understanding of the prospects for using CPO powers to bring forward delivery of the development identified for the Tangmere SDL in accordance with policies set out in the Chichester Local Plan and the Tangmere Neighbourhood Plan and masterplanning work.

5. Proposal

- 5.1. It is proposed that officers take all the necessary steps, including relevant preparatory work with a view to the Council using relevant compulsory purchase powers to ensure the delivery of the Tangmere SDL.
- 5.2. CPO powers are available to local authorities (and other bodies) for various uses where such action is considered to be in the public interest. CPOs are frequently employed to enable land to be acquired for the wider benefit of the community, usually to enable regeneration and development schemes that involve complex or multiple land ownerships, without which development could not be delivered. Officers have been clear with the development consortium, in various meetings, that the Council would wish to see the SDL delivered by the developers in a comprehensive and coordinated way as set out in the Local Plan. However, if the consortium cannot reach agreement to bring the site forward, then the Council has made it clear that it would be prepared to consider the use of CPO powers to deliver development on the land in question.

- 5.3. Legal advice obtained confirms that if development does come forward on a voluntary basis as part of a joint working approach with the developers/landowners, then there is no justification for exercising the Council's CPO powers over the whole of the land in question.
- 5.4. If the Council wishes to pursue the use of CPO powers for the purpose of delivering development on this site, guidance from the specialist solicitor has advised that there are a number of legal and technical considerations:
- Which CPO power should be relied on? The Council may rely on a number of statutory powers which must be relevant and applicable to the case at hand. The initial view is that a CPO for this site could be advanced on the basis of powers contained within the Town and Country Planning Act 1990 (for the economic, social or environmental well-being of the area in question), or the Housing Act 1985 (for a gain to the supply of housing accommodation), but further consideration of the express power to be relied upon will need to be carried out should a CPO be pursued.
 - The pursuit of a CPO involves state bodies interfering with private interests. As such, it is essential that there is sound justification for its use. The assembly of the land (by the CPO) should be demonstrably the last practical hurdle to the scheme coming forward. As such, the Council would be required to demonstrate that matters such as funding, resourcing, planning and other practical issues to the delivery of the scheme have been addressed and overcome (or can be addressed and overcome). The Council's Local Plan requires that the Tangmere SDL is subject to a comprehensive masterplanning exercise. With that in mind, although there is a cost implication, it is suggested that before considering the pursuit of a CPO, the Council should carry out that masterplanning exercise to both inform the process and demonstrate the deliverability of the Tangmere SDL in planning terms. This will also move the planning process forward and provide greater reassurance to subsequent developers that planning permission will be granted and assist with the timely preparation and determination of future planning applications.
 - In order to proceed with a CPO there needs to be an understanding of the costs involved, with the land assembly costs being a fundamental aspect of this assessment. Valuation of the site is therefore required before a CPO is progressed. It is recommended that a Registered Valuer is appointed to undertake this work.
 - It is likely that the Council will want to work with a partner to carry out the development of the site once the land has been acquired and there is a need for further investigation to be carried out on how the transfer of land may take place and how a preferred developer would be procured and appointed.
- 5.5. Officers will, as required by Government guidance on the operation of CPOs, continue to maintain a dialogue with the landowners / developers with a view to negotiating either delivery of the site without the need for intervention or an agreed purchase without the need for a formal CPO. However, it is appropriate to seek authority to assemble the evidence necessary for making a CPO at this stage, including the assessment of risks to the Council.

6. Alternatives that have been considered

6.1. The landowners and developers have been clearly advised that officers do not have sufficient evidence or confidence that development of the site is progressing satisfactorily. Three options were outlined as a possible way forward:

- That the consortium as a group provides the Council with reassurance and evidence that it is working together and is capable of delivering a comprehensive masterplan of the site with indicative timelines;
- That the Council investigates CPO powers to facilitate comprehensive development;
- That as part of the review of the Local Plan, the Council gives consideration to removing the SDL allocation as it cannot be demonstrated that it is deliverable.

6.2. The first option appears at this stage not to be achievable. The third option would require the Council to identify alternative land for the provision of 1000 homes in addition to increased housing numbers potentially required as part of the Local Plan Review. It may also mean that the Council may not be able to demonstrate an on-going 5 year housing land supply in the future. It is therefore considered that second option, i.e. investigate the making of a CPO, is the only realistic option in the absence of any significant progress from the consortium of land owners and developers.

7. Resource and legal implications

7.1. There is a need for on-going specialist legal advice on the CPO process together with the appointment of a Registered Valuer to carry out a site valuation exercise. Should Cabinet support the advice obtained concerning masterplanning of the site by the Council, suitable funding will also be required for this work. It is suggested that the remainder of the Planning Delivery Grant Reserve (approximately £25,000) could be used to part fund these costs and that a further sum of £75,000 be allocated from general reserves.

8. Consultation

8.1. The Council's Legal Service and an external legal specialist have been consulted about this complex matter.

8.2. The Local Member is aware of the investigatory work being undertaken in relation to the potential use of CPO powers.

8.3. The Development Plan and Infrastructure Panel considered the contents of the report and the amendment suggested to increase the available resources has been incorporated.

8.4.

9. Community impact and corporate risks

9.1. The primary intention of the Tangmere Neighbourhood Plan is to shape how and where the allocated 1000 new homes, and associated infrastructure, are delivered. The identification of the site for development is fundamental to the delivery of the Local Plan and Neighbourhood Plan strategy.

9.2. There may be a negative impact if the Tangmere Strategic Development Location is not delivered in line with the above plans and the five year housing land supply.

- 9.3. Use of the requested funding will provide further advice as to whether the use of CPO powers should or should not progress. Corporate risks associated with the implementation of CPO powers will be subject to a further report.

10. Other Implications

Are there any implications for the following?		
	Yes	No
Crime & Disorder: The proposals in the masterplan should ensure that at the very least there is no negative impact on the potential for crime and disorder and that there should be a positive impact in reducing the potential for crime and disorder.	X	
Climate Change: The proposals in the masterplan should ensure that at the very least there is no negative impact for climate change and that there should be a positive impact by including mitigation or adaptation measures.	X	
Human Rights and Equality Impact: An equalities impact assessment will need to be undertaken on the proposals in the masterplan.	X	
Safeguarding and Early Help:		X
Other (Please specify): e.g. Biodiversity		X

11. Appendix

- 11.1. Appendix 1: Policy Framework and Five Year Housing Land Supply

12. Background Papers

None

Appendix 1: Policy Framework and Five Year Housing Land Supply

Policy Framework:

The development of the Tangmere SDL that will take place following the land assembly is supported by a comprehensive policy framework at both national and local level. These are considered below:

National

National Planning Policy Framework (March 2012) (NPPF) sets out the Government's planning policies for England and how these are expected to be applied. The main aims of the NPPF are to outline that the purpose of the planning system is to contribute to the achievement of sustainable development.

It explains that there are three dimensions to sustainable development: economic, social and environmental. These dimensions give rise to the need for the planning system to perform a number of roles:

- an economic role, contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure;
- a social role, supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations; and by creating a high quality built environment, with accessible local services that reflect the communities needs and support its health, social and cultural well-being; and
- an environmental role, contributing to protecting and enhancing our natural, built and historic environment; and, as part of this, helping to improve biodiversity, use natural resources prudently, minimise waste and pollution, and mitigate and adapt to climate change including moving to a low carbon economy.

In relation to the development of the Tangmere SDL it seeks positive improvements in the quality of the built, natural and historic environment as well as improving people's quality of life by: Delivering a wide choice of high quality homes; Requiring good design; Promoting healthy communities; Meeting the challenge of climate change and flooding; Conserving and enhancing the natural environment.

The Chichester Local Plan: The Chichester Local Plan: Key Policies has been adopted by Council on 14th July 2015. The strategy of the Local Plan is to steer major development away from the most environmentally sensitive areas and towards locations that have the widest access to employment opportunities and community facilities, or where development can contribute to addressing an under provision of such facilities.

The Local Plan seeks to deliver 7,388 homes over the period 2012-2029, this equates to an average housing delivery of approximately 435 homes per year. The Local Plan identifies that this housing will be met from several sources:

- planning permissions and identified housing sites

- strategic development locations
- parish level housing
- small sites windfall allowance

New development is focused mainly in the east-west corridor between Southbourne and Tangmere. The Local Plan allocates land for large strategic housing or mixed use development at four locations, namely:

- West of Chichester – 1,250 homes
- Shopwhyke – 585 homes
- Westhampnett/North East Chichester – 500 homes; and
- Tangmere – 1000 homes.

These sites comprise the largest single element of planned housing delivery and are therefore critical to achieving the overall strategy for housing development.

Work is ongoing to deliver development at the Strategic Development Locations. It should be noted that of the four SDLs, that Tangmere is the only SDL that has not progressed with a masterplan or planning application.

Development at Tangmere is identified in Chichester Local Plan Policy 18 (Tangmere Strategic Development Location) as a suitable location to develop 1000 homes and an opportunity for its infrastructure and facilities to develop as a settlement hub. The identification of the site for development is therefore fundamental to the delivery of the Local Plan strategy.

The Tangmere Neighbourhood Plan: The Tangmere Neighbourhood Plan (TNP) is to proceed to referendum on 5 May 2016. It sets out a coordinated framework to deliver the 1000 homes as identified in the Local Plan (Policy 18). As it is delivering strategic development unusually representatives from the landowners/developers sat on the neighbourhood plan steering group and contributed to the shaping of the neighbourhood plan. It is intended that the neighbourhood plan acts as a concept statement for comprehensive masterplanning of the site as required by Local Plan Policy 7 (masterplanning).

The primary intention of the TNP is to shape how and where the envisaged 1,000 new homes, and their associated infrastructure, are delivered. The identification of the site for development is therefore fundamental to the delivery of the Local Plan and Neighbourhood Plan strategy.

Masterplanning the site: As outlined above the Tangmere Neighbourhood Plan acts as a concept statement to the comprehensive masterplanning planning of the site.

Five Year Housing Land Supply: The Council's most recent published assessment of five year housing land supply (5YHLS) is set out in a report titled 'Chichester Local Plan Area - Five Year Housing Land Supply 2016-2021 - Updated Position at 1 September 2015'. The figures show a potential housing supply of 3,408 net dwellings over the period 2016-2021, compared with an identified housing requirement of 2,987 net dwellings, giving a surplus of 421 dwellings (5.7 years housing supply).

Since the publication of the 5YHLS report, the Council has made some amendments to its housing supply figures, reflecting housing permissions recently granted, sites which the Council now accepts are unlikely to come forward for housing, and amendments to the projected delivery timescales for the Strategic Development Locations. The net effect of these changes has been to increase the projected housing supply slightly to 3,430 net dwellings, giving a surplus of 443 dwellings (5.7 year housing supply). These figures represent the updated 5YHLS position at 9 February 2016.

The 5YHLS position therefore currently shows a reasonably healthy surplus. However, the 5-year figures assume a substantial contribution from the SDLs. It is currently assumed that the first housing completions at Tangmere SDL will come forward from 2019-20, with the site then contributing around 100 dwellings per year for the remainder of the Plan period. Any further delay in Tangmere SDL being developed will therefore have major consequences for the 5YHLS position and would leave a serious gap in the projected housing supply.