

**LAND WEST OF CENTURION WAY AND WEST OF OLD BROYLE ROAD,
CHICHESTER**

**PROGRESS OF THE S106 AGREEMENT AND COMMERCIAL
NEGOTIATIONS UPDATE**

1. Contacts

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2. Recommendation:

- 2.1 That the Committee notes the content of the report and makes any observations.

3. Background

- 3.1. This report provides an update on:
- the progress of the S106 Legal Agreement in relation to outline planning application 14/0401/OUT for the first phase of development for up to 750 homes with access from Old Broyle Road, temporary access from Clay Lane, a local centre (with associated employment, retail and community uses), primary school, informal and formal open space (including a Country Park), playing pitches, associated landscaping, utilities and drainage infrastructure with on site foul sewage package treatment plant or pumping station with connection to Tangmere Waste Water Treatment Works (Phase 1), and
 - the progress of the commercial land negotiations in relation to the delivery of the southern access and the future submission of an outline planning application for the second phase of the development on the West of Chichester Strategic Development Location (SDL) (Phase 2).
- 3.2 At the 11 November 2016 Planning Committee meeting, the committee resolved to defer outline planning application 14/04301/OUT to enable completion of the associated S106 Agreement and then to permit with conditions.
- 3.3 In reaching its decision, the Planning Committee were made aware of the Development Delivery Timeline and Planning Performance Agreement (PPA Phase 2) for Phase 2 of the West of Chichester SDL. These documents

indicated the developers' intentions to progress commercial discussions in respect of the phase 2 land as soon as possible with a view to early delivery of the southern access. Early delivery of the southern access, initially as a construction route and then subsequently as a full access road, would minimise the period of time, and therefore the number of dwellings from the phase 1 scheme, served solely by the Broyle Road access. The Development Delivery Timeline indicates commencement of infrastructure development on site in July 2018 with the southern access road being available for construction vehicles during March/April 2020, which would coincide with the delivery of the 120/125th dwelling approximately. The Development Delivery Timeline anticipates that the additional work required to bring the southern access road to a standard necessary for full residential use would take approximately 9 months. The Development Delivery Timeline anticipates availability of the southern access road for full residential use early in 2021, which coincides with the delivery of the 225th dwelling approximately, 2.5 years after commencement of the infrastructure works.

- 3.4 The Development Delivery Timeline and PPA for the Phase 2 development include a target date for conclusion by the relevant parties of the commercial negotiations with the land owners regarding provision of land required to deliver the southern access by July 2017. Leading up to this date, the PPA also includes a number of update meetings with CDC officers regarding the progress of the commercial negotiations. The Development Delivery Timeline outlines that the conclusion of the commercial negotiations would then be followed by the preparation and submission of the outline planning application for Phase 2 of the SDL, together with its determination by the Council as local planning authority and including the southern access.

4. Progress of the S106 Agreement

- 4.1 Planning application 14/04301/OUT has a Planning Performance Agreement (Phase 1 PPA), updated on 16 January 2017, which sets out the timetable for completion of the S106 Agreement and the issuing of the decision. The Phase 1 PPA states that detailed discussions on the S106 legal agreement were to have been completed by 17 April 2017. However, the comments on the latest draft were only received from the developers on 21 March 2017 and the document is now with officers for comment. It is anticipated that following a review of the latest draft, discipline specific meetings will be set up with officers and the developers in May 2017 to conclude the remaining issues. Subject to agreement being reached on the outstanding issues, it is likely that the final draft will be issued for final comments in June 2017 with completion of the S106 Agreement likely to be towards the end of June 2017, after which the decision notice will be issued. Subject to this timescale being met, this would represent a departure from the expected timeline of 2 to 3 months.

5. Commercial Negotiations Update

- 5.1 Officers have been advised that the first stage of the commercial negotiations is the receipt by the developers of confirmation from both Bishop Luffa School Academy Trust and West Sussex County Council (WSCC) that they are content with the broad specification of the proposed southern access scheme

and playing field relocation works to enable commercial discussions to be commenced in relation to the acquisition of the land required to implement the new access road and the proposed diversion of Centurion Way. It is understood that whilst some progress has been made on matters of principle, there will need to be detailed negotiation and agreement between the parties involving both the Chichester Diocese and the Department of Education, whose formal consent will be needed to make any alterations to the boundaries of the existing Academy site. This will all take some time.

- 5.2 It is understood that the developers have been in discussion with WSCC regarding the nature of the commercial terms, the benefitting parties and the approach to negotiation. It is understood that initial discussions do not suggest any major divergence in approach between the parties but that WSCC has indicated that it will need to appoint an agent to act and will be guided by that agent.
- 5.3 It remains the developer's view that by July 2017 it should be possible to reach an in principle agreement on the commercial terms with a view to securing rights to the WSCC and Diocesan owned land required to build the southern access road. However it is likely that the actual exchange of any agreements is now likely to be later than expected.
- 5.4 Depending upon the level of agreement reached and complexity of the outstanding drafting required, the developers have advised that they may be prepared to make a start on preparation of the phase 2 outline application ahead of physical exchange of those agreements necessary to deliver the southern access.
- 5.5 The developers have confirmed their continuing endeavours to bring forward the southern access as soon as they are able.

6. Conclusion

- 6.1 As outlined above, the completion of the S106 Legal Agreement and the subsequent issuing of the planning permission in relation to 14/04301/OUT is likely to be concluded by June 2017. The commercial negotiations are likely to take longer than was anticipated, however it remains the view of the developers that it should be possible by July 2017 to reach an in principle agreement on the commercial terms relating to the acquisition of the land required for the implementation of the southern access road, with the signing of the agreements following on after that. The developers have stated that, in light of the anticipated time required to complete these negotiations and depending on the level of agreement reached, they may be able to make a start on preparation of the phase 2 outline application ahead of exchange of those agreements in order to reduce any delays to a minimum.

7. Background Papers

- 7.1 None