

North Somerset Council

Report to the Place Policy and Scrutiny Panel

Date of Meeting: 9th March 2022

Subject of Report: Development Programme

Town or Parish: All

Officer/Member Presenting: Jenny Ford, Head of Development & Placemaking

Key Decision: NO

Reason:

Report is for information and discussion

Recommendations

- To note and discuss the proposed Development Programme sites consultation and to consider the priorities for the programme from a Place perspective.
- To note the updates on sites that are already being progressed.

1. Summary of report

- 1.1 This report provides members with information on the forthcoming Development Programme sites consultation. It invites discussion on:
- How the consultation can best engage with interested parties.
 - The key principles and priorities for the sites, from the perspective of the Place Panel.
- 1.2 The report includes an update on sites that are already being progressed.

2. Policy

- 2.1 In February 2021, North Somerset Council adopted a Development Strategy setting out ambitions for the use of land it owns to deliver new homes and jobs.
- 2.2 The Development Strategy can be viewed on the council's website at <https://n-somerset.moderngov.co.uk/documents/s780/22%20Asset%20Accommodation%20and%20Development%20Strategies.pdf>
- 2.3 The Development Strategy supports delivery of the Council's Corporate Priority objectives of Creating a Thriving and Sustainable Place.

3. Details

- 3.1 In February 2021, North Somerset Council adopted a Development Strategy setting out ambitions for the use of land it owns to deliver new homes and jobs. The Strategy can be viewed at: <https://n-somerset.moderngov.co.uk/documents/s780/22%20Asset%20Accommodation%20and%20Development%20Strategies.pdf>
- 3.2 In proposing development on land owned by the council, the strategy was clear that the council would not want to replicate what the private sector is already doing. Objectives can be summarised as follows:
- To provide homes and jobs that meet the needs of our communities – current and future – while helping deliver government targets for housing supply.
 - To offer better quality and more sustainable developments..
 - To deliver sites that the market won't, including difficult brownfield land and employment sites.
 - To generate funding to help deliver other priorities, such as investing in schools, transport links and leisure facilities.
- 3.3 When agreeing the Strategy, the Council made a commitment to undertake public consultation on the programme of sites to be developed. This consultation is proposed to take place from March.
- 3.4 The purpose of the consultation will be to agree which sites should be taken forward for development, and to inform discussions on the priorities for those sites – for example, the relative importance to communities of affordable housing, employment, sustainability or quality of design. It also provides an opportunity for the council to explain the reasons behind the proposed programme and to set out some of the positive options for development, such as opportunities for community-led housing.
- 3.5 The sites in the consultation are a mix of allocated sites and potential future sites. In total, the sites have the potential to deliver around 1,500 new homes and over 1,000 new jobs.
- 3.6 Where potential future sites are identified, some of these are relatively small and within existing settlements, so may be able to come forward ahead of Local Plan changes. Other potential future sites are outside of existing settlement boundaries and would be dependent on the Local Plan. The approach taken in the consultation is that these sites would only be promoted / taken forward for development if the Local Plan first confirmed the general location in question as an area of growth. If the Local Plan did not confirm the general location, the sites would not be pursued further at this time.
- 3.6 The Panel is asked to consider:
- How the consultation can best engage with interested parties, in particular those such as working-age people who might not regularly engage with council consultations.
 - Its own views, from a Place perspective, as to the relative priorities for the overall development programme and how these can be reflected in criteria set for future development procurement processes.

- How in due course the council should consider the results of the consultation to finalise the programme of sites, e.g. what factors should or should not be taken into consideration?

3.7 Points for consideration could include:

- Six of the fifteen potential sites are allocated for development in the current Local Plan. These could deliver a significant quantum of development (c. 900 homes, plus employment), however if the council wants to ensure an ongoing and diverse development programme beyond 2025 it would need to agree to further sites coming forward.
- The brownfield sites in the programme could deliver around 600 – 700 homes (plus commercial/community development). This could be boosted if there is any potential to build on car parks – which could include building *above* car parks (i.e. on stilts). The consultation asks respondents to identify any such locations that are suitable.
- Financially, the total value of the programme could be as much as £15 - 20m, which would be a significant contribution to delivering priorities identified in the council's capital programme such as leisure improvements. However almost all of this sum would come from greenfield sites, with the brownfield locations struggling financially and in some cases likely to need cross-subsidy. In terms of objectives such as the provision of affordable housing, or net zero homes, it will be more viable to deliver these on sites without pre-existing financial challenges.
- Financial development appraisals do not represent all costs and benefits involved with development. Traditional modelling does not, for example, look at cost savings to revenue budgets created by providing alternative specialist accommodation for older or vulnerable people that avoids them needing to move into care homes. It does not take account of council tax or business rate income, or of energy savings through the provision of better quality of premises, or of the health & well-being benefits of good quality homes. These factors can be difficult to calculate but are nonetheless considerations for NSC both in its landowner and wider roles.

3.8 The following paragraphs provide updates on sites already being progressed as part of the development programme, and illustrate some of the additional benefits the council can garner through its landowner role:

- Parklands Village, Weston-super-Mare: conditional contract awarded to Keepmoat Homes for 425 dwellings, including 128 affordable homes. Groundworks have commenced with first homes expected late 2022/early 2023. Our ownership of the land meant we were able to specify the pace of delivery at a rate of no less than 85 homes per year. The homes will be built using "Modern Methods of Construction" (MMC). 75 will be net zero carbon, with the development as a whole achieving a 75 – 80% reduction in carbon output against baselines.
- Uplands, Nailsea: Full planning consent has been secured for a 100% Passivhaus scheme designed by award winning architects, Mikhail Riches. We are currently in the final stages of procuring a development partner, with

selection of the preferred developer due in June and a start on site late 2022/early 2023.

- Weston Business Quarter: this 30ha site is one of the most significant employment sites in North Somerset and sub-regionally, expected to deliver over 1,000 new jobs. In 2019, we opened the Food Works SW Innovation Centre at the site. It is the only centre of its kind in the South West and was a response to feedback from food and drink producers that the type of facilities and support that they needed weren't available to them anywhere in the region. This limited their ability to grow their business, create jobs and help better promote the region for food and drink. We are now preparing a Full Business Case for funding from the West of England Local Enterprise Partnership (LEP) to forward fund infrastructure to open up the rest of the land for employment.
- Weston Town Centre sites: £1.075m Brownfield Land Release Funding has been secured to carry out remediation work on the former police station site in preparation for development. We are at an advanced stage of negotiations to acquire further sites in the town centre from Homes England and a report setting out a Commissioning Plan for the procurement of a development partner was approved at Full Council in February.
- Millcross, Clevedon and Selworthy Road, Weston: these sites were passed to Alliance Homes through commercial deals but on the basis of delivering 100% affordable housing. Planning applications are expected to be submitted shortly.
- Community-led housing (CLH): Community-led housing is when groups of local people come together to take charge of a housing project in their community. Officers have been working with a specialist consultant and engaging with local communities to investigate the options for them to develop small pieces of council-owned land as CLH.

4. Consultation

4.1 The subject of this report is the launch of a public consultation on the development programme of sites. Consultation is intended to include:

- A web-based consultation (but with paper copies available at libraries).
- A short video to be published on the council's facebook page encouraging participation.
- Face-to-face meetings with ward members and Town and Parish Councils, where they have potential sites in their areas.
- In addition to the Place Scrutiny Panel session, an informal briefing / discussion session with members of the PCOM Panel.

4.2 It is fully recognised that there may be confusion between this consultation and the Local Plan consultation happening at the same time. The consultation documents will be as clear as possible in explaining the relationship and differences. Where possible, officers will link up engagement meetings on the two consultations so as to explain the differences in person.

- 4.3 The consultation will be followed by recommendations for decision in the autumn, although in a limited number of cases there may be cause for earlier reporting and decisions.
- 4.4 For those sites agreed to be taken forward for development, there will be further site-specific consultations required, in particular through planning and in agreeing business cases and procurement routes.

5. Financial implications

- 5.1 The potential total value of the development programme could be as much as £15 – 20m, if all sites were taken forward.
- 5.2 The revenue costs of commercial, procurement and legal advice to dispose of sites is the realm of £150 – 250k for each procurement exercise. Officers will be seeking to create efficiencies and reduce costs by grouping sites together.
- 5.3 In some cases there may be need for direct or indirect subsidy to support site delivery. An example would be the £700k grant agreed for the Weston Town Council sites in February, which will be used to boost affordable housing and sustainability.
- 5.4 Officers will seek grant from Homes England, One Public Estate and other government sources or investors to assist in delivery of sites and to minimise the council's financial exposure and risk.

6. Legal Powers and implications

- 6.1 The Local Government Act 1972 gives the Council the power to acquire and dispose of land held by it in any manner it wishes provided that the council achieves the best consideration that can reasonably be obtained.

7. Climate Change and environmental implications

- 7.1 The development programme has significant climate change and environmental implications.
- 7.2 An aspiration of the programme is to provide high sustainability homes and employment premises that minimise environmental impact, create good conditions for end-users, offer better choices for those buying or renting, and which encourage other developers to in turn increase their own standards.
- 7.3 The development of land can have negative environmental implications. However North Somerset has a government target to deliver 1,339 new homes per year. If homes are not delivered on allocated or otherwise policy-compliant sites by the council, they will be required to be delivered by other parties who may have lower standards of sustainability.

8. Risk management

- 8.1 Development projects hold a significant number of physical, financial, environmental and reputational risks, which will be assessed on a site-by-site basis.

9. Equality implications

Have you undertaken an Equality Impact Assessment? – No

- 9.1 Individual sites will be subject to Equality Impact Assessments, if taken forward for development.

10. Corporate implications

- 10.1 The Development Strategy supports delivery of the Council's Corporate Priority objectives of Creating a Thriving and Sustainable Place.
- 10.2 The delivery of a development strategy will require input and support from a wide range of council teams, including planning, legal and finance.

11. Options considered

- 11.1 Not to pursue a Development Programme: the principle of a development programme was agreed at Full Council in February 2021 and set a number of objectives to be delivered.
- 11.2 Not to consult on the range of sites or priorities: this would be counter to the agreement in February 2021 and contrary to the council values of being fair, open and transparent.

Author: Jenny Ford, Head of Development & Placemaking

Appendices: None

Background papers:

Report to Full Council, 21st February 2021 recommending approval of Development Strategy: <https://n-somerset.moderngov.co.uk/documents/s780/22%20Asset%20Accommodation%20and%20Development%20Strategies.pdf>