

DEVELOPMENT CONTROL COMMITTEE

1 FEBRUARY 2011

Report for Information by Head of Development & Growth

Poplar Farm – Finalising the s106

Purpose of Report

To inform members of the progress towards the finalisation of the s106 for the proposed development at Poplar Farm, Grantham.

Background

Members will be familiar with the outline planning application (S08/1231) for residential development on land at Poplar Farm, including community facilities, public open space, sports pitch, railway bridge, roads and ancillary works.

The application was first reported the Development Control Committee in September 2009 when members determined to approve the development in principle subject to the signing of a s106.

In September 2010 a further report was presented to the Development Control Committee to update members on the progress of discussions and negotiations pursuant to the s106 and suite of planning conditions, in particular in relation to the bridge over the railway line, affordable housing, planning policy and the life of the permission. Again members resolved to re-affirm that approval be granted subject to the signing of the s106, authorising the Acting Lead Professional to do so in consultation with the Chairman or Vice Chairman.

In November 2010 a report was endorsed to deal with a proposed revision to draft condition 21.

Since November 2010, further negotiations have been undertaken, specifically in relation to transport issues and the delivery of the bridge over the railway and this report seeks to highlight the progress made which will allow the s106 to be finalised and signed imminently. None of the recent negotiations amount to a material amendment to the s106 and this item is therefore for information only.

Progress of the s106 – Transport Matters

The recent discussions between the main parties have looked again at the delivery of the bridge over the railway including:

- the threshold at which the bridge is to be provided ,
- the 'Bridge Fund' clause in the s106, and
- the estimated cost of the bridge.

The threshold for provision of the bridge

In reporting the application in 2009 when determining the point at which the bridge was required, it is evident that members' attention was rightly drawn to the potential adverse impact that would occur in the PM peak at the Asda roundabout but equally you were made aware of the prevailing economic conditions at the time. This latter point related to the ability of the development to sustain sufficient viability to meet the needs of the planning gain package and allow the developer sufficient margin to make the scheme commercially viable and attractive to the market.

The conclusion that the Committee reached in light of the facts was that the balance favoured the arguments in favour of viability and planning gain and that increased congestion in the PM peak at the Asda roundabout was acceptable even though it might persist for some time. The decision was that the bridge is not required until the construction of the 751st dwelling commences on site.

While there is some recent recovery evident in the economy, the prevailing economic circumstances remain as they were in 2009 with general uncertainty over the viability of development, particularly outside London. The basis for reaching your judgement on the threshold is therefore still reasonable. The County Highways officer did not object to the threshold.

The Bridge Fund

The 'Bridge Fund' clause was introduced during the negotiations on the s106 as a means to ensure that the applicant/developer was making adequate provision to implement the bridge through the collection of a fund should no work towards the delivery of the bridge be evident. The 'Bridge Fund' becomes operational upon the certification of the 450th dwelling up to the 750th dwelling with the Council collecting 60% of the value of the bridge (estimated at £4.1m).

The 'Bridge Fund' is collected at £8,200 per dwelling unit but is only recoverable by the Council where the applicant cannot demonstrate that they are progressing the necessary work towards the procurement and implementation of the bridge ie. design work, letting contracts, consultation with Network Rail or Lincolnshire CC etc.

Whilst it is recognised that the 'Bridge Fund' does not account in full for the estimated cost of the bridge, the balance could reasonably be secured through negotiation from future development in the vicinity and as part of the forthcoming Supplementary Planning Document the Council is seeking to establish mechanisms to achieve this. Ultimately the full development of 1800 homes relies on the applicant providing the bridge.

The cost of the bridge

As set out above, the full cost of the bridge is not recovered by the 'Bridge Fund' and therefore to identify the possible short-fall, the costs of the bridge have been re-appraised. It is again worth emphasising that the s106 places the obligation on paying the fund only where the applicant/developer cannot show that progress is being made in procuring the bridge and critically the balance of the development of 1050 dwellings cannot proceed until the bridge is provided.

The applicant has provided further technical evidence to support the cost estimate of £4.1m. This cost estimate has been based on the available design drawings of the general arrangement of the bridge and application of recognised industry standards. Allowances have also been made for high containment parapets and meeting Network Rail requirements. Therefore while the £4.1m cost is still an estimate, it is a robust estimate and supported as being a fair and reasonable by the County Highways officer.

Conclusion on Transport Issues

On the transport matters examined there are no grounds to review your earlier decision as the facts upon which your decision was based were fair, reasonable and known. Nor has there been any material change in circumstances since your decision in 2009.

Delivery of the Bridge – the Assignable Easement

The review undertaken has identified the need for an additional explicit clause to be included in the s106 to ensure that the applicant/developer use their reasonable endeavours to secure an assignable easement across the railway land to deliver the bridge. While it is agreed between the main parties to the s106 that the intent to secure an easement is implied through the proposed development, it is necessary to make it an explicit provision. Moreover the benefit to the main parties from inclusion of an obligation is that the easement can be assigned to another party and this will provide greater flexibility for the delivery of the bridge in due course.

This is the only entirely new obligation added to the s106 since September 2010 and resolves an issue implied in the proposed development such that it has limited material significance and therefore reported for information only.

Conclusions

Alongside the obligation relating to the assignable easement, there have been a variety of minor amendments to the s106 proposed and agreed between the main parties. However, the main provisions and principles of the s106 reported last September remain unaffected by these recent negotiations and for this reasons this report is for information only.

It is anticipated that subject to final proof reading and amendment, the s106 can be signed and the permission issued by the Acting Lead Professional in consultation with the Chairman and Vice-Chairman perhaps before the end of February 2011.

[For information]