

**Appendix 6 – Derby HMA Site Viability /
Capacity Forum**

Notes of Panel Discussion

SHLAA Viability Day 13th July 2009 Minutes

Attendees

Name	Organisation
Adam Reddish (ADR)-chair	Erewash Borough Council
Steve Buffery (SB)	Derbyshire County Council
Jon Pheasant (JP)	Derby City Council
Malcolm Amatt (MA)	Derby City Council
Rachel Reid (RR)	Derby City Council
Leigh-Anne Francis (LAF)	Derby City Council
Carol-Anne Taylor (CAT)	Amber Valley Borough Council
Russell Crow (RC)	South Derbyshire District Council
Nicola Sworowski (NS)	South Derbyshire District Council
David Marshall (DM)	Derby Cityscape
Mark Leach (ML)	Derby Cityscape
Jonathan Harbottle (JH)	Howard Sharpe and Partners
Chris Neve (CN)	Radleigh Homes
Helen Evans (HE)	Miller Homes
Peter Waterfield (PW)	William Davies
Andrew Munton (AM)	Bellway Homes
Anabel Rooksby (ANR)	Peveril Homes
Melys Griffiths (MG)	Savills
Alf Plumb (AP)	DPDS Planning
Steve Salloway (SS)	Salloway Property Consultants

Apologies

Paul Burton, Hallam Land Management
Ringo Sandhu, Homes and Communities Agency

(Note: Comments attributed to individual panel members have been removed from the minutes at the agreement of the panel).

1. Purpose of the workshop

xx outlined the purpose of the workshop

2. What is the SHLAA

xx outlined progress so far on the SHLAA

3. State of the Housing Market

The group agreed that the housing market is currently unpredictable but signs are that it is bottoming out however it will be some time before a recovery is seen. xx said that building was beginning to start again in order to try to stimulate the market. xx agreed saying that development on her sites was

likely to begin again shortly. There is evidence of some green shoots but there is a perception that the market is 'bumping along the bottom'.

xx said that house builders appeared to be concentrating on 'safe houses' predominantly 4/5 bedroom homes in peripheral locations. A key factor is the provision of good schools. xx said that developers were building 5-10 dwellings at a time which were making a loss but no new sites were being started. The group agreed with this. xx said there were high levels of interest in land from developers but that owners were not selling at the current lower market price.

xx said that the uncertainty in the housing market makes developing five and fifteen year supplies very difficult. There is however some benefit in that land is not coming forward so quickly and can therefore be included in the trajectory for longer.

The group discussed the market for apartments and city living. xx said nobody wants to build apartments at the moment. The problem is the pricing of apartments with some being more expensive than a terraced house. This is resulting in negative equity for some apartment owners. Xx said the sale of second hand apartments is also having a negative impact on sales of new-build apartments as the market may become saturated. In other cities the second hand apartment market is improving. xx said that the apartment rental market was relatively healthy however this is largely because of plummeting rents and is only in the city centre. Low rents may be attracting people to 'try before they buy' and experiment with city living. Xx said that elsewhere the apartment rental market is stagnant. xx said that the 'buy to let' market was a big part of the Derby housing economy before the recession.

The group generally agreed that despite this there is still a market for apartment in the right location but that this would be driven by demand and achievable densities. xx said that people who buy apartments tend to be young and childless couples without cars however xx said that 60% of apartment buyers in more affluent areas are over the age of 55. xx said this was a different market mainly in peripheral locations and did not apply to those who would be likely to live in the city centre. xx said that this had implications for the Housing Market Needs Assessment (SHMA). xx said there is little market for apartments in peripheral greenfield locations. xx said city living was still attractive but the market for city living in Derby is different to larger cities because it is easy to walk in and out of the city centre. xx said city centre living is still viable but the city needs to be made more attractive to encourage this. xx said that a key message is that a mix of housing types is needed in the City Centre.

The group discussed the willingness of developers to build out sites they have promoted. xx said developers must be willing to spend money on site promotion. xx cited the problem of Friar Gate Station, Derby where the developer has continually promoted the site for over a decade but no progress has been made. xx suggested asking developers to submit timescales for delivery.

4. General viability issues

Flood risk

xx said a sensible approach would be to consult the Environment Agency (EA) as it is unlikely that an authority would go against their advice. An example was cited in East Staffordshire where the EA had objected to sites being developed in the town centre due to them being in a flood zone. It was suggested that a two tier approach should be adopted for sites likely to flood: sites that may flood but are defended and sites which are known to flood and are not defended. xx said you should not discard a site simply on the basis of sequential testing and PPS 25 as there may be some planning gain from the site for example paying for flooding infrastructure upstream. xx also said that previously developed land satisfies part of the sequential test. xx said it was important to consider everything including whether safe access and egress can be gained from the site. xx said the most important thing was to have a robust evidence base and said there would be issues if sites were identified as being in a flood zone in the SHLAA and then were assessed as being deliverable and achievable and therefore acceptable. xx said sites with flooding issues should not be included in the five year supply because there is not a reasonable prospect of them coming forward at present. xx reiterated the importance of getting information from land owners especially with regard to any information they might have from the EA.

Transport

xx explained that a supplementary evidence base is being developed looking at stress nodes on the main transport corridors where impact on the transport network may make a site unsuitable. xx said public transport would be key in these cases and that a Park and Ride could sometimes lead to these sites becoming more suitable.

Contamination

xx identified former coal mining sites as potential issue. xx said this was more likely to be a land stability issue. xx said that concrete could be used to stabilise the land. Xx said tip sites need the most remediation due to gas/methane issues. xx said money is the key to overcoming contamination constraints but that contamination in itself does not usually make a site unviable. xx said a major problem was that there appears to be an information void with regards to contamination.

Education

xx said that being in the catchment area of a good school is extremely important when considering land purchases. xx said the lack of good schools in an area could lead to sites becoming unviable. xx said there needs to be more joined up thinking between authorities when school catchments are discussed. xx said S106 contributions for educational facilities on boundary sites present a problem because different authorities ask for different things through their planning obligation systems. Xx informed the group about a Derby and Derbyshire School Place Planning Group which considers the capacity of schools in a particular area to meet the needs of new

developments where school facilities may be required though the S106 process. xx said that education provision should be considered in the SHLAA. xx said that it would be considered in so far as looking at access. xx questioned this saying there could be a scenario where a site became unviable because of S106 education requirements. xx suggested that conducting a HMA wide infrastructure study would be beneficial.

5. Derby City Centre Sites

Friar Gate Station

xx said that a planning application had been in on the site for 5 years but no progress has been made. The listed buildings on the site make the site unviable even at 80/hectare. xx said S106 negotiations were on going but even if permission was granted it would be unlikely that this permission would be implemented as the density is too high however a lower density would make it unviable. xx said the site has many constraints including the cost of restoring the listed buildings, flooding problems and the Connecting Derby scheme which adjoins the site. Cityscape cannot justify providing gap funding for the site because there is not a willingness to develop at the present time. xx questioned this saying that the owner had said the site would be developed within five years. xx however said that this had also been said five years ago and nothing had happened. xx declared an interest but said he believed there was every intention to develop the site. xx said this would probably be in the long term (11-15 year period). xx said that the Connecting Derby scheme would open up the front part of the site and make it more attractive. Part of the site is available now and so splitting the site for the purposes of the SHLAA was suggested. It was generally agreed that the current density of 80/hectare was too high and 40/hectare would be more appropriate. xx said of the next five years, if a new outline application was made now, only the last two years would be development years.

Castleward

xx outlined the proposals for the site. There is to be a boulevard linking the railway station and Westfield. The residential element will be a mixture of town houses and apartments. Approximately 40% of the 33 acre site is held freehold by the City Council and the first phase site of some 4 acres has been assembled so as to allow development as soon as the preferred development partner is chosen. The Council has agreed to use CPO powers to bring forward regeneration proposals. Businesses would need to be decanted on a rolling process. The site has been planned for development for five years and Cityscape is working with funding partners to secure delivery. The site has been out to tender and 8 developers are interested. xx said that Derby Cityscape were reconsidering the original proposals for the mix of accommodation and will be in discussions with potential developers. The original mix was 60% apartments and 40% housing. xx said at the original density of 1200 units, there would be 400 units delivered in years 1-5, 400 in years 5-6-10 and 400 in years 11-15. xx said the densities proposed were far too high even at a new density being 60/hectare delivering 800. The group agreed. xx thought that the delivery timescales were unreasonable. xx said it was unrealistic to assume that development would commence on the

Cityscape owned parts of the site as this would not necessarily be most convenient from the developer's point of view and that developers might not want to commit to one part of the site without not knowing what is going on in another. xx said it would take at least two years to work up a scheme and that building 400 units in years 1-5 was unrealistic. xx and xx expressed some doubts about delivery especially given market conditions. xx said that 150 dwellings per year was about right.

DRI

xx said the site is largely vacated. It was pointed out that the site is not flat and level as stated in the site information booklet. xx also said that the hospital trust want to deliver retail on the Bradshaw Way frontage but that Cityscape are resisting this in order to protect the core retail area. It is a good quality housing site. xx said that at 45/hectare, the density was more realistic and would be what you would expect from a city centre site. This would deliver 337 dwellings. xx said that delivery was dependent on how quickly the hospital trust could move things off the site and how the contamination and listed building issues could be dealt with. xx questioned why the site was not being counted as available as the majority of the site is. The group agreed that a reasonable time frame for delivery would be 100 in years 1-5 and the rest in years 6-10.

North Riverside

xx said there was scope for delivering up to 140 units on the remaining parts of the site. xx said this site was not a priority for Cityscape due to flooding issues. The physical evidence of flooding is not there but the Environment Agency says the whole site would flood. The Environment Agency has said they are willing to talk about the prospects of the site. xx said the site should be assessed as having zero capacity.

City Centre open space

xx questioned the lack of public open space available in the city centre to serve new developments. xx said that Cathedral Green and Basses Rec would provide this. xx questioned whether this would provide enough. xx emphasised the importance of public open space as part of the development site. xx said S106 requirements would not differ for city centre developments.

6. South Derbyshire sites

London Road, Shardlow

xx said the site is greenfield and would be an extension to the existing village. The site has been submitted at 22 dwellings per hectare. xx suggested that 35 dwellings/hectare was a reasonable standard on the developable parts of the site. 22/hectare might have been suggested across the whole site because not all of it is developable. xx said it would be impossible to deliver 200 dwellings unless the density on the site is increased significantly. xx said there had been little discussion with the EA over the site. xx said this was crucial as the site was within SFRA Flood Zone three.

Tetron Point, Swadlincote

xx said the site is a former coal mining site. There is an existing agreement to develop a golf course on part of the site. xx said that this presented a major constrain to delivering development on the site. There are also flooding issues. No numbers were submitted as part of the submission. xx felt that 35 dwellings/hectare would be appropriate. xx said that the site represented a significant extension to Swadlincote and gives no opportunity for other sites to be considered in other locations throughout South Derbyshire. xx asked if there had been an open space audit. xx said this was underway.

Woodville

xx explained that this site is another former open cast mining site. The site has been subject to an Area Action Plan. The AAP proposed 200 dwellings on the site but the current submission states 750. This could be because of the previously proposed employment uses. These were found to not be economically viable. xx said the site is still in employment use and there are possible contamination issues. xx said that this created a barrier to development because employment land value is currently high and the owner may be unwilling to sell. xx suggested that there was a shortfall of employment sites in South Derbyshire so questioned whether the site would come forward. xx said that the costs of remediation on open cast mining sites are high and in the present climate, the land would be almost valueless.

General South Derbyshire

xx suggested that a range of different locations and site types need to be developed in South Derbyshire as if housing is concentrated on one very large site it will not stimulate movement within the housing market. xx said extensions to villages such as the one at Hilton could be beneficial in order to stimulate development and the retention of amenities within settlements. xx said that affordable housing requirement is quite widely spread in South Derbyshire; therefore developing one large site was not an option. xx said that it was important to deliver a range of large and small developments.

7. Amber Valley Sites

Derby Road, Alfreton

xx explained that this site had been discussed in the last Local Plan Review. Access is the main issue as the access to the site can only be gained through another district (Bolsover). xx said issues with the road would cause serious problems. xx said that if the access issues could not be easily resolved the site was not deliverable. xx said the site is also next to sewerage works. xx said that this needs to be listed as a constraint to development. xx said it would be difficult to sell houses next to a sewerage works.

Mansfield Road, Alfreton

xx said the site is adjacent to an explosives factory in Bolsover and is within the safety zone of the factory. There may therefore be a health and safety objection. The group generally agreed that other than this it was a good site.

Xx said that the submitted figures to be delivered in years 6-10 was unrealistic and that completions would probably be around 50/60 per year.

Nottingham Road, Ripley

xx said this site would be unlikely to come forward unless a Ripley-Codnor bypass is constructed. This would be externally funded and the site has been safe guarded for the bypass for a number of years. xx questioned whether the bypass really needed to be built to make the site deliverable. The site is also in the greenbelt. xx said the submitted density is too low and should be developed at a minimum of 30/hectare. This was agreed by the panel. xx emphasised the importance of phasing and said that the Council needed to take a decision on the balance of employment and residential development. xx also said that there were too many unknowns and that the site should not be included unless the Highways issues could be resolved.

East of Codnor, Ripley

xx said that this site is more sustainable than the other Ripley site. xx said this is a good site with good access and that Ripley should be considered a Growth Point for Amber Valley. However xx said that there are bad traffic problems surrounding the A610 at Codnor which could affect delivery. xx said it was frustrating that the bypass would have to be constructed in order to deliver the site. xx said this site looked even more dependent on the bypass. Access of Nottingham Road was suggested. xx emphasised the need to involve the Highways Agency in the process from the start. It was agreed that this was a good, sustainable site however it is constrained by greenbelt and the highways issue. xx thought the site should be considered in the SHLAA so that the Inspector can make the decision on the site at the time of the Core Strategy inquiry.

Stevensons Dye Works

xx said the site is complex. Several areas have been cleared but there are still a number of different buildings on the site. Remediation work is underway. xx questioned whether the access was appropriate. xx said that residential use may be less intensive in terms of traffic movement than industrial use. Xx said the density proposed was reasonable but questioned whether the site would be able to sustain that level of development. xx questioned whether the site was sustainable but the panel generally agreed that it was.

The Common, Crich

xx said this was a former abattoir site close to the built up area of the village. xx questioned whether this was a sustainable site and suggested not developing any more than was absolutely necessary due to the prominence of the site. xx said that Crich is not one of the main settlements identified for development through the RSS. However there was general agreement that the site was a viable and suitable location for housing.

Cindehill Tar Pits

xx said the site was originally allocated for employment however this has now reverted to housing. xx said the site boundary put forward for the SHLAA was the original one which had been ruled out by an Inspector at the Local Plan inquiry. Xx said planning permission had been granted but was quashed in court due to the lack of S106 requiring remediation of the tar pits. Xx said there were major constraints to the delivery of the site and that CPO would be required. xx suggested that the location (Denby) was poor and unsustainable and that the window of opportunity for the development of the site had already past. xx said if the site was not developed, Amber Valley would be forced to allocate greenbelt locations.

Greenbelt issues

xx said that if Amber Valley was dependent on greenbelt sites but these were taken out through the SHLAA or Core Strategy process, their five year supply would run out. xx suggested that Amber Valley need to have a different approach to greenbelt sites from the other HMA authorities if they were to include greenbelt sites in their five year supply. The greenbelt review will be a key Core Strategy issue. xx admitted that it was likely but not certain that Amber Valley would have to release some greenbelt sites to accommodate growth. xx said it was important to make decisions about growth. xx said there was no harm in assessing greenbelt sites and including them if necessary.

8. Principal Urban Extension sites

xx said there is an issue with a lack of development of PUA urban extensions to Derby. Outline permission has been granted for sites but there is no progress being made. xx said this was an issue because the residual requirement of the RSS figures keeps increasing. If all development occurs at once this could lead to saturation of the market and make some sites unviable. xx said that progress was likely because the sites were good and the developers were unlikely to let planning permission expire. Phasing is important because smaller sites are likely to be delivered earlier with larger sites on a longer timescale. xx emphasised to the Panel that decisions could not be made on the suitability of urban extension sites as much more information is needed on them. An urban extension (SUE) study is to be commissioned as part of the Core Strategy process.

9. Osmaston Masterplan area

xx explained that the area contains a high proportion of poor quality social housing. There is an ongoing masterplan looking at options for the redevelopment of the area with differing options for high and low intervention. These could range from the redevelopment of the former Nightingale and Russell Street works sites through to a comprehensive remodelling of the whole area. The latter option would lead to a gain of up to 1600 dwellings. xx and xx said there was a high level of certainty that the works sites would come forward for development. xx questioned whether the sites should be included in the SHLAA saying that there were too many unknown factors for example whether there would actually be an increase in the number of

dwellings and whether public funding was needed and could it be obtained. xx questioned the viability of the sites saying that land values were so low that there was no merit in redeveloping the sites. xx said the site is not sustainable and is not attractive to the market. xx questioned the evidence showing the site is viable for development for housing especially given the Panel's negativity about viability. The group agreed with this. xx suggested that the Russell Street site might be better developed for employment uses.

10. Next steps

xx pointed out that other SHLAA panels had considered more sites. xx said the plan had been to talk about more sites but that this would have been impossible given time constraints. xx questioned whether the SHLAA would be published for consultation. SB said that the SHLAA would be published during the Options Consultation for the Core Strategies in October 2009 and comments were welcome then. xx said that this wasn't the best approach because the wrong conclusions could be published at the Options stage if stakeholders had not been previously consulted. xx and xx cited examples in other districts where consultation on draft SHLAAs had taken place. The group agreed that consultation was needed to make the SHLAA more robust. xx said any consultation would depend on a decision to alter the Options timetable. If publication of the Options was put back it would allow time for consultation on the draft SHLAA.