

To: Executive

19TH SEPTEMBER 2023

SURPLUS LAND DEPOT SITE - INITIAL SITE DEVELOPMENT PLAN
Executive Director: Resources

1 Purpose of Report

- 1.1 The purpose of this report is to present to the Executive for its consideration and recommendation to Council the proposed Initial Site Development Plan (ISDP) for surplus land at the Depot site (the land adjacent to the working Depot on Old Bracknell Lane West). This is the third site recommended to be developed by the Bracknell Forest Cambium Partnership Joint Venture (JV) and follows on from the Coopers Hill and Market Street sites, both currently under construction.
- 1.2 The Council approved Joint Venture Business Plan determined the areas of focus for the Partnership for the next three years in March 2023 and set out broad proposals and development timescales for a number of sites, together with indicative land values, profits, and funding requirements. The Joint Venture Business Plan is reviewed annually, and its approval must be granted by the Council and Countryside as partners, rather than the joint venture itself. Bracknell Forest Cambium Partnership is responsible for delivery of the Joint Venture Business Plan. The Initial Site Development Plan for the Surplus land at the Depot provides sets out the specific proposals for this site, which if approved will be refined by further design work prior to a planning application being submitted in circa March 2024. Following this further work, the Council will be required to approve a Settled Site Development Plan with the final, detailed proposals prior to development commencing.

2 Recommendation(s)

That the Executive

- 2.1 **Approves the outline Initial Site Development Plan for surplus land at the Depot site:**
- 2.2 **notes that, should recommendation 2.1 be approved, detailed proposals will be developed including design, submission of a planning application and the commercial arrangements including development funding finalised in a further Settled Site Development Plan that the Council will need to approve in around 12 months' time;**
- 2.3 **notes that the JV will engage with registered social landlords to investigate the viability of increasing the level of affordable housing in the development above the minimum policy compliant level (currently 25%) up to potentially 100%, prior to submission of Settled Site Development Plan.**
- 2.4 **Resolve that the Borough Solicitor be authorised to appropriate the land at edged red on the plan attached as Annex 1 for planning purposes under Section 122(1) of the Local Government Act 1972, when a planning consent is in place.**

3 Reasons for Recommendation(s)

- 3.1 The proposed ISDP is an outline proposal for development of the Council-owned Depot site. This will become surplus to the functioning of the Depot site itself once the redevelopment of the site is completed. If approved, this outline proposal will be refined during the coming months and will be subject to several conditions being fulfilled, including securing planning permission and fulfilling best consideration requirements for the land value.
- 3.2 The proposal uses a parcel of land which would otherwise be left vacant or sold to a third-party developer. Its proposed development via the JV allows the Council retain a high level of control over what is to be built on the site.
- 3.3 The development would provide c40 new houses and flats close to the town centre, with a proposed 25% policy compliant scheme as a minimum. The opportunity to deliver an increased number of affordable units on site will be explored in the coming months, before a final proposal is brought before the Council for consideration in a Settled Site Development Plan, in around 12 months.
- 3.4 The proposed development links to the Bracknell Forest Housing Strategy 2023 to 2028. This strategy sets out four priorities:
1. Prevent homelessness & increase housing options and support for households in need.
 2. Deliver new homes in sustainable communities that meet the needs of residents.
 3. Make the best use of existing homes and improve housing quality.
 4. Provide a range of housing options for people with care and support needs.
- This development will align with this strategy by:
- Providing housing with varying unit sizes, including larger units suitable for family occupancy.
 - Exceeding the strategy requirements by providing 10% of housing as wheelchair adapted (strategy 5%).
 - Capping the rent for affordable homes at Local Housing Allowance rates
 - Delivering a high-quality development, indistinguishable from private for sale homes in the neighbourhood.
- 3.5 The scheme development will be closely monitored through the detailed design, planning and construction stages and will include opportunities such as apprenticeships and work experience. Following completion this development will enhance town centre living in the centre of Bracknell, helping support an 18-hour economy by creating a lively mixed-use destination with residential and potential commercial uses close to the town centre.
- 3.6 In order to ensure that the redevelopment can come forward, its benefits be realised and that the Council can meet its obligations under the JV legal agreement, it is proposed that the Council appropriates its land at the Depot site for planning purposes under S122 Local Government Act 1972 and utilises the statutory powers under s.203 Housing & Planning Act 2016 to facilitate the works without risk of injunction once planning permission has been obtained. This report seeks that this is delegated to Borough Solicitor who will ensure that all legal tests are complied with before Appropriation is undertaken.

4 Alternative Options Considered

- 4.1 The Executive could decide not to endorse the recommendations made in this report. This would mean that the Council may need to consider an alternative approach to development for the Surplus land at the Depot, including disposing of the surplus land to a third party. In that situation, the Council would achieve a guaranteed capital

receipt (the level of which would depend on market interest) but would lose control over the nature and scale of development on the site. A commercial as opposed to residential development has been investigated, but was found not to be viable, as has previously been reported to the Executive.

5 Supporting Information

- 5.1 Bracknell Forest Council has a long-standing ambition to secure new development in Bracknell town centre and across the Borough, in order to promote economic development, enhance vitality, and secure new homes and facilities for residents and businesses. Specifically, the Council Plan 2019-2023 states, *“We will continue to work hard to make sure that Bracknell Forest continues to thrive, even with the challenges ahead for all sectors of the economy. The council is committed to continuing the town centre regeneration and over the next four years will deliver the next phases, helping the whole town centre to flourish and grow, providing a rich 18-hour economy.”*
- 5.2 Land at the current Depot site is owned by the Council and part of this will become surplus to operational requirements once the redevelopment of the Depot is completed. At that point the surplus land will be a cleared site and it has been earmarked for future development. Previous studies presented to the Executive have indicated that residential development would be the only commercially viable opportunity. The proposal in the ISDP is for a 40-unit development comprising a mix of houses and flats with current policy compliant 25% units to be delivered as affordable housing. It is important to recognise that the ISDP is an outline proposal which will lead to final, more detailed proposals being submitted for Planning consideration at the end of March 2024. Should the nature of the development or the financial parameters vary materially from the ISDP proposal, a further report will be presented to the Executive for consideration prior to a Planning Application being submitted. Options to deliver a higher level of affordable units will also be considered at the next stage, subject to viability.
- 5.3 Once the detailed design has been completed and all title and planning conditions satisfied, a Settled Site Development Plan will be prepared for the Executive to consider. The Updated Market Value (UMV) and any other financial considerations required to develop this site will be confirmed at this stage, immediately prior to land being drawn down by the JV.
- 5.4 This approach means that the Council itself is always able to determine the JV’s activities at a strategic level, while more operational decisions are delegated to the JV Partnership Board which has the authority to act within the parameters of the agreed Business Plan and Site Development Plans.
- 5.5 The Executive should note, although there is some certainty of construction costs following a turbulent period in the construction market, the figures contained in the ISDP make some assumptions, based on soft market testing, about prices potentially to be received from registered social landlords who will purchase the affordable units. A full tender process will be undertaken by the JV prior to a Settled Site Development Plan being presented to the Council for consideration and will include details of the preferred tenure mix for the scheme, for example social rent, affordable rents, intermediate housing.
- 5.9 There remains a requirement for the Council to ensure that “best consideration” is obtained for any of its land that is disposed of, including through being put forward for

development by the JV. As a partner in the JV the Council benefits through the profit share arrangement from the site's development, which can be included in the best consideration assessment, as can delivery of a policy compliant affordable housing scheme. Estimates at this time indicate that the Council's potential profit share as development partner could be broadly in line with the land value should the site be disposed of. Both of these figures will be subject to continued review prior to the Council's consideration of a Settled Site Development Plan.

- 5.10 In the private sector, negotiations to deal with owner's rights, such as Rights to Light and other easements and covenants, are dealt with by commercial negotiation depending on the bargaining position of the parties and settlements can include a share of development gain. In the public sector, Local Authorities can appropriate land (subject to being satisfied as to the statutory tests, and, and then invoke the provisions of the Housing and Planning Act 2016 which enables the infringement of property rights with payment of fair compensation. Appropriation of land can take place if the local authority owns the land and proposes to develop it following obtaining planning permission and the development will promote or improve the economic, social or environmental well-being of their area. Surplus land at the Depot falls within this parameter.

6 Consultation and Other Considerations

Legal Advice

- 6.1 The legal issues are dealt with within the body of the report regarding.

The Council having statutory powers under Sections 123 Local Government Act 1972 to dispose of land in any manner they wish, provided that the disposal is for the best consideration reasonably obtainable unless a consent is obtained from the Secretary of State (subject to specific consents issued by way of Government circulars) As set out in paragraph 5.9 current estimates indicate that the profit share arrangement will satisfy this requirement. However compliance with this statutory requirement will be kept under review.

- 6.2 The Council has statutory powers of appropriation under S122 Local Government Act 1972, and under S203 Housing and Planning Act 2016 may override easements and restrictive covenants ; by Section 204 of the Housing and Planning Act 2016, the Council is liable to pay compensation in accordance with the statutory provisions, in respect of the interference with rights affected by the carrying out of building or maintenance.

Financial Advice

- 6.3 The financial implications for the Council are summarised in the body of the report and detailed in the appendices. While the primary objective for the Council in establishing the JV was to promote regeneration, its share of development profits can be used to support front line services. In addition, the Council receives additional Council Tax income from properties in new developments.

Other Consultation Responses

- 6.4 The recommendations are to be considered via Executive Briefing on 21st August 2023, and the Bracknell Town Centre Regeneration Committee at its meeting on 11th September 2023.

Equalities Impact Assessment

6.5 None undertaken.

Strategic Risk Management Issues

6.6 Commercial development, by its nature, cannot be risk free however, not to develop the Surplus land at the Depot site and leave undeveloped with the resultant loss of valuable housing and commercial units within the town centre will delay the regeneration of Bracknell Town Centre and associated social and economic benefits that this brings including much needed affordable housing.

Climate Change Implications

6.8 The development will be delivered in an environmentally responsible and sustainable manner, in compliance with relevant social and environmental legislation and codes of practice.

6.9 Health and Wellbeing

This scheme will support the Bracknell Forest Housing Strategy 2023 to 2028 by increasing the supply of affordable housing.

Background Papers – Commercially Sensitive

Introduction to Appendices

Public Annex A – Initial Site Development Plan Surplus Land at Depot

Confidential Annex A – Initial Site Development Plan Surplus Land at Depot

Confidential Annex B – Financial information

Confidential Annex C - Appropriation Briefing note

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