

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Cabinet
Date:	25 June 2012
Title:	Strategic Land Strategy, Process and Sites
Reference:	3957
Report From:	Director of Culture, Communities and Business Services

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1. Executive Summary

1.1. The purpose of this report is to provide Cabinet with an update together with an outline of the purpose and process by which the County Council's Strategic Land sites are held and managed.

1.2. This report covers the County Council's strategic land holdings in Basingstoke, East Hampshire, Eastleigh and New Forest.

1.3. This report:

- Sets out the context and purpose of the Strategic Land Strategy as previously agreed and approved by Cabinet.
- Explains the current Strategy and its benefits.
- Explains the process by which decisions on the future of Strategic Land sites are made.
- Identifies the current Strategic Land Sites within the Strategy

2. Context and Purpose of the Strategic Land Strategy

2.1. For over forty years, the County Council has pursued a version of its Strategic Land Strategy that has led to the development of new attractive mixed use residential areas and neighbourhoods across Hampshire. This was borne from a strong ongoing experience and concern from both members and officers in relation to the poorer quality and monotonous nature of some of the major mass housing areas that at the time, were being developed across the County in certain localities. The view emerged and prevailed that using its landowning capability, alongside the County Council's previous strategic planning powers, the nature and quality of new residential areas could be improved upon by the allocation and managed release of County Council land for new neighbourhoods, urban extensions and residential sites.

- 2.2. To facilitate this, the County Council uses its existing land holdings and has also made strategic, long term investments into its land bank over the last 30 years, such as the acquisition of land at Chineham and Binfields to the east of Basingstoke using institutional loan funding (Hill Samuel) and then more lately at Manydown. The comparatively high quality design, landscaping and implementation of the development of the Chineham area achieved by the County Council, led to Basingstoke & Deane Borough Council to join with the County Council in acquiring joint interests in the land at Manydown with the intention of achieving similarly high quality in the design of any development on the land.
- 2.3. In addition to this aspiration for quality development, the County Council's members have also always recognised the economic need for continued housing development across Hampshire despite the difficulties this presents. Hampshire is indeed a "green and pleasant land" and the image of new housing, especially larger estates on Greenfield land is not universally welcomed. However, the County is a key part of the South East Economic Region that is not only always present within the top regions of Europe but also nationally and across the globe. Economic growth and prosperity includes not only financial investment, returns and employment elements but also retail, leisure and residential aspects. These all go hand in hand and feed off each other and if one is missing, the others will falter. Hampshire County Council has always recognised that the property development market, including housing, not only contributes to this, but it also provides attractive areas for existing and new employees to live, work and play within.
- 2.4. Whilst the planning system can often identify suitable sites for residential development, it has struggled at times to ensure that the urban design, scale, massing, materials, landscaping and architectural quality of larger housing areas is of a good enough quality. Indeed, it is only in the past decade or so that design guidance and enforcement has become a stronger and meaningful "material consideration" in the planning application decisions of the local planning system, development control process. In addition, in some Local Planning Authorities, design expertise and experience has often been difficult to secure and the enforcing of higher quality design aspirations has been a challenge when such resources are stretched or sometimes non-existent. Against this, housing developers and their use of experienced planning consultants, have often managed to gain residential planning approvals using their standard nationwide house types, often on appeal, and all too often without the use of a strong architectural input.
- 2.5. This situation did improve to some extent during the past decade due to design achieving the aforementioned formal status in planning application decisions and an increased design training and expertise amongst planning officers. In addition, increasing personal wealth in the period of the property boom up until 2007/8 also saw to a certain degree a more discerning market demand for some variation in the mass housing product away from the perceived monotonous "little boxes". This, coupled with the renaissance in urban living, eco homes and higher densities of development led to some innovative design solutions and greater variety in housing types and materials. However, with a depressed housing market and a shift in demand

back to safer family homes, the more “market and mortgage safe”, lower risk, standard mass housing product is making its appearance again.

2.6. Within this context, the County Council has always taken its Strategic Land Strategy role and the contribution it can make very seriously and in a very mature and balanced manner. Reflecting this, the previous two Strategic Land reports to Cabinet in 2007 and 2008 approved the following approach that has been developed over the past four years:

- Reacting as a consequence of the local planning process, by identifying larger strategic County Council owned land with the potential for development consistent with the Council’s Corporate Objectives (such identification has never implied consent to development at that point);
- Carrying out of feasibility and other baseline studies to support the master-planning process to create future exemplar developments;
- Investigation and promotion of the development potential of identified land through “responsive” submissions to the Local Development Plan system;
- Securing planning allocations and planning permissions through effective responsive advocacy highlighting the suitability of sites for development as part of the local development plan process;
- Allocation of budget resources and the procurement of consultants to support the above.

2.7. As a result of Cabinet’s approved and well-established Strategic Land Strategy, and as outlined below in the County Council’s Current Strategic Land programme, there are now nine separate Strategic Land sites across Hampshire. Each of these offer the County Council the opportunity to have a central role in ‘shaping’ the creation of new exemplar sustainable developments in Hampshire with the potential to deliver wider social and community enhancements for the benefit of both existing and future residents.

2.8. In addition to much needed new housing, these opportunities include:

- sites for new primary and secondary schools and other public service facilities and assets.
- several hundred new affordable housing units, and the provision of accommodation which meets the needs of the elderly population and those in need of care (e.g. Extra Care Housing)
- new employment floorspace to support future economic growth
- new areas of public open space and enhanced access to the countryside in the form of new parks, sports pitches, allotments and a cemetery
- potential to harness new sustainable and renewable energy technologies, including combined heat and power; and, the ability to retain rationalised County Farm units and reinvest in the County Farm Estate.

3. The Strategic Land Approach

- 3.1. Unlike other private landowners and mass housing developers, the County Council has never actively sought to aggressively and pro-actively promote its Strategic Land Sites for development. Instead, it has responded to initial approaches and consultations from Local Planning Authorities for requests for sites and areas of public land that might be considered by them for release for residential and neighbourhood development. In accordance with previous Cabinet approvals and also the County Council's recently approved Strategic Asset Management Plan, the County Council's Strategic Land Programme has adopted a "responsive" approach to the local development framework. The County always leaves it up to the Local Planning and Development Control processes to enable and bring these forward and supports this process via submissions and information from within its Property Services function. In addition, the County Council as a landowner does not formally challenge Local Planning Authorities if its land is not allocated via the local planning process. Unlike many other landowners, the County Council has never lodged a planning appeal against a local planning authority decision in relation to its Strategic Land sites and programme.
- 3.2. Indeed, the County Council as a responsible public landowner has developed its own enhanced approaches and policies in its Strategic Land Strategy. When it comes to the disposal and sale of such sites, the County Council often adopts a "design led" or "design offer" tender approach whereby prospective purchasers are assessed and selected not only on their financial offer but also upon how they intend to meet the County Council's development design quality aspirations. In addition, the County Council looks to design, fund and develop its own advanced infrastructure such as open spaces, landscaping, roads and services on its key sites such as Merton Rise in Basingstoke. This not only provides an improved design opportunity but also assists in creating increased certainty when sites are subsequently marketed. Finally, the Strategic Land Strategy pro-actively assists in partnerships with local planning authorities in their objectives such as actively embracing the development of affordable housing within the sites and other infrastructure and public facility provision.
- 3.3. Over the past few decades the Strategy has also enabled the County Council to benefit from its largest source of capital receipts from the disposal of strategically held land that has been successfully promoted into the relevant local planning process and subsequently allocated for development. The proceeds from these disposals have further enabled the County Council to maximise wellbeing through investment in creating new schools and other community facilities and improving its existing operational facilities and infrastructure to improve the services it currently provides. This has involved the longer-term promotion and management of land and led to the subsequent creation of enhanced "quality of place" by taking a proactive leadership role in guiding the resulting master planning, urban design and landscaping of the development of its larger strategic sites and help meet the demand for new development, infrastructure and public facilities in a coherent and planned manner; what today is called 'place making'.

- 3.4. Such sites have included the County Council's landholdings at Chineham, Basingstoke and Fishlake Meadows, Romsey and more recently Merton Rise in Basingstoke. In excess of £300 million of Capital Receipts have been achieved and subsequently been reinvested in the County Council's operational services and assets over the last 15 years. By securing planning policy allocations and subsequent planning application consents, greatly enhanced land values and a higher degree of certainty has been achieved resulting in greater capital receipt values, even in the recent more difficult years since 2008. In addition, over 3,000 new homes for the people of Hampshire have been provided on County Council owned disposal sites, of which over 600 have been affordable housing units.
- 3.5. The County Council's successful management of its land and property assets has in part been due to the long term perspective taken to investment decisions. It will be important to continue this approach in the future, including the acquisition of additional land to replace that sold for development. This land management approach is endorsed by the 2010 County Farms Strategy that has recognised that one of the many roles that the County farm Estate embraces is that of a potential "land bank" for future Strategic Land Development sites and areas. Such an approach also requires the input of new farm assets and the recent acquisition of 150 acres of additional farmland at Mattingly in response to the release of other County Council land for development in the north of the County (e.g. Merton Rise, Basingstoke) is a good example of this. A similar approach would be adopted over the next 20 years to acquire an equivalent area of landholdings, to mitigate the release of current and future Strategic Land sites.

4. The Strategic Land Strategy Sites and Process

- 4.1. The identification of sites by local Planning Authorities in no way equates to a decision or implies support for any future development. Prior to any decision coming forward it would be usual for Council officers to undertake extensive site option and viability work. This is in line with the Council's normal designed approach and provision of infrastructure should any development be approved on County Council land.
- 4.2. At present the current County Council Strategic Land Sites that have been identified by the Local Planning Authorities for potential allocation are shown below:
- a) Basingstoke & Deane BC -"Land to the East of Basingstoke" (72 Ha).
 - b) Basingstoke & Deane BC -"Swing Swang Lane, Basingstoke" (4.7 Ha).
 - c) Basingstoke & Deane BC -"Upper Cufaude Farm, Basingstoke" (32.5 Ha).
 - d) Basingstoke & Deane BC -"Manydown, West of Basingstoke" (820 Ha).
 - e) East Hampshire BC - "Whitehill / Bordon" (40 Ha).
 - f) Eastleigh BC - "Land North of Winchester Rd, Botley" (9.5 Ha).
 - g) Eastleigh BC - "Land South of Chestnut Avenue, Eastleigh" (24.7 Ha)
 - h) Eastleigh BC - "Land West of Woodhouse Lane, Hedge End" (53 Ha)

- i) New Forest BC –“Crow Arch Lane, Ringwood” (4.3 Ha)*
 - j) Eastleigh BC – “Land to the South of Kings Copse Avenue” (7 Ha)†
- 4.3. All of these sites, apart from Manydown, Land West of Basingstoke and land to the south of Kings Copse Avenue, have been identified by the respective local planning authorities within their emerging Development Plans for potential development, and have subsequently been consulted upon by the respective local council through wider public consultation. In response to these consultations, County Council officers have provided further information and responded to the specific requests of the Local Planning Authorities. In addition, following the recent Manydown Judicial Review, Basingstoke and Deane have also indicated that they are now reconsidering the potential position of Manydown within their Local Planning process.
- 4.4. Depending on the timescales of the individual Local Planning Authorities’ local planning processes and when the sites are of a sufficient status as being finally identified as potential allocations by the Borough Councils, the appropriate reports will be brought back to the Executive Member Policy and Resources. These reports will confirm the planning status of the individual Strategic Land Sites and set out the recommended individual programme and proposals for each individual site.

5. Summary and Conclusions

- 5.1. The substantial benefits of the Strategic Land Strategy and its approach to the County Council and its residents can be summarised as:
- a) Using public land proactively to secure the development of much needed local housing and employment to support economic recovery and growth and also champion and enable substantial affordable housing delivery.
 - b) Generate substantial “net” capital receipts for reinvestment, enabling public service improvements over the medium and longer-term timeframe.
 - c) Enable development in locations where it is most viable in terms of infrastructure, and sustainable in terms of its impact, and actively exercising landowner control and influence to set the tone and quality of development which when left to the market alone could be of lower quality.
 - d) Linking development opportunities to existing council operational services and facilities to achieve localised improvements either directly from the development and “gross” capital receipts, such as a new primary school, or by achieving and channelling third party developers contributions via planning obligations and agreements directly towards the provision of County Council facilities and services.
 - e) Importantly, the County Council has also been able to improve the quality of the design and provision of housing and social infrastructure by applying

* Approved by Executive Member for Policy and Resources on 27 October 2011

† Originally identified by EBC through SLAA preparation but later dropped from its draft local plan

development briefs which impose demanding requirements on prospective developers, thus ensuring that such developments could make some of the best contributions to shaping Hampshire.

- 5.2. The current sale of Merton Rise is the last of the major Strategic Land capital receipt projects for which the County Council has secured a local planning allocation and planning consent. As recognised in the recent County Farms Review of 2010, this Estate has provided a development land bank of enormous value to the County Council.
- 5.3. The Strategic Land Strategy programme seeks to create opportunities to generate significant capital receipts from the sale of land and buildings with the benefit of planning allocations and approvals for more valuable uses in the period to 2029. To enjoy a similar programme of receipts for this next 15 year period, the County Council now has the opportunity to secure allocations of other Council owned land as being suitably located, sustainable urban extensions to support existing communities and the people of Hampshire.

6. Recommendation

- 6.1. That Cabinet note this report.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. An equalities impact assessment has been considered in the development of this report and no adverse impact has been identified.

2. Impact on Crime and Disorder:

- 2.1. The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

3. Climate Change:

- 3.1. There will be no impact on our carbon footprint or energy consumption.