

WORKSHOP 5: PLANNING OBLIGATIONS

Tuesday 21st July 2009, Committee Rooms 6 and 7, 17th Floor, Westminster City Hall

Chairman: Councillor Moss

Facilitator: Lisa O'Donnell

Officer Panel: Hilary Skinner, Sara Dilmamode, Rachel Ferry-Jones, Margaret Handovsky, Mike Walton

1. A balanced approach to ensuring that policy requirements are met and development remains viable is essential. How can requirements for planning obligations be applied more fairly and effectively to ensure the cumulative effect of development is adequately mitigated?

Lisa O'Donnell	Highlighted issue of cumulative effect
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Matthew Bennett (Soho Society)	Climate change / historic city We face huge challenges - cant knock down Retrofit, change, improve Dominant issue over the next 20-30 years
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Richard Dickenson "on behalf of the board" (NVEC)	Concern re: planning obligations at any cost Community Infrastructure Levy, Crossrail, s106 More flexibility / credits - e.g. where developers are willing to help e.g. with oasis areas - this isn't recognised Reflects Rob Knowl's view (WPA)
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Hugh Bullock (WPA)	Good design / environmental quality - what is the "obligation" Real solutions lie outside planning Existing buildings / refurbishment outside planning framework How we establish priorities very difficult - to remain viable
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Potential Options	Apply planning obligations with more flexibility Allow use of credits Recognise volunteered benefits such as provision of oases Establish viable priorities
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2. The London Plan identifies priorities for planning obligations to be reflected in the council's LDF (see National and Regional Policy above). How should these broad strategic priorities be more specifically applied to the local circumstances and distinct city development challenges in Westminster?

Sara Dilmamode	Key priorities affordable housing, Crossrail, learning / skills...
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Keith Hearn (CBRE)	Times when local priorities must come before those of the London Plan e.g. Leicester Square public realm improvements over affordable housing agreed at committee with a positive response
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Brian Woodham - (St James's Conservation Area Trust)	St. James's development - would they need to pay levy for Crossrail?
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Graham King	Mayor chose CAZ boundary for charging - Paddington, Victoria - yes they are included All St. James - draft policy - already being used - will be until 2026
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Unknown attendee	Concern re: Crossrail contributions pot What are WCC looking for and how will we prioritise this?
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Graham King	S106 SPG sets out our approach - being reviewed Affordable housing actioned by policy directly - not seen as a "benefit"
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	We're happy to accept comments on our policies
Lisa O'Donnell	Looking to see if you support the priorities as they are currently set out
Victoria Interchange Group [not certain who]	Not always best priorities - should be tailored to local circumstances e.g. Victoria - re order / downgrade - people say transport improvement over affordable housing Make more use of planning briefs
Unknown attendee	General conformity test? - How much will we be fettered by this?
Potential Options	Set priorities Reorder current priorities Put local priorities first Tailor priorities to local circumstances Make more use of planning briefs to set priorities for specific sites
3. How can we ensure planning contributions are fairly balanced between national, regional, sub-regional and local infrastructure either in the context of voluntary pooling of planning obligations or if a Community Infrastructure Levy were introduced?	
Richard Hillebron (Derwent London)	Crossrail wonderful [they are the oversight developers for Tottenham Court Road East] Development has a value and there's a limited pot of money Striking a fair balance is difficult - needs to be managed on case by case basis or relating to the economic climate
Lisa O'Donnell	What weight should we give to local / national contributions
Unknown Attendee	Hard to cost - what are the big impact items? (locally) That would help balance priorities
Hugh Bullock (WPA)	Pre-application advice is crucial Do we intend to become a charging authority under CIL? Will need Community Infrastructure plan...
Graham King	We have not decided but have started an Infrastructure Plan in conjunction with other London Boroughs Mayor will become charging regime - we want to influence this We want an educated debate about real issues
Potential Options	Manage contributions on a case by case basis Manage contributions in relation to economic climate Develop Community Infrastructure Plan Balance contributions based on impact
4. In exceptional circumstances, or when it is not feasible for Registered Social Landlords to manage the units due to their small number, payment to the council's affordable housing fund is accepted in lieu of on site or off site affordable housing. There are currently two rates of payments applied in the city. Would you support a wider range of different land value zones with payment in lieu sums reflecting these differing values?	
Lisa O'Donnell	e.g. could be based on land value
Margaret Handovsky	UDP policy 2 rates of higher value +33% In some places concerned we are charging too much and others too little - proposal to introduce a range directly related to land values Payments in lieu for affordable and normal market housing
Unknown Attendee	Existing policy works well - why change [suggesting there was not

	<p>need to change]</p> <p>Values going up and down - could get into a muddle</p>
Michael Fearn (Shire Consulting)	<p>How would we keep land values under review?</p> <p>Land values change very quickly</p>
Cllr Moss	<p>Key is exceptional circumstances</p>
Margaret Handovsky	<p>Viability issue / small number of units not viable for housing associations</p> <p>In those circumstances may accept payment in lieu if not practical off-site</p> <p>Amounts payable annually updated April 1st</p>
Unknown Attendee	<p>In lieu - degree of failure - has not provided housing</p> <p>Should more accurately reflect cost to developer</p> <p>“exceptionally” too regularly applied</p> <p>Offsite provision should include more affordable housing e.g. 10 onsite could = 15 offsite</p>
Hugh Bullock (WPA)	<p>Land value - little true “land” - should use “market value”</p> <p>How do you create incentive to implement residential development from existing office development as an example</p> <p>Question needs to be widened</p> <p>PPS3 asks for affordable housing policies to be subject to viability testing</p>
Unknown Attendee	<p>Subscribe to what Hugh Bullock said</p> <p>“in the vicinity” - would like to see “in the wider district area”</p> <p>1 for 1, or more if further afield</p>
Matthew Bennett (Soho Society)	<p>Worried about last comment</p> <p>Difficult / expensive to provide housing in Soho etc</p> <p>Should be onsite wherever possible, or close to maintain communities</p>
Potential Options	<p>Base contributions on land value</p> <p>Base contributions on market value</p> <p>Do not base contributions on constantly changing values</p> <p>More accurately reflect the costs to developer</p> <p>Maintain current approach</p> <p>Tighten the policy / be more rigid re: what counts as “exceptional”</p> <p>Make affordable housing policies subject to viability testing</p> <p>Provide housing onsite</p> <p>Make offsite provision include more affordable housing e.g.10 on=15 offsite</p> <p>Make provision of affordable housing 1:1 on site or more if further afield</p> <p>Replace “in the vicinity” with “in the wider district area”</p>
<p>5. Should planning obligations be sought to mitigate or offset residual:</p> <ul style="list-style-type: none"> • carbon emissions • air pollution • noise pollution • ecology and biodiversity impacts? <p><i>In which circumstances would this type of planning obligation be appropriate?</i></p>	
John Richards (Knight Frank)	<p>WCC should take open approach on how they can save the most carbon</p>

	<p>“Zero carbon” - require code level 4 instead of 6 This could actually save more carbon Need an adequate mechanism</p>
Lisa O'Donnell	<p>Either or - meet target or pay set amount to retrofit? Yes</p>
John Richards (Knight Frank)	<p>Money could be better spent elsewhere We should be proactive as with affordable housing</p>
Cllr Moss	<p>Suggest a money pot</p>
John Richards (Knight Frank)	<p>Grants, efficient water use, living roofs etc</p>
Cllr Connell	<p>Agreed with ¾ of that view Should focus on pollutants / emissions - particularly carbon Green roofs are a red herring</p>
Hugh Bullock (WPA)	<p>Nervous - worry can this be priced? May be a step too far Pricing of externalities is a rather different project</p>
Lisa O'Donnell	<p>What could it be spent on? e.g. how old would a building have to be before it could be retrofitted? Occupants just moved in treated differently</p>
Matthew Bennett [? not 100% sure]	<p>Support for Knight Frank</p>
Shaftesbury Plc	<p>Pay off between buildings - developer responsible for delivery and monitoring</p>
NWEC	<p>Externality issue Marble Arch end of Oxford Street / Edgware Road most polluted place in Britain These problems could be solved with a fund as suggested</p>
Cllr Moss	<p>Neighbourhoods increasingly effected by these gradings Economy developing around this</p>
Unknown Attendee	<p>3 other aspects should be considered - new building pollution, ecological cost of construction, level of pollution from site at present</p>
Lisa O'Donnell	<p>Support assessment against net gain</p>
Unknown Attendee	<p>Scheme should not discourage refurbishment</p>
Potential Options	<p>Take an open approach to saving carbon Require Code 4 compliance instead of Code 6 for Zero Carbon development Create a money pot to allow money to be used elsewhere Solve wider pollution problems with a fund Encourage use of grants Encourage efficiencies - efficient water use, green roofs etc Make developer responsible for delivery and monitoring Focus on pollutants / emissions - particularly carbon Allow pay-off between buildings [i.e. let bigger improvements be made where they can be, and don't force others where they'll be more problematic] Consider impacts of; new building pollution; the ecological cost of construction; and the level of pollution from the site at present</p>

	Assess impact against net gain Encourage refurbishment
6. In cases where it is not practical or viable to achieve required on-site renewable energy standards should the council require planning obligations to fund: <ul style="list-style-type: none"> • decentralised energy generation on other sites • expansion of existing networks, including linking to existing buildings • on-going network management elsewhere in the borough • energy efficiency measures in existing properties? 	
Hugh Bullock (WPA)	What is optimum way forward? Need that debate first Will discuss...
Unknown Attendee	Offsetting must be a good idea
Michael Fearn (Shire Consulting)	Domestic turbine could at most contribute £29 / year to the grid Small schemes will not change the world
Cllr	Issue re: heating network
Michael Fearn (Shire Consulting)	Technologies moving fast - anaerobic digesters for example Some may be more practical through the life of the LDF Crown Estate Scheme Swallow Street
Lisa O'Donnell	Waste
Michael Fearn (Shire Consulting)	Public concern re: emissions Waste could be used as energy resource on case by case basis
John Richards (Knight Frank)	Decentralised or district level? WCC has clout to take forward More examples above individual site level e.g. Pimlico system
Potential Options	Make use of off-setting Use planning obligations to fund large schemes Encourage use of modern technologies Use waste as an energy resource on a case by case basis
7. More broadly, where the required sustainable design measures cannot be achieved, is there a role for a sustainable design offset scheme which could be used to fund projects to improve the sustainability of the city?	
Cllr Moss	Occupation of the building is key - the use - blinds being down / air con use etc
Lisa O'Donnell	Retrofitting Soho work looked into problems between tenants and landlords Is there a relationship between that and the off-setting fund?
Unknown Attendee	Cycle parking? Could that be dealt with in this way? Could potentially be pooled / off-set / off-site
Matthew Bennett (Soho Society)	Cycle - developers might like to consider showers and changing rooms in buildings to encourage cycling
Hugh Bullock (WPA)	Parking stress Useful to try and resolve tensions between providing housing and parking
Potential Options	Encourage efficient management of buildings Encourage cycling facilities in the work place Consider pooling for cycle parking
Are there any other issues?	
Cllr Bush	Resistance to idea of incorporating management of use /

	measures?
Michael Fearn (Shire Consulting)	How would you control use [i.e. how sustainably the building's operated] of building under current planning regime?
Cllr Moss	We do have Green Travel Plans - annually show the spirit is being complied with
St. James's Conservation Trust	How do we decide how the levy will be used? Are there proportions that must be obeyed?
Graham King	S106 SPG contains City Council's approach and tariffs Based on what it is, where it is and what it provides [the development] Its history etc Cannot be a simple tariff It will come down to a degree of site by site Revising the SPG to be more responsive to constraints we face at the moment
Matthew Bennett (Soho Society)	[Re: Question 7] what is the alternative to off-setting? Do you accept that they cannot be achieved? How would the money be spent fairly and transparently without developer feeling as though they have been mugged?
Graham King	Good question... Grey box in hand out will go back to Related to planning etc, "reasonable" in all other respects
Matthew Bennett (Soho Society)	If a development company can offset within their own estate Makes sense
Graham King	Can you go to cash alternative? Similar to affordable housing - on site / off site / cash equivalent [sequential approach]
Matthew Bennett (Soho Society)	Could we do some work on this
Unknown Attendees [possibly Hugh Bullock + Matthew Bennett]	Planning obligations can only be secured on back of planning applications Not all properties will be subject to planning Grants, building regs etc can also be used Planning obs will not save the world
Potential Options	Set out how funds will be spent fairly Allow developers to offset within their own estates Use sequential approach similar to affordable housing policy Encourage use of grants Control [efficiencies] through building regulations
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