

<b>TITLE</b>	<b>Promotion of Wokingham Borough Council Assets</b>
<b>FOR CONSIDERATION BY</b>	The Executive on Thursday, 28 September 2023
<b>WARD</b>	(All Wards);
<b>LEAD OFFICER</b>	Deputy Chief Executive - Graham Ebers
<b>LEAD MEMBER</b>	Leader of the Council and Executive Member for Housing - Stephen Conway

## **PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)**

The purpose of this report is to consider the promotion of Council owned land into the local plan process.

Additionally it seeks approval from the Executive to include further Council owned assets for promotion to the local plan process.

## **RECOMMENDATION**

That the Executive.....

1. Approve the list of Council owned assets in **Appendix A** to be promoted to the Local Plan process for the land uses identified, delivering circa 405 dwellings and with an estimated land value of £41.750m (as set out in Part 2 of the report).
2. Agree that the Council owned assets in **Appendix B**, which were previously promoted to the local plan process be withdrawn, and in turn forego the delivery of circa 352 dwellings and the estimated land value of £27.7m (as set out in Part 2 of the report).
3. Delegate authority to the Director of Resources & Assets, in consultation with the Leader and Executive Member for Assets, to promote the sites to the Local Plan and partake in the Local Plan process, including the submissions of any further representations to the process.

## **EXECUTIVE SUMMARY**

This report gives the Executive an update on the Local Plan process and seeks approval to promote a number of Council owned assets to the Local Plan process.

The new Local Plan will guide where and how growth and development in the Borough will happen over the next 20 years. It will contain the allocation of sites for development purposes. The Local Plan is due to be submitted to Government in the spring of 2024 with adoption by the Secretary of State envisaged by 2025.

Wokingham Borough Council owns several assets that we believe are suitable for development, including residential development.

A list of the Council owned assets which it is recommended to promote to the Local Plan Update for the land uses identified, delivering circa 405 dwellings and with an estimated land value of £41.750m (as set out in Part 2 of the report) is in **Appendix A**.

A list of the Council owned assets which were previously promoted but are recommended to be withdrawn from promotion to the Local Plan Update and in turn forego the delivery of circa 352 dwellings and an estimated land value of £27.7m (as set out in Part 2 of the report) is in **Appendix B**.

These assets, if included in the Local Plan process, will help in achieving the Council's housing delivery targets, optimizing the utilisation of Council assets, obtaining optimal land value, promoting sustainable and affordable housing and facilitating the growth of local communities. Any such value obtained will be considered when appropriate into the financial budget setting process (Medium Term Financial Plan).

The key issue around the decision is the extent to which the Council wishes to promote its own assets to assist the Local Planning Authority in: 1) achieving a sustainable pattern of development for the borough; and 2) meeting the housing delivery targets of the emerging local plan. In the absence of any Council promoted sites, the LPA would be wholly reliant upon privately owned land to meet the development needs of the borough.

The decisions around whether to promote a site to the Local Plan Update need to be taken in the context of seeking to secure best value from the Council's assets – the value that could be introduced into the Council's annual budget to help fund other Council services/projects; weighed against site specific circumstances that may otherwise indicate that a site is not suitable or conducive to development. The promotion of these sites will also deliver on non-financial corporate objectives such as the delivery of affordable housing and the Council's Climate Emergency Action Plan (CEAP) ambitions.

## **BACKGROUND**

Local Plans are documents that guide and manage development. They direct where new development should be located – including new homes and places to work – and ensure that buildings and spaces are of a high quality and supported by infrastructure.

An understanding of where land might be available and suitable for development is key to understanding what realistic choices exist for managing development.

The Council is in the process of preparing a new Local Plan – the Local Plan Update. The new Local Plan will replace the Core Strategy and Managing Development Delivery Plans which were intended to manage development to 2026. The new Local Plan will ensure that the Council’s planning policies remain effective.

To understand land might be available for development, calls and were made to landowners to promote land. Through this process, the Council as a landowner promoted several areas of land across the borough which were then surplus to operational requirements and considered potentially suitable for a range of uses, including housing and leisure.

Given the passage of time, and potential for changed operational requirements, it is important to review and confirm what areas of land are available.

## **BUSINESS CASE**

The Council owns several assets that are considered by the Council’s Commercial Property Team to be potentially suitable for development, including residential development. The promotion of the Council’s assets to the Local Plan process brings a number of benefits to the authority:

### *Housing and infrastructure need*

National planning policy requires the Council to delivery housing. By promoting Council-owned assets for housing development, the Council itself can contribute to meeting housing requirements and locally specific housing needs. Moreover, providing more housing options can lead to a healthier property market, helping to address affordability and availability challenges for local people.

In the absence of any of Council owned land being promoted and thereafter included for housing, the Local Plan will be wholly reliant upon privately owned and promoted sites to meet development requirements. It will also mean that that the Council will have less direct influence in housing delivery rates.

### *Delivering value for money*

By promoting land into the Local Plan process, the Council can capitalise on its assets, obtain the best possible land value and generate additional revenue. This is dependent on the land being suitable and chosen as part of the future Local Plan.

The allocation of land for development increases the value of the land. This is particularly the case for greenfield land, which otherwise would hold little or no value associated with development. The income generated from any realised increased value

can be reinvested in public services, infrastructure development, and community projects, enhancing the overall well-being of residents.

Through competitive bidding and development partnerships, the Council can negotiate terms for the development of its land that prioritise community benefits such as affordable homes, green spaces and sustainable design principles (including Net Zero Carbon). This ensures that the development of the Council's assets not only maximises the financial return but also aligns with the Council's long-term vision.

Some of the Council's assets are recommended to be promoted for supporting infrastructure uses, such as Sustainable Alternative National Greenspace (SANG) and leisure uses. These uses will support new communities by contributing the necessary infrastructure to ensure sustainable, high-quality growth.

### *The promotion process*

The Council can decide which of its assets could be available for development and promoted to the Local Plan process.

Some of the Council's assets are previously developed or brownfield land and are already within the settlement boundaries where development is supported in principle. The promotion of these assets is not necessary to realise their development potential.

Although the Council's Property Team can promote any of its assets to the Local Plan process, this does not guarantee that they will be supported by the new Local Plan.

The Local Plan process is independent and will objectively consider all land promotions – both those made by the Council and those from private landowners - against relevant planning factors. The new Local Plan will be examined by an independent Planning Inspector who will test if the plan meets national planning policy.

It should be noted that the Council, acting as landowner, has no obligation to promote all or any of its land into the Local Plan process and may elect not to do so if it considers that specific circumstances dictate against. Such circumstances need not constitute material planning considerations. However, it should be noted that in circumstances it would forego any potential uplift in value related to a reallocation of the land for development purposes – value that could be introduced into the Council's budget to help fund other Council projects/services. Such financial considerations need to be carefully weighed in the balance.

A list of the Council owned assets which it is recommended to promote is attached as **Appendix A**. It is estimated that these sites could accommodate circa 405 dwellings in total and, with planning consent, the assets would be worth circa £41.705m.

A list of the Council owned assets which were previously promoted but are recommended to be withdrawn from the Local Plan process is attached as **Appendix B**. It is estimated that these sites could have accommodated circa 352 dwellings in total and by withdrawing them from promotion to the Local Plan Update will mean the Council will forego the estimated land value of £27.7m.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	Nil	N/A	
Next Financial Year (Year 2)	Nil	N/A	
Following Financial Year (Year 3)	Nil	N/A	

### **Other Financial Information**

Should the promotion of land lead to its allocation through the Local Plan process, the value of any land will be increased. The value implications of these assets are set out in Part 2 of the report. These values are realised at the point of development or disposal of the sites. Any such value obtained would help the Council fund other projects and services and will be considered when appropriate into the financial budget setting process (Medium Term Financial Plan).

### **Stakeholder Considerations and Consultation**

The Local Plan process is subject to statutory consultation obligations.

### **Public Sector Equality Duty**

An initial equalities assessment has been carried out and it has not identified any potentially negative impact upon persons with protected characteristics. Initial Equalities Impact Assessments will be undertaken for each of the sites as part of the approval process to proceed with the development of the asset.

### **Climate Emergency – *This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030***

All Council owned sites adopted into the Local Plan update will in turn need to be subject to individual planning applications which demonstrate compliance with the wider development plan policies. Those policies have been drafted to reflect both national requirements and the Council's priorities under the Climate Emergency Action Plan. In addition, as landowner/developer of these sites, the Council will be afforded greater control over the subsequent development of those sites to ensure that they align with wider corporate priorities above and beyond minimum planning requirements.

### **Reasons for considering the report in closed session:**

By Virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972:

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

<b>List of Background Papers</b>
Part 2 – The Council's assets and their estimated land value LPU Revised Growth Strategy Consultation 2021

<b>Contact</b> Sarah Morgan	<b>Service</b> Commercial Property
<b>Telephone</b> 07801 664 394	<b>Email</b> sarah.morgan@wokingham.gov.uk
<b>Contact</b> Katie Meakin	<b>Service</b> Commercial Property
<b>Telephone</b> 07715238500	<b>Email</b> katie.meakin@wokingham.gov.uk

## Appendix A

A list of the Council owned assets which are to be promoted to the Local Plan Update.

Site Ref.	Address	Ward	Size (ha)	Published Revised Growth Strategy (Nov 2021)	Latest position (2023)
5WK051	Land east of Toutley Depot	Emmbrook	7.4	Site included in the RGS as a draft allocation for 130 dwellings and a 68 bed care home.	Continue to promote the site for Housing (C3 Planning Use Class) and Residential Institutions (C2 Planning Use Class).
5WK046	Land at Wellington Road, Wokingham	Emmbrook	0.16	Site included in the RGS as a draft allocation for 21 dwellings.	Continue to promote the site for Housing (C3 Planning Use Class).
5WK048	Suffolk Lodge	Norreys	0.75	Site included in the RGS as a draft allocation for 20 dwellings	Continue to promote site for Housing (C3 Planning Use Class).
5WK050	Site of Former M&S Building, Wokingham	Wescott	0.34	Site included in the RGS as a draft allocation for 15 dwellings.	Promote site in LPU for Town Centre Uses (E). <b>Confirming that the site is not available for Housing (C3 Planning Use Class) – resulting in a loss of 15 dwellings.</b>
5WO004	Land at Sandford Mill Pumping Station	Loddon	0.6	Site included in the RGS as a draft allocation for 15 dwellings.	Continue to promote site for Housing (C3 Planning Use Class).
5HU037	Dinton Pastures, Sandford Lane, Davis Street	Hurst	16.5	Site included in RGS as a draft Local Green Space designation.	Promote site in LPU for Leisure and Country Park.
5WI012	Land to the rear of Bulldog Garage, Reading Road	Winnersh	2.28	Site included in the RGS as a draft allocation for 25 dwellings.	Continue to promote site for Housing (C3 Planning Use Class).
5WI011	Wheatsheaf Close	Winnersh	0.73	The site is allocated for housing under the adopted MDD local plan.	Continue to promote site in LPU for Housing (C3 Planning Use Class).

				Site included in the RGS as a draft allocation for 24 dwellings.	
5WW006	Grays Farm, Heathlands Road	Wokingham Without	25.9	The site was included in RGS as part of amendments to the South Wokingham SDL allocation with the land being identified for Sports and Leisure and Community use.	Promote site for Sports and Leisure and Community use.
N/A	Barkham – Mortimer Lodge Farm and Brook Farm - extension to existing SANG	Barkham	33	The site has not been promoted to date.	Promote site for strategic Suitable Alternative Natural Green (SANG) provision.
N/A	Mere oak – land adjacent to existing Park and Ride	Shinfield South	1.9	The site has not been promoted to date.  The site is safeguarded for strategic transport infrastructure in the adopted local plan.	Promote site for Highways and/or ancillary commercial use for Highways.
N/A	Rubra I, II and Alba	Evendons	1.2	The site has not been promoted to date.  The site is located within the Molly Millars Core Employment Area, an area safeguarded for employment under the adopted local plan. The RGS proposed to retain the Core Employment Designation.	Promote site for Housing (C3 Planning Use Class).  (circa 70 dwellings)



N/A	WBC Council Offices Shute End	Embrook	1.4	The site has not been promoted to date.	Promote site for Housing (C3 Planning Use Class).  (circa 100 dwellings)
N/A	Area DD	Hillside	1.38	The site has not been promoted to date.  Site included in the RGS as a draft Local Green Space designation.	Promote site for Local Green Space.
N/A	High Barn Farm, Commonfield Lane	Barkham	4.2	The site has not been promoted to date.	Promote site for Gypsy, Roma and Traveller (GRT) site.  (circa 15 - 20 pitches)

## Appendix B

A list of the Council owned assets which are to be withdrawn from promotion to the Local Plan Update.

Site Ref.	Address	Ward	Size (ha)	Published Revised Growth Strategy (Nov 2021)	Latest position (2023)
n/a	Pinewood, Nine Mile Ride	Wokingham Without	9.77	Site included the RGS as a draft designation for self funded regeneration – which may include ‘facilitating development’.	Withdrawn the promotion of the site. Site to be retained for local community use.
5BA033	Rooks Nest Farm	Barkham	39.3	Site included in the RGS as a major part of a draft allocation for 270 dwellings – of which circa 250 dwellings were anticipated on land owned by WBC and the residual allocation was for land outside of WBC's ownership.	Withdrawn the promotion of the site for Housing (C3 Planning Use Class). Site to be used to deliver the 2 new SEND schools and the Covid Memorial Wood.
5WK047	Wokingham Library, Denmark Street,	Wescott	0.16	Site included in the RGS as a draft allocation for 15 dwellings.  Currently occupied by WBC/charities as part of cost of living response.	Withdrawn the promotion, as future plans for this asset are not yet clear.
5WI010	Winnersh Farm, Watmore Lane	Winnersh	2.12	Site is included in the RGS as a draft allocation for 287 dwellings – of which circa 87 dwellings were anticipated on land owned by WBC and the residual allocation was for land outside of WBC's ownership.	Withdrawn the promotion for Housing (C3 Planning Use Class).  Part of the site has been used to provide the new SEND School (Oak Tree).

The following Council assets were promoted to the local plan process previously but are not covered in this report for the following reasons:

- Toutley Depot – this asset is no longer available for promotion as the Depot is being retained at this site and works are currently underway to improve the facilities.

- Wokingham Youth and Community Centre – this asset is no longer available for promotion as in operational use.
- Foxwood – this asset is no longer available for promotion as in operational use.
- Berkshire Sports and Social Club – this asset is no longer available for promotion as in operational use.

This page is intentionally left blank