

For publication

Chesterfield Waterside – Masterplan update (LC000L)

Meeting:	Leader
Date:	30/11/2022
Cabinet portfolio:	Economic Growth
Directorate:	Economic Growth
For publication	

1.0 Purpose of the report

- 1.1 The following report sets out the steps to be taken to update the masterplan for the Chesterfield Waterside development, a key strategic site in the Council's Local Plan and Growth strategies.
- 1.2 It also sets out the work required to prepare the strategy, and the costs and sources of funding that will be used to achieve this.

2.0 Recommendations

- 2.1 Authorise the Strategic Planning and Key Sites team to review the existing masterplan and prepare an updated masterplan for the Chesterfield Waterside Strategic Site.
- 2.2 Agree to accept the offer of £50,000 in grant funding from Homes England towards the masterplan review and update.
- 2.3 Authorise the commission of consultants to undertake specialist work to support the masterplan review and update.

3.0 Reason for recommendations

- 3.1 To provide an up to date masterplan framework to support implementation of the Local Plan Strategic Site allocation and to support the determination of relevant planning applications.
- 3.2 To maximise the contribution made by development to place making and the provision of community infrastructure to support the development and the community created.

4.0 Report details

- 4.1 Outline Planning Permission was granted for the Chesterfield Waterside Development 11th March 2011 (reference CHE/09/00662/OUT), subject to a masterplan and a detailed set of planning conditions and obligations (the latter set out in a Section 106 Legal Agreement).
- 4.2 The outline planning permission has lapsed in respect of any new planning applications made for the development after 2021.
- 4.3 The Chesterfield Borough Local Plan 2018-2035 continues to allocate the site for comprehensive development in "accordance with an adopted masterplan":

SS3 Chesterfield Waterside and the Potteries

Within the Chesterfield Waterside area as set out on the Policies Map, the council will support development proposals that contribute towards:

- a) creating jobs in office, industry, retail, tourism and education;
- b) restoring Chesterfield Canal and the River Rother to navigation and creating a new canal terminus;
- c) achieving a mix of uses including residential (up to 1550 new homes), office (up to 30,000 sqm), employment, leisure, health and fitness, hotels, creche, doctor's surgery and nursing home;
- d) improving access to the site including enhancing the footpath and cycle network through the site and making links to the wider Trans Pennine Trail and Chesterfield Railway Station;
- e) a high quality urban environment including eco-park and green infrastructure corridor;
- f) managing flood risk.

Land within the Chesterfield Waterside area will be comprehensively redeveloped in accordance with an approved masterplan, including provision of a new Local Centre located adjacent to the existing canal basin.

Planning applications submitted for development outside of the existing outline planning permission, but which otherwise deliver the objectives of the approved masterplan, will be expected to contribute towards the overall delivery of the infrastructure required for comprehensive development, secured through a section 106 agreement.

4.4 The Existing Masterplan and role of Chesterfield Waterside Ltd

4.5 The most up to date masterplan was set out in the outline planning application's Design and Access statement, and aimed to deliver approximately 1500 homes, 30,000sqm of office development and other commercial opportunities including destination retail and leisure, alongside restoring the canal to navigation and an associated linear park and walking and cycling improvements.

5.0 Progress to Date

5.1 To date, implementation of the masterplan has delivered:

- i. Creation of a canal basin on Holbeck Close within the Basin Square Character Area*
- ii. 19 affordable homes by Great Places, on Brimington Road within the Island Character Area*
- iii. Development of the former Laver's timber yard on Brimington Road for 173 new dwellings by Avant Homes (78 had been completed as of 31st March 2022) within the Park and Island Character Areas*
- iv. New Grade A office space at One Waterside Place within Basin Square*

5.2 The Council is currently considering two applications for development under the existing masterplan and outline permission:

CHE/21/00186/REM for the construction of a multi-storey car park and CHE/21/00184/REM for a hotel and the detailed design of 314 apartments that already have permission for their scale and layout.

A full planning application currently under consideration for the redevelopment of the Tipton Business Park Site will not be considered under the previous outline permission:

CHE/22/00604/FUL Residential development comprising demolition of all existing buildings, to be replaced by the erection of 84 dwellings and 41 apartments, 20 flats over garages (FOG) together with ground floor commercial units (Use Class E)

The council has also received a pre-application inquiry about the potential redevelopment of the remainder of the Basin Square area for a residential led, mixed-use development.

5.3 Issues

5.4 The existing masterplan is over 10 years old - having been originally submitted to the Council in 2009 and itself derived from the 2005 Planning and Development Brief prepared by the borough Council. Since then there have been a range of significant changes to the context of the scheme, including in the local housing and economic context, technology and land use policy.

- 5.5 The existing masterplan was prepared on the assumption that the majority of the site would be brought forward by a master developer, allowing for the co-ordination of the various 'Character Areas' described in the masterplan. The conditions and planning obligations set out in the outline planning permission reflected this approach.
- 5.6 As a result it is not clear how the costs and responsibilities for delivering the required infrastructure for a comprehensive scheme would be apportioned to individual full planning applications/development. This is likely to cause challenges in determining new applications, and the risk of failing to secure the timely implementation of the required infrastructure and mitigation measures.

Review – Work to Date and Roadmap

- 5.7 The Council has already commissioned and undertaken several key pieces of work to underpin the review of the masterplan:
- i. **Strategic Review** (Planning and Transport Planning) – a review (undertaken by AECOM) of the evidence base underpinning the masterplan, identifying what will need to be updated, and recommended a roadmap for the review.
 - ii. **Market Review** – a review (undertaken by BNP Paribas Real Estate) of the existing and future housing and commercial market, the fit of the current masterplan with this and recommendations for alternative mixes and tenures
 - iii. **Rental market review** – (undertaken by Dataloft) a study specifically on the rents and values achievable within the broad 'town centre' residential rental market in Chesterfield.
- 5.8 The Key messages from these reports are that:
- i. The infrastructure needs of the scheme should be reviewed and independent cost estimates developed
 - ii. The previous outline planning consent mix of commercial office development and significant numbers of apartments do not match the current property market
 - iii. The Basin Square and Station Place Character Areas still have potential for apartments and commercial uses but the remainder should be for a mid density housing mix with a greater proportion of family housing
- 5.9 The Council's Strategic Planning and Key Sites Team has already commenced a review of the existing masterplan to identify which aspects remain sound, which need updating/replacing, and where there are gaps to be filled.

- 5.10 To support this, technical support is needed on a number of key aspects of the update, specifically:
- i. The design and costs of infrastructure, including walking and cycling connections, bridges and waterways infrastructure
 - ii. Water/river management and flood risk
 - iii. Traffic and transport impact and strategy
 - iv. Capacity for biodiversity net gain
- 5.11 A brief and specification for this work has been prepared and the council is able to directly appoint AECOM under an existing framework agreement. The cost of the technical work is estimated at £90K.
- 5.12 The Council has received (on 1st November 2022) an offer of a grant from Homes England of £50K towards the costs of this work, subject to the funding being expended by March 31st 2023. The remaining costs could be funded from the Council's Community Infrastructure Levy (CIL), the purpose of which is to support and enable the delivery of the infrastructure needed to support growth. The CIL funding would need to be subject to a separate Cabinet approval when bids for CIL funding are reported early in 2022. Until this approval is in place, funding is to be made available from the Business Rates Retention fund, to be repaid to the fund when CIL expenditure is approved. Approval is already in place to use Business Rates Retention funds to support strategic development projects including Chesterfield Waterside (cabinet decision dated 3rd December 2019).
- 5.13 The current programme is for the technical work and a draft revised masterplan to be in place by March 31st 2023 to support the determination of current and anticipated planning applications.

6.0 Alternative options

- 6.1 In preparing this report, the following alternatives were considered:
- 6.2 **Do nothing** – weight can continue to be given to the existing masterplan in determining planning applications, however the age of the masterplan leave it open to challenge (which will become more likely over time), and it does not provide a mechanism or details to allow for the costs and responsibilities of to be apportioned to individual development, which will make it challenging to secure improvements from developers through planning obligations on planning permission.
- 6.3 **Developer led** – The developer responsible for the previous outline planning application and masterplan has clearly indicated that they are not in a position to prepare a replacement masterplan for the entire site.
- 6.4 **Entirely In house Review** – the Strategic Planning Team has already commenced reviewing key elements of the masterplan, however the team

(and by extension the wider Council) does not have the specialist skills required to undertake the technical elements of the review set out above.

6.5 The three preceding options risk a piecemeal approach to development that does not deliver the required infrastructure to support a new community. These options have therefore been rejected.

6.6 **CBC prepares a fresh Outline planning application, Local Development Order (LDO) or Permission in Principle (PiP)** – These three mechanisms would have a similar result, effectively replacing the previous masterplan with a new permission – subject to individual developers submitting applications for reserved matters/technical details. However the standard of evidence required to prepare an outline, LDO or PiP would be significantly higher and more costly and time consuming to prepare. In addition, there is no mechanism to require developers to submit applications for reserved matters or technical details consent under one of these, running the risk that they could proceed via full planning application, with the same issues that have been raised under the 'do nothing' option.

6.7 There is a further option that the Council does not accept the funding from Homes England. The overall cost of the supporting work could not otherwise be met without the use of other funding sources, such as the Local Development Framework (LDF) reserve. As the LDF reserve is held to cover the costs of the Examination of the Local Plan, using this would put the Council at risk of not being in a position to examine the Local Plan and completing its legal duty to review the local plan every five years.

7.0 Implications for consideration – Financial and value for money

7.1 The technical work would utilise grant funding from Homes England, which could not be used for any other purpose.

7.2 The remainder of funding would be sourced from CIL, which is an existing source of funding from other housing and commercial development that can only be used for the purpose of delivering infrastructure to support development. As of March 31st 2022, the strategic CIL infrastructure fund sat at £937,692 (net, excluding committed expenditure, 15% contribution to community portion and administrative costs) , which would be more than sufficient to cover this project.

7.3 Due to the lapse of the outline permission (which was approved before the council adopted CIL), any new housing development on the site now has the potential to contribute to the CIL fund in the future. The extent of this is difficult to predict at this stage as the final amount of development will be determined by the review but will be established through the process.

8.0 Implications for consideration – Legal

- 8.1 The funding offer from Homes England needs to be formally accepted, hence forming one of the recommendations of this report.
- 8.2 The CIL funding will need to be separately approved by Cabinet. A report on the 2022 CIL funding round is expected in early 2023 as the round of collecting bids is currently underway and will conclude by the end of November 2023.
- 8.3 Approval is already in place (see above) to use the Business Rates Retention fund to support the delivery of strategic sites including Chesterfield Waterside.

9.0 Implications for consideration – Human resources

- 9.1 The aspects of the review not to be undertaken by specialists would be carried out by officers of the Strategic Planning Team. This is within the team's core role, of delivering the Local Plan and the implantation of Strategic Sites.
- 9.2 The Council's Housing Delivery Manager, based within the Strategic Planning Team, would be the project manager for the consultancy aspect of the review.

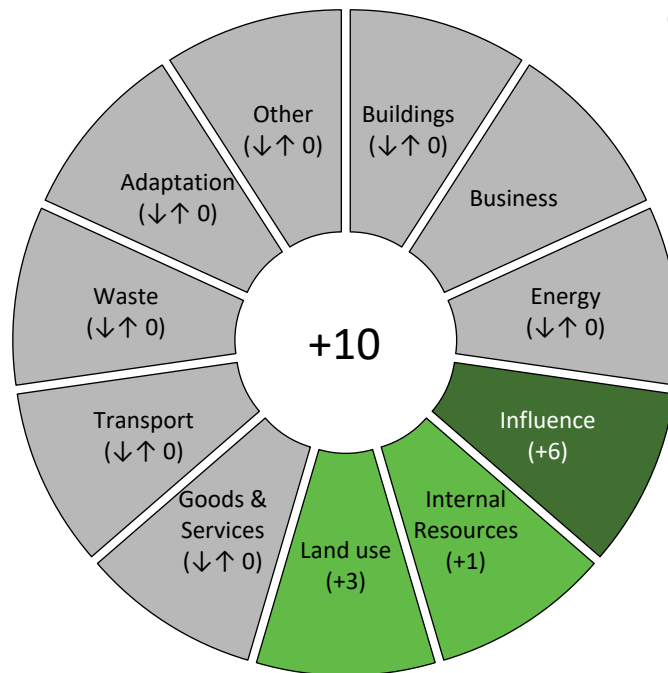
10.0 Implications for consideration – Council plan

- 10.1 The review of the Waterside Masterplan would support two of the Council Plan's priorities:
 - i. Making Chesterfield a thriving borough
 - ii. Improving quality of life for local people
- 10.2 Enabling Chesterfield Waterside is specifically set out as one of the Council Plan's objectives under making Chesterfield Borough 'a great place to live, work and visit'
- 10.3 It would also contribute towards the objectives to:
 - i. Provide quality housing and improve housing conditions across the borough
 - ii. Improve our environment and enhance community safety for all our communities and future generations
 - iii. Help our communities to improve their health and wellbeing

11.0 Implications for consideration – Climate change

- 11.1 This report seeks to authorise supporting technical work to undertake a review of the masterplan. The Climate Impact Assessment is not based on the impact of the development proposed in an updated masterplan, but on the impact of the process of preparing it. The revised masterplan will be subject to its own subsequent Climate Assessment.

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Chesterfield Borough Council has committed to being a carbon neutral organisation by 2030 (7 years and 1 months away).

12.0 Implications for consideration – Equality and diversity

12.1 This report seeks to authorise supporting technical work to undertake a review of the masterplan. It is not expected that it will have any direct negative impacts on any protected groups or characteristics at this stage; there may be some positive impacts on some groups (age, disability, and pregnancy/parental leave) as the evidence prepared will support the council in negotiating for developer contributions to active travel infrastructure and play/open space provision on current applications. A separate assessment will be undertaken for the updated masterplan at a later date.

13.0 Implications for consideration – Risk management

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Not accepting offer of Homes England funding means that council will be unlikely to access future HE funding towards Waterside	High	Medium	Approve recommendations as set out in the report	Med	Low

Development of Chesterfield Waterside occurs in a piecemeal manner due to lack of up to date masterplan	High	High	Undertake review of masterplan as set out in report	Med	Low
Council is unable to secure developer contributions towards critical infrastructure from individual planning applications – resulting in incomplete infrastructure or additional future requests for CIL funding	High	High	Undertake review of masterplan as set out in report	Med	Low

Decision information

Key decision number	1154
Wards affected	St Helens St Leonards Brimington South

Document information

Report author
Alan Morey, Strategic Planning and Key Sites Manager, Economic Growth
Background documents
These are unpublished works which have been relied on to a material extent when the report was prepared.
AECOM Waterside Strategic Review BNP Paribas Market Review Dataloft Rental Market Review