

Appendix B – Further Information Up-Mudford

Further Information Up-Mudford Report
Planning and Transport Policy Sub Committee
8 October 2024
Key Decision – yes



Further Information Up-Mudford Report

Chair of Committee: Councillor Mike Rigby - Lead Member for Economy, Planning and Assets

Executive Members: N/A

Local Members and Divisions affected: Councillor Henry Hobhouse, Councillor Kevin Messenger, Councillor Tony Lock, Councillor Graham Oakes, Councillor Andy Kendall and Councillor David Woan

Executive Director: Mickey Green, Executive Director, Climate and Place

Executive Summary

The Up-Mudford Sustainable Urban Extension, application 14/02554/OUT, is a strategically important application for Yeovil, proposing 765 homes, employment land, a care home, neighbourhood centre and primary school expansion site. It is allocated via Policy YV2 of the South Somerset Local Plan, 2015. The application site is CIL exempt.

The application was resolved to approve in October 2019 but was later caught by the Natural England letter of September 2020 which required all non-approved applications to demonstrate phosphate neutrality. Three years later a solution has been found at a cost of £1.5m and the application has been refreshed and updated to go back to committee in October 2024. This has required a new viability assessment which concludes the site cannot deliver all the required planning obligations, reiterating the situation from 2019 which found the same.

The cashflow implications mean that the full extent of approved infrastructure such as the off-site walking and cycling routes/connections cannot be delivered as early as is desirable. The delivery of a key junction at Lyde Road/Mudford Road would also be aided if more money was available towards the start of the development, but it simply is not available without pushing back other obligations later in the spend profile. This report proposes allocate £500.000 of CIL monies collected in Area South to forward fund walking and cycling infrastructure, secondary access and associated infrastructure associated with this development. This funding is currently in the bank and is not allocated to any other schemes. It will be recovered via the Section106 agreement.

Recommendations

The Planning and Transport Policy Sub Committee agrees:

- a that should planning permission be granted the use of £500.000 Community Infrastructure Levy (CIL) funding collected in Area South over the period 2026-2036 to provide cashflow in terms of an allocation to bring forward

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- b elements of the Up-Mudford, Yeovil Sustainable Urban Extension scheme which would be fully recovered from the development via its s106 over time. Agreement for forward funding the walking and cycling infrastructure, secondary access and associated infrastructure at Up-Mudford, Yeovil Sustainable Urban Extension is delegated to the Chief Planning Officer and Service Director for Infrastructure and Transport, in consultation with the Head of Legal Services.

Reasons for Proposals

It is a persistent issue raised in connection with large scale development that none of the infrastructure is delivered early, to provide work, play and community facilities and establish linkages to aid green travel habits. There are often very good reasons for this and often that reason is cashflow. The proposed approach allows some of this infrastructure to be forward funded to support place making.

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Main report and supporting information



Background and purpose of report

1. The Up-Mudford Sustainable Urban Extension, application 14/02554/OUT, is a strategically important application for Yeovil, proposing 765 homes, employment land, a care home, neighbourhood centre and primary school expansion site. It is allocated via Policy YV2 of the SSDC Local Plan. The application site is CIL exempt.
2. The application was resolved to approve in October 2019 but was later caught by the Natural England letter of September 2020 which required all non-approved applications to demonstrate phosphate neutrality. Three years later a solution has been found at a cost of £1.5m and the application has been refreshed and updated to go back to committee in October 2024. This has required a new viability assessment which concludes the site cannot deliver all the required planning obligations, reiterating the situation from 2019 which found the same.
3. The approach has been to therefore retain affordable housing at 15% rather than the policy requirement of 35% which was the percentage resolved to approve in 2019. This has enabled all other obligations to meet requirements. Notwithstanding this fact, an issue remains regarding cashflow and this has impacted on the trigger points that have been able to be agreed as to when certain cash payments can be made, or certain works can be undertaken. In order to pay for certain infrastructure any developer needs to sell homes to create income to balance (or seek to) the outgoings, often the up-front costs of development are too much to be affordable, and certain triggers are pushed back (delayed) in order to smooth cashflow by allowing more homes to be sold until a certain piece of infrastructure or a specific payment is made.
4. In the case of the Up-Mudford scheme there are significant up-front costs to be able to start building homes, estimated at circa £17m.
5. This includes funding the following:
 - Hedgerow and tree protection
 - Site clearance and early landscaping
 - Further ground investigation and mitigation measures
 - Archaeological investigation
 - Roundabout access with Bus stops and ancillary works
 - Onsite roads, footpaths and cycleways
 - Surface water drainage and pond 1
 - Foul drainage including offsite improvements to existing network
 - Utilities provision to site including improvements to existing off site networks

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6. It is also worth noting the Phosphate mitigation needs to be paid for prior to any consent being granted. This will however change to a pre-commencement condition going forwards.
7. The total s106 package is valued at circa £21m for affordable housing, transport, health, sport, play, community and open space.
8. The cashflow implications means that the full extent of approved infrastructure such as the off-site walking and cycling routes/connections cannot be delivered as early as is desirable. The delivery of a key junction at Lyde Road/Mudford Road would also be aided if more money was available towards the start of the development, but it simply is not available without pushing back other obligations later in the spend profile. Education Authority colleagues and the Wyndham Park Community Association working with Mudford PC and Yeovil Without PC on delivery of the school and community hall respectively would prefer 'their' monies to be triggered earlier than is proposed.
9. Simply put the scheme can afford to pay, but if we want infrastructure early then the prospect of a CIL rolling allocation to smooth cashflow and allow certain elements of infrastructure to be paid for on the basis of the s106 would ensure the money was paid back at the requisite trigger point would certainly assist. Once the allocation has paid for say a cycling route and then the trigger pays back the money, the allocation could roll on and unlock the next piece of infrastructure or aid another cashflow issue. Clearly the larger the allocation facility the more that can be unlocked sooner but any sum of money is helpful.
10. Three particular elements to prioritise would be:
 - Phase 1 walking connections costed at £70,000. This would provide an uncontrolled crossing on Lyde Road to give the first occupants a walking route out of the site to facilities such as a shop, primary and secondary schools. The current trigger is proposed at 50 occupations but a CIL allocation would allow this to be delivered upon first occupation as is desirable, to then be paid back after 50 occupations (or likely one year later).
 - The final part of the Lyde Road cycle link – costed at £650,000
 - The current proposed triggers are:
 - £50,000 on commencement (for design work)
 - £300,000 by the occupation of 450 dwellings
 - £120,000 by the occupation of 550 dwellings
 - £180,000 by the occupation of 650 dwellingsA CIL allocation facility on this would allow the continuation of current works on Lyde Road and deliver this strategic link many years ahead of what the cashflow on the scheme can deliver.
It is envisaged that Somerset Council would deliver this.
So, the allocation would be to ourselves.
The construction of the vehicular Lyde Road access – costed at £408,838
The current proposed trigger is by the occupation of 500 dwellings.

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11. The CIL allocation would allow the walking and cycling elements to be brought forward in conjunction with the Lyde Road cycle link as one comprehensive Council project, delivering efficiencies. The cycle link would connect residents all along Lyde Road to employment areas, Pen Mill Station and ultimately the town centre. Depending on available funds this element would be delivered alongside the Lyde Road cycle link by Somerset Council.
12. Any further CIL allocation could help reduce or remove borrowing costs associated with the expansion of Primrose Lane Primary School. A contribution of £5,507,592.04 will be secured towards education to be paid in four equal instalments at the occupation of 200, 400, 600 and 700 dwellings. It is envisaged that Somerset Council would deliver this and so the allocation would be to ourselves.
13. Whilst Up-Mudford is CIL exempt, a neighbouring site, just allowed on appeal (known as Sock Hill or Mudford Hill or the LVA scheme) is not and a forecast indicates a Somerset Council CIL receipt of £1,135,500 with Mudford PC receiving £200,000. As such whilst the allocation was being utilised more money would be added to the CIL pot. The appeal scheme would also benefit from the delivery of infrastructure associated with Up Mudford as both schemes are likely to be built out at the same time.
14. This type of approach to utilising CIL as way to unlock and frontload major sites is replicable cross the town, district and unitary area.

Links to Council Plan and Medium-Term Financial Plan

15. The proposal is to use the CIL monies to forward fund infrastructure which will be recovered via a S.106 agreement. The proposal will help deliver the following vision and priorities set out in the Council Plan 2023-27:
 - a. A greener, more sustainable Somerset – to support Somerset to become a carbon neutral place, responding to the climate and ecological emergency. The delivery of part and therefore completion of a significant off-site end-to-end cycle link along Lyde Road will help reduce air pollution and greenhouse gas emissions and give a wider range of options for local journeys.
 - b. A healthy and Caring Somerset – an investment in active travel brings health and wellbeing benefits to the user, but also other via reduced car use and associated pollution.

Other options considered

16. The Highway Authority is reviewing whether any active travel funds may be available to aid those elements of the project.
17. The fallback is that the development delivers in line with the proposed section 106 heads of terms, if the development is approved at committee in October 2024. In making a decision on the application Members can be assured that

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every reasonable attempt has been made to seek to deliver infrastructure sooner but those efforts have not been supported by the use of CIL.

18. In time Mudford PC and Yeovil Without PC may have precept/CIL they wish to allocate funds to facilitate earlier delivery of aspects of the development that are important to them. Although allocations from multiple bodies may become confusing.

Key considerations for the Council

Scrutiny comments / recommendations:

19. The proposed decision has not been considered by a Scrutiny Committee.

Consultation and feedback

20. The case officer is in regular dialogue with the applicant regarding the pending planning application, development viability and cash flow.

Financial and Risk Implications

21. The main risk is tying up a portion of the CIL collected in Area South with one project, however we will have delivered infrastructure for the benefit of existing residents in the area and future residents of the site sooner than would have otherwise been the case and reaped the benefits of doing so earlier. The re-payment of the allocation will be secured through the s.106 legal agreement. The main risk is if the site slows, or stalls and the re-payment trigger is delayed.

Current Risk Score:

Likelihood	1	Impact	1	Risk Score	1
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Projected risk score if recommended actions are agreed and delivered:

Likelihood	2	Impact	2	Risk Score	4
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Legal and Procurement Implications

22. The Community Infrastructure Levy (CIL) can be used to fund a wide range of infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities (as set out in [section 216\(2\) of the Planning Act 2008](#), and [regulation 59](#), as amended by the [2012](#) and [2013 Regulations](#)). This flexibility gives local areas the opportunity to choose what infrastructure they need to deliver their relevant plan (the Development Plan).
23. The Regulations set out that Local Authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed.

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24. The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development.

HR / Workforce Implications

25. There are no HR implications associated with this report as it does relate to staffing matters.

Equalities Implications

26. The recommendation is to approve a funding mechanism and as such there are no direct Equalities implications of this report. All schemes requiring Highway Authority approval will meet necessary requirements.

Community Safety Implications

27. There are no immediate Community Safety Implications.

Climate Change and Sustainability Implications

28. Supporting the early delivery of active travel routes will specifically address climate change mitigation and adaptation and promote sustainability. Somerset Council have declared both a Climate and Ecological Emergency.

Health and Safety Implications

29. There are no immediate Health and Wellbeing implications other than those gained by users through walking and cycling opportunities.

Health and Wellbeing Implications

30. There are no immediate Health and Wellbeing implications other than those gained by users through increased walking and cycling opportunities.

Social Value

31. Forward funding active travel has the potential to generate substantial social value by improving connectivity, fostering economic development, promoting environmental sustainability, engaging the community, ensuring safety, enhancing public spaces, and prioritising affordability and accessibility.

32. Improved Accessibility and Connectivity:

- **Positive Impact:** This improved accessibility can lead to increased mobility and convenience for residents and visitors.
- **Social Value:** A well-connected transportation network encourages public transportation usage, reduces traffic congestion and enhances urban mobility.

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33. Economic Development:

- **Positive Impact:** The construction of active travel routes can stimulate economic development in the surrounding area.
- **Social Value:** Economic development can lead to job creation, increased local business activities, and improved living standards for the community.

34. Environmental Considerations:

- **Positive Impact:** Active travel can contribute to environmental sustainability by encouraging the use of public transportation over private vehicles. This can lead to a reduction in carbon emissions and improved air quality.
- **Social Value:** A healthier environment positively impacts public health and well-being, contributing to an overall improved quality of life for residents.

35. Community Engagement and Inclusion:

- **Positive Impact:** Involving the community in the planning and decision-making process for the Up Mudford planning application can enhance social cohesion and promote a sense of ownership among residents.
- **Social Value:** Inclusive planning ensures that the transportation infrastructure meets the diverse needs of the community, including considerations for pedestrians, cyclists, and individuals with mobility challenges.

36. Public Spaces and Urban Design:

- **Positive Impact:** Integrating active travel routes with thoughtful urban design can create attractive public spaces and contribute to the overall aesthetics of the area.
- **Social Value:** Well-designed public spaces enhance the overall living experience, providing residents with places for recreation, social interaction, and community engagement.

37. Affordability and Accessibility for all:

- **Positive Impact:** Walking, wheeling and cycling are accessible to all members of the community, regardless of income or physical abilities.
- **Social Value:** A commitment to affordability and accessibility promotes social equity and inclusivity, preventing transportation improvements from disproportionately benefiting certain demographic groups.

Background Papers

38. None.

Appendices

- None.

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Report assurance checklist ahead of report publication (for Audit, Executive, Full Council and Scrutiny Committees)

	Officer Name	Date Completed
Legal & Governance Implications	David Clark	
Finance & Procurement	Nicola Hix	
Workforce (*)	Dawn Bettridge	
Asset Management (*)	Oliver Woodhams	
Executive Director	Relevant Executive Director	
Executive Lead Member	Relevant Lead Member	
Consulted:	Councillor Name	
Local Division Members	List local members	
Opposition Spokesperson(s)	Relevant Opposition Spokesperson	
Relevant Scrutiny Chair(s)	Relevant Chair	

Note:

Directors may nominate additional officers to act on their behalf
(*) – these areas only need to be consulted on proposals if the proposals have workforce or asset management implications

Reports will not be published if assurance checklist has not been adequately completed – report author to liaise with Democratic Services well ahead of publication deadlines

Report assurance checklist will be completed ahead of report being taken.