

STATES OF JERSEY



NORTH ST. HELIER MASTERPLAN (P.73/2011): THIRD AMENDMENT

**Lodged au Greffe on 14th June 2011
by the Deputy of St. Mary**

STATES GREFFE

1 PAGE 2 –

After the words “an agreed development framework” –

(a) insert the words –

“subject to the condition that after the words on page 3 of the draft Masterplan ‘A developer tariff will be worked up for the entire area to contribute towards public realm and transport solutions,’ there be inserted the words ‘This tariff and any other similar funding mechanisms from developers will be set immediately by the Minister, so that they will apply to any developments under the Masterplan’.”.

(b) after the words added by paragraph (a) insert the words “and will then be brought to the States for endorsement by the Assembly”.

2 PAGE 2 –

After the words “an agreed development framework” insert the words –

“subject to the condition that in relation to the Ann Court site, a full consultation with relevant stakeholders will be carried out with regard to the site being used, in whole or in part, for social and / or market housing for the elderly, and that if the consultation outcome is positive about the scheme, that a feasibility study will be carried out to progress this use of the site”.

3 PAGE 2 –

After the words “an agreed development framework” insert the words –

“subject to the condition that in relation to the former Jersey College for Girls site, the draft Masterplan shall be amended to include a formal evaluation of this site as a site for States offices”.

4 PAGE 2 –

After the words “an agreed development framework” insert the words –

“subject to the condition that the funding streams resulting from the developer tariff mentioned on page 3 of the draft Masterplan and from the “contributions from private developments” and the “capital released from States development” mentioned in paragraph 29 of the Report to P.73, and from the Planning Obligation Agreement procedure mentioned in paragraph 82 of the Report to P.73, shall be used primarily to finance improvements to the public realm including but not limited to pedestrian routes, cycling routes, and improvements to urban public transport such as a Hoppa service or services, as envisaged in the Masterplan, and in accordance with the Island Plan and the Sustainable Transport Policy”.

5 PAGE 2 –

After the words “an agreed development framework.” insert the words –

“To deliver the Masterplan, the Minister shall, in consultation with the Constable of St. Helier and the Deputies of the affected districts, set up a body or bodies of officers and politicians to steer the process, and this body or bodies shall engage in genuine consultation with residents of the area of the Masterplan to establish the detailed priorities for improvements to the public realm, and for such other improvements that the consultation process comes up with, to be funded from the funding streams as mentioned in paragraph 4, and from other funding which may be made available.”.

6 PAGE 2 –

After the words “an agreed development framework” insert the words –

“subject to the condition that the commuter parking proposed for the Le Masurier Bath Street shall be deleted from the Masterplan.”.

DEPUTY OF ST. MARY

REPORT

Introduction

Masterplans always look glossy and attractive, that is their nature. It is all too easy to accept them as being inevitable bringers of good fortune. I think there is potential for the third-time revised North of Town Masterplan to bring about real improvement in St. Helier.

However the North of Town Masterplan as it stands is a disappointment, as it goes back on much of the vision of the earlier drafts. This set of amendments is intended to bring back extra hope and life into the Masterplan.

The States needs to ensure that the promised benefits of this Plan actually happen, that the States secures value for money, and that opportunities are not missed – hence these amendments.

The report to P.73/2011, paragraph 82, states: “Developers of the private sites will be invited to make a financial contribution towards the public realm and public transport improvements proposed in the Revised Masterplan. These will be negotiated through the Planning Obligation Agreement procedure, and are based on the premise that developments will benefit from the creation of parks, other open spaces, improved pedestrian routes and more attractive streets”.

It is absolutely correct that the States should capture the gain in market values which will have resulted from the investment by the States in the Town Park. This is quite as it should be. Parts of this amendment seek to ensure that these improvements will actually happen and set up a mechanism to see that they do, and that the improvements arise out of genuine consultation with residents.

The public and members often call for joined-up thinking and with reason. Policies should fit in with each other, make sense, and form a coherent whole.

This would seem to be an obvious point, but the Masterplan as now presented conflicts with both the STP and the Island Plan. We cannot seriously have plans which all point in different directions and even use different facts. This amendment ensures that these 3 strategic documents actually line up with each other.¹

This joined-up thinking will also deliver massive savings, because this Masterplan, as it stands, ignores stated policies and tries to cater for all eventualities. Faced with a choice of future expenses, it chooses them all. It will provide better walking facilities, better cycling facilities, better busses and more car parking. And all this at a time of financial stringency.

States members and the public insist on value for money, and rightly so. What I have just described is not a “value-for-money” solution. Policies should be economical and should avoid duplication and the waste of resources, be they money, land, fuel, or anything else.

¹ Please see Appendix 1 for an analysis of how the Masterplan and the other plans do not match up.

We cannot each travel by all modes simultaneously. What we need is a mix of provision which provides for the population as a whole. This mix needs to be in line with our policies on health and transport and the urban environment. And, yes, it involves making a choice and yes it will deliver a healthier population and a nicer town.

Amendment (1)

It is important that developers know in advance the tariffs and other obligations which they will be obliged to meet. It is likewise important for the public to be aware of what is proposed, what exactly is the deal being struck with developers of valuable sites, sites which have just become even more valuable because of States investment in the Town Park, and it is important that the States decide on this matter.

If the developer knows in advance what the tariffs and obligations will be then this filters back to become a reduction in the value of the underlying land. (See Appendix 2 for the reasoning behind this statement).

If this land is then sold for development its value will have reduced by the amount of the tariff and / or Planning Obligations in force as the developer will pay that much less for it. The net effect will be a transfer of money from the landowner to the States (i.e. the taxpayer). This is an entirely fair and proper outcome.

If this land is already owned by the developer, then the developer has just experienced something akin to winning the lottery, thanks to government action in building the Town Park. He can sell the units for that much more than he could have without the investment by the States. Without a set tariff or set planning obligation rate, the uplift in the market price could go uncaptured. The taxpayer would have paid for the Town Park, and the developer would pocket the resultant uplift in value.

Amendment (2)

This amendment will ensure that this unique opportunity is not lost – namely to use the Ann Court site for elderly housing.

What other site is there which offers such ease of access to the heart of town with all its facilities and amenities?

In a small island it is always difficult to find good sites for accommodation for the elderly, sites which offer nearness to shops, nearness to open space, nearness to community facilities where they can socialise, in fact, which offer quality of life and the possibility of continuing independence.

And here we have a site which is not only good, it is ideal. The only drawback, so far as I can see, is that any element of social housing on the site represents a theoretical “loss” when compared to the market value of the site.

My amendment is not prescriptive – it calls for full consultation on the use of this site to be followed, if the consultation produces a positive response, by a feasibility study.

However, the funding streams which are mentioned in Amendment 4 can also be applied to offset this “loss” if that were thought to be necessary. Or it may be thought

by the States of the day that the prize of elderly housing in such a perfect location should be grasped with both hands and the theoretical loss is a price well worth paying for getting something right just this once.

Amendment (3)

I have always felt that this large site was the answer to the long-standing problem of where States offices should be concentrated, as they should be.

In Deputy J.A.N. Le Fondré of St. Lawrence's amendment (P.73/2011 Amd.) to the Masterplan we read –

“By the application of modern space standards (as has been demonstrated locally by certain private sector entities), there is significant scope to achieve savings by operating from more efficient buildings. Our property can thus be used as an enabler of cultural and operational change to deliver far greater financial benefits by encouraging flexible working practices and greater collaborative working between departments. The additional benefits here would be to free up key sites (presently occupied by States offices) to release capital for reinvestment and to provide vital opportunities for new housing to be constructed.”

So if we were to concentrate the offices of departments we would get better working, better facilities for many of our employees, cheaper-to-run offices, benefits for the public (everything under one roof) and huge amounts of real estate freed up for other uses.

Deputy Le Fondré's amendment seeks to get us to think about the use of some of the Ann Court site or some of the Jersey Gas site for this purpose. The advantage of the JCG site is (a) its size – big enough for the entire States operation or very nearly, and (b) the site itself.

I have seen the concept drawing produced by Property Holdings, and it was a moment of “that's right – that's it”. In the interests of informed debate I will request the release of that image which was in a document shared with me and which was marked “confidential” at the time.

Amendment (4)

Amendment 4 lists the various mechanisms for developer planning gain mentioned in the Hopkins MPP document and the report of P.73/2011 (it is not clear whether they are all separate mechanisms or if some or all are different names for the same mechanisms). This amendment blows away the fog and answers the question: what does the gain get spent on?

Paragraph 29 of the P.73/2011 report shows clearly the choice to be made –

“There are several sites owned by the Public and privately owned, the development of which can be co-ordinated to achieve the aims of the Masterplan. A balance between the costs of public realm improvements and the capital released from States development and contributions from private

developments has been sought, with **the intention that the developments will finance the public realm and parking improvements.** (*my emphasis*)”

So all the possible ways of spending the funding streams are in competition with each other. There is much which can be done to improve the area. This amendment is about the choices we as States members wish to make in spending that money.

As things stand, in the Masterplan, the clear implication is that the money will go on car parking, which is massively expensive, and which will gobble up the lion’s share of any cash or obligation available.²

The journeys of 248 commuter cars to the proposed car parks at Jersey Gas site and the Jersey Brewery site will pass through the overloaded roads of St. Saviour. Is that what we want? Does that help Deputy R.G. Le Hérisier of St. Saviour find the solution to the traffic problems at Five Oaks which his amendment 6 (P.48/2011 Amd.(6)) to the Island Plan seeks? Surely there is a better way?

The States has passed the Sustainable Transport Policy, which aims to reduce the traffic on our roads, encourage travel by bus, bike and on foot, and improve our health. This will make for a better environment for all, and a great reduction in resources used and therefore great savings, not to mention the island as a whole being better placed in the event of fuel price rises. It is a win-win-win strategy, and it is the inevitable direction of travel for transport. The section headed “The need for a Sustainable Transport Policy” is reproduced at Appendix 3.

The States is also about to debate the Island Plan, one of whose central principles is the importance of improving the quality of life in the town. For example, the Revised Draft Island Plan paragraph 4.13 says: “The Minister for Planning and Environment is fundamentally committed to reversing these somewhat negative perceptions of the town and realising its full potential to contribute to Jersey’s quality of life. The Minister is determined that St. Helier becomes a place of choice for living and leisure and the focus for new development in the Island; not least because there is significant opposition in the Island to the principle of building homes on undeveloped land.”

These fine words need to be backed by action. The funding streams exist within the Masterplan but they need to be harnessed. This amendment simply puts first things first.

On page 5 of the Hopkins document there is an artist’s impression of a tree-lined David Place, a fine terraced street at last given proper expression, a new lease of life. That drawing is just a dream, likewise similar possibilities for Oxford Road, or Stopford Road, likewise the creation of safe and pleasant walking and cycling routes across the area for people to get to work, to school, to the shops. All this is called for in the Masterplan. This amendment makes it far more likely that these improvements do actually happen.

² Thus, paragraph 48 of the report to P.73/2011 says of the Jersey Gas site: “The site will be required to deliver 138 car parking spaces for general public use . . .” Paragraph 71 says of the Brewery site: “The site will be required to deliver up to 110 car parking spaces for general public use . . .”

Amendment (5)

This Amendment answers a question which is not even put in the Masterplan document or the report to P.73/2011: how will the mechanism for public realm and other improvements work? Who will decide what the priorities for improving the area are?

The amendment suggests a two-tier approach. First a body or bodies of politicians and relevant officers are formed to steer the process, and then they enable the community to plan its own improvements.

Note that whilst Amendment 4 talks of priority being given to improvements in the public realm including improvements in environmentally friendly ways of getting about, it is not limited to those uses of the money. Residents' car parking is one obvious candidate for consideration, coupled with ways of sharing vehicles via car pools to reduce the space and expense required.

But the real question is: who decides? The traditional answer given by politicians is "we decide". I think that the Masterplan represents a golden opportunity to put the decisions in the hands of the people who live in the area.

There are consultation techniques such as 'Planning for Real' 'Future search Conference' or 'Community planning forum' which allow the community to visualise the improvements they would like to see.³

Are we prepared to let the people in to decide what is best for them and their community?

Amendment (6)

Commuter parking near to the centre of town on the Odeon site in Bath Street is completely contrary to everything the Masterplan and the Island Plan are trying to achieve for St. Helier. I understand that it was ruled out of court until recently, now it pops up like an unwanted jack-in-the-box.

The Masterplan specifically states that commuter parking should be on car parks around the ring road, in order to avoid unnecessary traffic penetrating the town centre, and this is clearly shown in the map on page 38 of the Hopkins document.

No more needs to be said.

Financial and manpower implications

Amendment 1

The work involved in doing this will be no different in type or scale from the work involved in negotiating with each developer as each scheme comes up. The work

³ members might like to go to www.consultationinstitute.org, who are a source used by our own Communications Unit, or to <http://www.peopleandparticipation.net/display/Involve/Home>

would be part of the normal work stream of the delivery of the Masterplan and would be funded as such.

Amendment 2

Again consultation with stakeholders about the use of a specific site is part and parcel of the planning sections role, and therefore this work would be part of the normal work stream of the department.

Amendment 3

Evaluation of a States-owned site for this specific purpose would be part of the normal work stream of the department working together with Property Holdings.

Beyond that, the same comments apply as for Deputy Le Fondre's amendment about considering a similar provision for States offices on one site –

“However, should centralised States offices be enabled, the estimates from last year indicate a reduction in annual property and facilities maintenance costs in the order of £1.6 million per annum, and avoided capital investment costs (over approximately 10 years) of approximately £13 million. Whilst I am unaware as to how these may have changed since last year, it should also be noted that these figures do not include any benefits from resultant operational efficiencies which are significantly higher. There are approximately 28 offices which could be consolidated, which would free up a number of sites for additional housing provision”.

Amendment 4

This is an issue of policy and has no financial or manpower implications.

Amendment 5

The consultation processes themselves would be funded from the funding streams mentioned in this amendment.

Amendment 6

By removing this obligation from the developer the developer may be able to use the space for a more valuable use. That is certainly the implication of the various statements in the Masterplan document and the P.73/2011 report which suggest that the provision of parking is a cost to the developer and has to be funded in part or in whole from planning gain. The obligation saved can therefore be put to other uses, increasing the budget available for those uses.

NOTES ON JOINED – UP THINKING

The North of Town Masterplan is out of kilter with the STP and the Island Plan

The public and members often call for joined-up thinking and with reason. Policies should fit in with each other, make sense, and form a coherent whole.

However this version of the Masterplan fails this test as it stands. On page 31 the Masterplan sets the context. The first paragraph states:

The STP explains that there is a possible growth trajectory for the Island of as much as 19% by 2020. Were this to come to pass, the 15% reduction in car use, even if achieved, would still result in increased traffic volumes above the current levels. It remains to be seen whether this growth will actually occur, but it seems prudent to have a strategy in place to respond to it.

The STP, on the contrary, explains that even if the population does increase, the effect on traffic volumes, or on demand for travel, especially at the peak hours, will scarcely be affected, since a larger and larger proportion of the population will be beyond working age, and elderly people travel around less.

The second paragraph on that same page of the Masterplan correctly states that if the STP were to succeed in its aim of seeking a modal shift for journeys, starting from the home, then this would have a dramatic effect on St. Helier's congestion problems.

problems. Longer distance commuters will be encouraged to car share and to use the bus services. Promotion of cycling and walking for all shorter distances will be actively pursued through States policies.

Their next words declare a complete lack of faith in the policy.

We took the view that we could not necessarily rely on the achievement of the goal of a 15% reduction in traffic by modal shift from the home, as many commuters travel from remote locations around the Island and will remain wedded to their cars regardless of improved bus services.

Has Hopkins team studied the recent growth in bus use? Have they studied this growth at peak times? How many commuters actually live in such remote locations that travel by bus or bike is really problematic? (by definition few people live in such places)

Then they quote figures for the breakdown of rush hour traffic: the main ones being –

43% commuters
13.5% Education
27% deliveries and business
12.5% other (including shopping).

These figures are from **1992!** We are basing policy for a Masterplan on 1992 data, data which on the face of it is questionable. Has school transport not changed since 1992? Do we really believe that $\frac{1}{4}$ of rush hour traffic INTO St. Helier is for business purposes? (and not commuting?)

Finally the pie chart on that same page claims that it shows how TTS propose to achieve their target of reducing peak hour traffic into St. Helier by 15%. Unfortunately the pie chart is completely different from the corresponding chart on page 26 of the STP.

APPENDIX 2

This extract from my Report to P.90/2011 “Uplifts in land values: Land Development Tax or equivalent mechanism(s)” shows that it is the final selling price which determines the value of land for building:

“15 On the first page of Oxera 2008 we read at paragraph 4 –

“The value of the land that is to be used for housing is determined by the difference between what the resulting house/flat etc can be sold (or rented) for and the costs of actually transforming the land into housing – i.e. the building and other associated costs. Housing land values prior to actually building the housing are therefore the residual of the price that can be charged for the finished housing and the costs of actually doing the construction (and paying for anything else that is required to make the transformation).”

16 In other words, if you take the sale price of the finished house and deduct the building and other costs of making the house, and an amount for the builder/developer’s profit, then you get the value of the land as building land.

17 Members should note that the price of land does not “drive” the cost of housing. If it did, then it might be argued that a land tax could affect the end-price of housing. On the contrary, it is the end-price which can be achieved which determines the value of the land.

18 The end-price reflects scarcity, and the willingness to pay of enough people who are in the market for buying a house. This proposition is about finding a way to distribute a vast private unearned gain to the public good.”

Appendix 3 of that same P.90/2011 report shows that the same analysis underlies the viability model assessment pro forma being developed by the Planning and Environment Department for use when negotiating Planning Obligations with developers.

Extract from the Sustainable Transport Policy, page 8

“The need for a Sustainable Transport Policy

One of the key priorities of the States as set out in the Strategic Plan, 2009 – 2014, is to:

“Protect and enhance our natural and built environment”

The Strategic Plan states that we must:

- implement a range of measures to reduce pollution and traffic;
- develop a sustainable internal transport infrastructure; and
- persuade people out of cars by providing practical alternatives such as improved bus services, cycle tracks and footpaths.

We need to change the way we travel about our island in order to:

- **reduce congestion;**
- **reduce local air and noise pollution;**
- **reduce our greenhouse gas emissions;**
- **increase our levels of physical activity;**
- **protect and improve the built environment;**
- **reduce the number of road injuries;**
- **provide access for everyone; and**
- **reduce oil dependency.**

The benefits

Not only will this policy deliver a better quality of life in our Island but it will also result in real financial benefits through reductions in congestion, pollution, road injuries and health problems caused by low levels of physical activity. It will also provide savings through a reduction in the space given over to car parking.”