



NEWS RELEASE

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COUNCIL LEADER TOTALLY “ASTONISHED” AT LOCAL CONSERVATIVE HOUSING CLAIMS

Councillor Ric Pallister, Leader of South Somerset District Council, has commented on recent allegations made towards the Lyde Road Key site in Yeovil:

“Claims that South Somerset District Council has rewarded Barratt Homes with some sort of £13m cash back without proper justification is a work of fiction, total nonsense and a political stunt. Tory Councillors know the facts but have conveniently chosen to ignore or distort them in making their claims.

“Sadly, it exposes a serious lack of knowledge and understanding by senior local Tory activists about the reality of the UK economy post the crash of 2007/8 and completely ignores clear directives from their own Conservative Government Ministers. It also suggests a total disconnect between Conservative Party policies at national and local level. I find it somewhat bizarre that Tory Councillors should be criticising so openly the District Council in following a directive issued by their own Party Chairman, when he was Housing Minister.

“Had the Wyndham Park site been mothballed, which is what local Tory’s voted for, not only would residents have had to live with the drastic consequences of a half finished building site, employment in Yeovil would have been lost and with it the earnings of many involved in servicing the building trade. That was not a price the Council were prepared to pay. The decision to agree a reduced package of contributions was taken by councillors with all the required facts placed before them and I take very

seriously the accusation being made in public on the scope for incompetence or corruption.

“Those comments and allegations made at a Council meeting, and then repeated on the Conservative local website, unacceptably call into question the integrity of the Valuation Office Agency which is an executive agency of HM Revenue and Customs. Making claims along those lines without evidence suggests that Tory activists are only interested in irresponsibly grabbing sensational headlines regardless of the facts and the consequences.”

Ends

Notes to Editors

In August 2012 the then Conservative Housing Minister, Grant Shapps MP announced that Local Authorities were required to renegotiate planning gain obligations on development sites that were stalling or unable to start building because of unaffordable obligations negotiated before 6th April 2010. The Government was very clear that it would not accept sites remaining stalled and whilst they “encouraged” renegotiating on a voluntary basis, should Local Authorities fail to enter into meaningful negotiations then the Government’s Planning Inspectorate would determine the matter.

At the heart of any re-negotiation is the requirement for a developer to prove that a development is unviable in the current market conditions and that has to be independently verified and proven. In the case of the Lyde Road Key site in Yeovil the Council obtained a viability assessment undertaken by the District Valuer, an agent of the Crown, in which he confirmed that the gap was £13m. In requesting a renegotiation, Barratts had made it clear that should agreement not be reached, then the site would be “mothballed” and remain half built for the foreseeable future. It would have existed without a school, community facilities, play facilities, adopted roads and no laid out open space provision. This would have created an unacceptable and intolerable situation for the residents of Wyndham Park.

Of the £13m, £10m was found through reducing the obligation for affordable housing on the development site from 35% to 20% and the final £3m saving came from reducing on-site obligations that, whilst desirable, were not essential. Contrary to recent claims, £418,000 towards off site sporting provision was the only funding lost to the wider community of Yeovil, not the £13m publicised. The remaining £12.5m was for onsite provision only and could not legally have been used off site for the benefit of Yeovil residents. As part of the renegotiated package there is an uplift clause. This will see the profitability of the site formally

reviewed at regular intervals. Should property prices rise in the coming months or years then additional contributions would be made by the developers.

For further information please contact Councillor Ric Pallister on 01935 863897 or email: ric.pallister@southsomerset.gov.uk