



Historic England

Enabling development and the conservation of significant places



On 1st April 2015 the Historic Buildings and Monuments Commission for England changed its common name from English Heritage to Historic England. We are now re-branding all our documents.

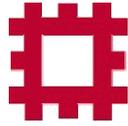
Although this document refers to English Heritage, it is still the Commission's current advice and guidance and will in due course be re-branded as Historic England.

[Please see our website](#) for up to date contact information, and further advice.

We welcome feedback to help improve this document, which will be periodically revised. Please email comments to guidance@HistoricEngland.org.uk

We are the government's expert advisory service for England's historic environment. We give constructive advice to local authorities, owners and the public. We champion historic places helping people to understand, value and care for them, now and for the future.

HistoricEngland.org.uk/advice



ENGLISH HERITAGE

Enabling Development and the Conservation of Significant Places

REVISION NOTE

June 2012

On 27 March 2012, the Government published the National Planning Policy Framework (NPPF). The NPPF supersedes Planning Policy Statement 5: Planning for the Historic Environment (PPS5) as Government Policy on the management of change to the Historic Environment in England.

Despite the changes, this Guidance still stands as English Heritage's position on Enabling Development and the policy approach is unlikely to change. References to PPS5 Policy HE11 can now be replaced with NPPF paragraph 140.

We are in the process of revising this publication:

- **to reflect changes resulting from the NPPF and other Government initiatives**
- **to incorporate new information and advice based on recent case law and Inquiry decisions**

For further enquiries, please email policy@english-heritage.org.uk

www.english-heritage.org.uk

ENABLING
DEVELOPMENT
AND THE CONSERVATION
OF SIGNIFICANT PLACES



ENGLISH HERITAGE

CONTENTS

- INTRODUCTION**, 4
- THE POLICY**, 5
- THE GUIDANCE**, 7
- Summary**, 8

- 1 The concept of enabling development**
 - 1.1 Definition and scope, 10
 - 1.2 Reducing the need for enabling development, 10
 - 1.3 Insurance, 11

- 2 Roles and responsibilities**
 - 2.1 The role and responsibilities of the planning authority, 12
 - 2.2 Enabling development and the local development framework, 12
 - 2.3 The importance of planning briefs, 13
 - 2.4 The role and responsibilities of the developer, 13
 - 2.5 Professional advice, 14
 - 2.6 The roles of English Heritage and statutory consultees, 14

- 3 The legal basis for requiring the justification necessary to determine planning applications**
 - 3.1 Preamble, 15
 - 3.2 Applications for planning permission, 15
 - 3.3 Associated applications, including listed building consent or scheduled monument consent, 16
 - 3.4 Environmental Impact Assessment (EIA), 14
 - 3.5 Transparency and accountability in decision-making, 17
 - 3.6 Financial information, 17
 - 3.7 The cost of critical assessment, 17
 - 3.8 Confidentiality, 18
 - Practical points*, 18

- 4 Understanding the place and identifying options**
 - 4.1 The importance of understanding the place, 19
 - 4.2 The need for a conservation management plan, 21
 - Appeal decisions: impact on the place*, 21
 - 4.3 Assessing potential for use and funding, 21
 - 4.4 Who can unlock that potential?, 24
 - 4.5 Separation of assets from liabilities, 25
 - 4.6 Fragmentation as a consequence of enabling development, 26
 - 4.7 The need for market testing, 26
 - 4.8 Traditional buildings in the countryside, 28
 - 4.9 Historic entities, 28
 - Appeal decisions: assessing potential for use*, 31
 - Practical points*, 32

- 5 Understanding the figures**
 - 5.1 Background, 33
 - 5.2 Financing development, 33
 - 5.3 Development appraisals, 34
 - 5.4 Conservation deficit, 34
 - Appeal decisions: need of the owner or the building*, 35

- 5.5 Calculating the market value of a completed scheme, 35
- 5.6 Site value: has too much been paid?, 36
Appeal decisions: site value, holding costs, 39
- 5.7 Other costs associated with acquisition, 40
- 5.8 Design and construction costs, 40
- 5.9 Statutory and other charges, 41
- 5.10 Letting and sales costs, 42
- 5.11 Deductions from costs, 42
- 5.12 Developer's profit, 42
- 5.13 VAT and capital taxation, 43
- 5.14 Due diligence, 44
- 5.15 Assessment of repair and conversion – reasonable works, reasonable costs?, 45
- 5.16 Restoration, 46
Appeal decisions: appropriateness of works, 47
- 5.17 Commissioning development consultants, 47
Appeal decisions: the need for expert scrutiny, 48
Practical points, 48

6 Making the decision

- 6.1 Introduction, 49
- 6.2 Biodiversity, 50
- 6.3 Sustainability, 50
- 6.4 Community participation, 50
- 6.5 The balance of advantage, 51
Appeal decisions: weighing the balance, 52
Practical points, 53

7 Securing the benefits

- 7.1 Introduction, 54
- 7.2 Condition or obligation?, 54
- 7.3 Planning obligations, 55

- 7.4 Planning conditions, 57
- 7.5 Securing the investment, 58
- 7.6 Securing long-term management, 60
Appeal decisions: securing the benefits, 61
Practical points, 62

8 Monitoring and enforcement

- 8.1 Importance and basis, 63
- 8.2 Breaches of section 106 agreements and planning conditions, 63
- 8.3 The importance of final evaluation and feedback, 64

Appendices

- 1 Checklist for applications for planning permission for enabling development, 65
- 2 Example of a typical development appraisal layout for a single-phase development, 66
- 3 Model invitation to tender for valuation and development consultants, 68
- 4 Example section 106 agreement for securing the objective of enabling development, incorporating a form of bond, 70
- 5 Example outline management and maintenance plan, 76

References

- Legislation, 79
- Government guidance, 79
- English Heritage guidance, 79
- Other guidance, 80
- Further reading, 80
- Planning decisions quoted in the text, 80

Glossary, 84

Index, 86

4.3.10 A solution that does not provide the means of meeting recurrent costs that cannot be generated by the place itself is no solution at all. Normally there will only be a single opportunity for enabling development without compromising the place (see 5.4.4).

4.4 Who can unlock that potential?

4.4.1 Most buildings at risk capable of beneficial use are taken up by commercial developers or (in the case of houses) by private individuals. The latter, particularly, may see viability as much in terms of meeting personal needs or aspirations for their residence as in strictly financial terms, and take a longer-term view of the difference between cost and market value. Most historic houses whose setting has survived and which are not in serious disrepair can be expected to find a market as houses, even if they have been recently in another use. In such cases, single domestic use will generally be the 'optimum viable use' in terms of PPG 15.

4.4.2 The key expertise of the commercial sector lies in judging the market and taking on the risks inherent in that judgement. This ability and expertise is, and will remain, crucial to securing the future of most historic buildings that have become functionally redundant. The mainstream commercial sector is not always best placed to see the potential through the veil of dereliction, and may overestimate the risks inherent in the repair of the historic fabric. However, there is a growing number of niche developers who specialise in historic buildings, and are generally better able to see potential and realistically estimate costs and end values.

4.4.3 Building preservation trusts (BPTs), as property developers with charitable status and objectives, provide a vehicle for securing the future of some places that are not attractive in commercial terms. Many, but not all, operate on a relatively small scale, but interest from a building preservation trust can be a catalyst in prompting owners to bring forward workable schemes to secure the future of buildings, or to sell them. Increasingly, partnerships between BPTs or public-sector bodies and the commercial sector can be part of the solution to historic buildings at risk. In the context of enabling development, a trust may take on the repair and management (or onward sale) of an historic building or landscape, funded through enabling development undertaken by a developer. Another approach to public/private sector partnership and risk management is for a trust or heritage body to acquire an historic building, repair the structure and external envelope, and sell on the result to a developer to fit out and market. This may be the only means of unlocking potential if the current appearance of the place is so poor that major works are necessary to generate any private sector interest at all.

4.4.4 Such approaches can bring together the expertise and skills of both sectors – the commercial sector deals with the market risks, which it knows best; and the trust deals with the risks inherent in the repair of the historic fabrics, which constitute its area of expertise, and unlocks funding only available to non-commercial bodies. They can result in more realistic and cost-effective proposals than either party alone could put forward, as at Murray's Mill, Ancoats, Manchester. The Architectural Heritage Fund and the Association of Preservation Trusts can put local authorities, developers and others in touch with appropriate BPTs.

risks, and the public benefits, particularly securing the future of the significant place, must normally be delivered at the outset. There is no mechanism for claw-back if the financial outcome is better than anticipated; similarly there can be no expectation of further enabling development if it is worse than anticipated.

5.4.4 Taking an incremental approach to enabling development, in which additional enabling development is sought once the scheme is under way or completed, as a means of recovering unforeseen or underestimated costs, is not an acceptable practice. Such an approach distorts the process, because it is necessary to consider the effects of the enabling development proposals in their entirety before deciding whether the benefits outweigh the harm. The developer bears the risk – there can be no ‘second bite of the same cherry’. This does not, of course, apply to a strategic approach (for example to an historic estate), which is agreed at the outset and implemented in stages.

5.4.5 APPEAL DECISIONS: NEED OF THE OWNER OR THE BUILDING

‘It was accepted at the inquiry that the previously approved enabling development appears to be in the process of implementation and there is no reason to believe it will not be completed. It is clear, therefore, that the additional dwellings are not linked to, or necessary on the basis of, securing the future of Coleorton Hall or its grounds. On this basis, having regard to the definition in the English Heritage document, the proposal cannot properly be described as enabling development.’
Coleorton Hall 2002

‘The “incremental approach” leads to a further distortion of the process. If the original scheme had been framed and considered on the basis of a greater conservation deficit (including holding costs), necessitating even more new housing in the grounds, then its physical impact on the setting of the Hall and its surroundings may well have been judged to be too great. Planning permission may well have been refused on that basis.’ *Coleorton Hall 2002*

‘It appears to me that the [English Heritage] Guidance concentrates on the needs of the asset and finding the solution that best meets those needs, rather than the needs of any particular owner. Whether or not the two needs coincide, the outcome must still be focused on the preservation of the listed building.’
Combermere Abbey 2005

5.5 Calculating the market value of a completed scheme

5.5.1 The means of arriving at the market value of a completed scheme depends on the type of development. For a residential scheme, the capital values of the completed units are normally calculated using the comparison method. This involves comparing, where possible, the actual sale prices of similar properties in the vicinity to those in the proposed scheme, making adjustments based on professional judgement and experience for minor differences in location, quality, communications, nearby facilities, etc. A more accurate approach involves calculating a sales figure per square foot or metre from the sale prices of properties of comparable