

ULI UK 'YL360' Infoburst: Small Sites

ULI UK Young Leaders 'YL360' is a new roundtable series facilitated by a group of our Young Leaders committee members Caoimhe Loftus, Theodora Beckett, Pauline Niesseron and William Polisano. This series of focused discussions will take place across 2022 and is designed to peel back the layers on some of the industry's most important, but often overlooked, topics.

For each event, a handful of 'expert contributors' and Young Leader members come together around a table for a 90 minute deep dive into specific subjects. Summarising the discussion and outlining some of the most important points raised, a short infoburst is then developed and published to the wider ULI network.

Roundtable One - Small Sites

BACKGROUND

The ULI UK Young Leaders were delighted to kick off their YL360 Roundtable Series with an in-depth discussion about 'Small Sites'. Over the course of 90 minutes on a Thursday evening at PLP Architecture's offices in the City of London, participants contributed a range of views on everything from the definition of a small site, to the complexities in sourcing, financing and developing them.

The Attendees

Around the table were four industry experts operating in the Small Sites space from both the public and private sector, along with four Young Leaders with a keen interest in the topic.

The roundtable was chaired by the UK Young Leaders Executive Committee Chair, Yohance Harper.

The Numbers

At least 52,000 new homes are needed every year for the next 20 years to meet demand for homes in London, and it is now widely recognised that small sites must make a bigger contribution to the delivery of these homes. Indeed, the London Plan sees a requirement for small sites to account for almost a quarter of all housing supply.

The Definition

So, just what is a small site? It turns out that the definition varies quite a bit depending on who you ask. The GLA defines a small site as anything under 0.25 acres, but for roundtable participant Guy Brothwood, Land Manager at Pocket Living, a small site is one that is capable of delivering between 20 and 80 homes. For one of our industry experts Remi Connolly-Taylor - co-founder of developer KIT London - it is closer to 1-5 homes. What became immediately clear was that very few people around the table were able to agree on the definition, which appears to be largely dependent on perspective.

THE MAIN DISCUSSION

Planning

With agreement to disagree, the discussion moved on to the barriers to success that can hinder many SME developers working in the space, and specifically the planning complexities - which it turns out are no less layered than they are on a larger site. For KIT London, it will often take a year to achieve a planning permission for a single dwelling, which is not dissimilar to the amount of time it might take a major housebuilder to achieve consent for several hundred homes.

Cost and Complexity

Industry expert Matt Ruddy - Senior Project Officer at the GLA's Regeneration Unit - highlighted that small sites are almost always disproportionately more expensive, complex, and time consuming than large sites. Their very nature – as car parks, brownfield sites, railway adjacencies and infill land – means they often come with hidden infrastructure and utilities risks, not to mention sensitivities around daylight, overlooking and construction logistics. So, a very valid question to ask would be....is it worth even trying to develop them? For Abdulhamid Albakoush – founder of small sites investor Nexa Capital – the risk profile of small sites means that he will only consider consented land parcels, whilst for KIT London, it is these very complexities that allow them to 'buy low', achieve a valuable planning permission, and eventually exit at a healthy margin.

Local Government

The GLA has gone some way towards mitigating some of the tangible risks on small sites within its ownership, by carrying out thorough front-end due diligence, removing much of the utility and contamination risk prior to bringing the sites to market. For them, it is less about finding the buyer with the right price, and more about finding the buyer with the right offer for the locality, meaning many of their sites are sold subject to planning. The result: a high propensity for community-led and affordable housing schemes being brought forward on small sites. Which leads us nicely on to use, and users.

Unique Challenges and Opportunities

All participants agreed that small sites need to be tailored to an end user. Both the external appearance and internal layouts may not be 'traditional', given the site's constraints. It is therefore vital that the developer identifies from inception who their target market will be (applicable equally for private and affordable housing solutions). One size does not fit all, and if you're not careful, may not fit any. Equally, participants and experts agreed that the planning system needs to recognise that these are not 'traditional' sites, and planning officers must strike the right balance between safeguarding policy (or guidance) and understanding the nuanced benefits of small site development as a means to delivering different forms of housing.

Matt Ruddy and Selasi Setufe - Senior Architect and Innovative Sites Programme Manager for BeFirst - both highlighted the importance of developers working flexibly when it comes to small sites: whilst planning guidance must take precedence, creativity in application can make the difference between a scheme that works and one that doesn't.

CONCLUSION

So, are the risks in developing small sites high? Yes. Are the rewards commensurate with that risk? Again, it depends on perspective. For those who embrace the ability to succeed financially where others might fail, the opportunity to design something bold and innovative, or the ability to bring forward less common forms of community-led housing where it might not otherwise be possible, the answer is a resounding yes. Local

Further Reading

[Lewisham Small Sites](#)

[Supplementary planning documents : Small Sites Toolkit 2021 | Merton Council](#)

[Central Area Good Growth SPD | Let's Talk Tower HamletsHave Your Say Today – Camden Call For Ideas – Commonplace](#)

[Creating an interactive evidence base for the London Borough of Hounslow - Urban Intelligence](#)

A special thank you to our contributors:

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