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Job Name: East Herts Delivery Study
Job No: 31122
Date: 7 November 2014
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Subject: **East Herts Delivery Study – Bishop’s Stortford Goods Yard - suggested amendments to policy**

Briefing Focus

1. This note sets out some considerations to inform possible amendments to the Bishop’s Stortford Good’s Yard policy, to guide the mix, scale, and quantum of development aimed at encouraging the delivery of this important strategic site and secure wider regeneration benefits.

Why has the re-development of this site not come forward any sooner?

2. We are informed via Savills acting on behalf of the site owner Network Rail, that the main reason for the delay in this site coming forward has been the site’s status as a freight yard designation.
3. We are informed that the release of the site was constrained due to regulations affecting Network Rail owned freehold land. When the DBS lease was surrendered it would have automatically been placed onto the “Supplementary Strategic Freight Site List” (SSFSL).
4. Rail freight operators that meet a certain criteria can call for a new lease to be granted to them of any site which is on the SSFSL. Following recent discussions with the relevant freight operators it has been agreed that there is no current or reasonably foreseeable (or realistic) future rail freight demand for the town centre site and the operators have formally signed off that it is not appropriate for the site to be placed on the SSFS.
5. Network Rail is now keen to progress the redevelopment of this site and have met with officers and PBA to consider requirements to inform the masterplanning of this site. A key consideration is how to improve access to this site and also secure wider transportation benefits. A separate note considers the transport aspects of this site.

The site’s primary role as a transport interchange should be formally recognised and enhanced

6. The site performs a vital role as a transport interchange for the wider area, providing some 700 surface car parking spaces, taxi and bus interchange facilities, and pedestrian routes into the town centre. The reason this is successful in acting as an inter-change is because there is a strong and ready demand for car parking from commuters using the railway station.

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7. The primary function of the site should be recognised as one of a transport interchange – any masterplanning should fully assess how this role can be further enhanced as part of wider transportation measures for the wider area. The contribution of this transport interchange to the local economy should not be under-estimated – the car parking generates considerable revenue income for the train operating companies (TOC) in the area, the taxi and bus companies create employment opportunities. There is a legal requirement for Network Rail to maintain the car parking provision for the TOC, so the proposal will have to replace the surface car park with a multi-storey car park for at least 700 spaces.
8. Wider consideration is needed on how the bus and taxi areas should be re-developed as part of a wider town centre transportation strategy. To date, there is no policy to support the enhancement of the role of the site as a transport interchange in policies BISH3, BISH 10 or BISH11 which refer to this site.
9. **Recommendation:** The Local Plan should formally acknowledge this highly important role in policy and in particular seek to enhance the sustainable transport accessibility to this site.

The transport inter-change provides wider economic opportunities for the benefit of the town centre which must be captured in the site master plan

10. The secondary advantage this transport inter-change use is that it provides the potential for generating considerable pedestrian ‘footfall’ to this part of town– one that presents economic opportunities which should be captured for the benefit of the wider town. The way to achieve this will be by ensuring strong physical linkages and introducing new commercial uses within the redevelopment which helps to ‘attract/capture this passing trade and channel this customer base’ to stay and spend in the town centre. Indeed this element of the site’s potential has been recognised, culminating with the recent formal extension of the town centre boundary to include the northern part of the Goods Yard site as part of the revised town centre boundary.
11. Indeed a pedestrian circuit map in the local Plan (figure 5.9 on page 69) starts to indicate a physical link. **Flexibility should be retained in how this linkage is created**, the key should be to ensure those using the car parks and transport inter-change should be clearly channelled / attracted into the site through a new development offer and then out into the wider town centre.
12. Recommendation: It will be critical to ensure the master plan layout helps to capture this objective of attracting and channelling the transport inter-change customer base through the site and into the wider town centre.

The site has various opportunities and constraints which will inform the masterplan

13. The River Stort has already been recognised in policy BISH 3 the Goods Yard as an asset to the site’s location that presents an opportunity for development to

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front onto the waterfront and create pedestrian linkages to this area. There are a number of other features on the site – for instance some of the railway sidings will be required for operational use by Network Rail and will restrict the developable area. There is an existing area of natural planting which will need to be assessed as most of this will be needed to help create a viable development area. This should however, be compensated by incorporating planting and public spaces within the proposed development masterplan.

14. **Recommendation:** Clarity will be required on the scale of developable land area after taking account of constraints and opportunities presented by the site. Realism is needed as to any barriers placed on this site, as there is a need to maximise the developable area to support a viable mix of development that can fund the range of infrastructure that will be needed such as the transport inter-change, the public connectivity with the town centre, and wider strong public transport infrastructure requirements, affordable housing policy requirements, on-site heat generation, etc...Some policy trade-offs maybe needed, and members should be clear about the main priorities to be required from this site.

A pragmatic approach to the mix of uses for this site is needed, aimed at creating a modern well functioning transport inter-change and capturing wider economic benefit for the town centre

15. The policy and the 2011 brief for this site set out aspirations for the types of uses, including creating employment (BISH10), residential and commercial employment, affordable housing, and energy generation (BISH3). No guidance is provided on the scale and mix of the various commercial uses in policy; though the 2011 brief does suggest that this site should include a 'small amount of family housing, and a large amount of office space'. The PBA assessment does not consider the quantified capacity / demand from retail or commercial uses for this site to accommodate the different mix of uses. However, some guidance on the type of uses that is likely to be in demand and so possibly deliverable in terms of the overall function and wider aspirations of this site are suggested here.
16. Development will take place and be delivered on the Goods Yard site if there is 'effective market demand' for the type of use provided and this use can generate sufficient value to pay for the development and wider infrastructure costs. Aspirations for this site provide a starting point to guide the mix; however, a degree of market reality is required to ensure this site is deliverable.
17. Given the physical constraints of this site and need for considerable investment to fund a high quality public transport interchange, and wider development costs/ transport infrastructure requirements, the development on this site will also need to ensure that it includes a sizeable floorspace for residential use value generation.
18. This location does not have any strong economies of concentration that would attract a high value stand-alone speculative commercial development, (unless there is an occupier who is specifically looking for this site – if this was the case the site would have been brought forward sooner). The railway station alone

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does not perform this role and there are bigger competing centres for this type of office market nearby. Any office space demand here is likely to be local demand.

19. Consultations with local commercial agents¹ operating in the Bishop's Stortford area suggest that office rental values in Bishop Stortford range from £15 - £18 psf, with a quality provision letting at £17psf (£194psm). We have been informed that recent changes in planning legislation permitting conversion from office to residential use has resulted in the loss of older outdated office stock to residential use, so restricting the supply of available office space. Based on this, local agents consider they could let more space in the town centre. This consultation suggests that there could be scope to include a limited amount of speculative office space as part of the mix of uses for this site, though the main scheme would need to be a residential led development to be commercially viable.
20. Commercial/employment generating uses that are most likely to capture the 'passing trade' from the transport hub, (particularly during the morning and evening peaks) are likely to comprise of uses such as bars/cafes, restaurants, wider support services such as medical health, fitness and beauty centres – these uses are possibly more likely to rent physical space here; however, in terms of value generation for this site, residential (including retirement housing) is most likely to yield the best value returns and so help to pay for the infrastructure costs needed. Any development on this site would need to be biased towards an apartment residential development with active commercial ground floor uses.
21. The type of residential development to be provided will need to be led by a high quality apartment type development, most likely serving a market demand from younger and older residents (without children) who are not dependent on immediate access to schools, but are interested in a quality leisure, retail and cultural offer provided by a highly accessible town centre location. Bishop's Stortford has a number of other more suitable locations planned for family housing with accompanying school infrastructure where the family housing demand is likely to be drawn to.
22. The PBA assessment does not consider in detail the capacity for this site to accommodate the different mix of uses. The policy indicated some 200 homes to be provided on this site, whilst the site owners have indicated a desire to provide up to 450 homes. The master plan iterations will help to inform the final quantum and mix of various uses that can be satisfactorily accommodated on this site. The height parameter included in the policy of three to four story high, will provide a framework for the overall development and will shape density and quantum. This should be left flexible for now until masterplanning layouts and visuals demonstrate what can physically be accommodated on the site.
23. It is important to ensure that planning policy does not stifle development of the site by placing too onerous a burden on development (NPPF para 173 abbreviated).

¹ PBA Developer Consultation workshop held on 10th October 2014

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Recommendation: It is acknowledged that this site plays an important role in terms of the town centre expansion strategy and there is considerable community interest in / aspirations for this site. However, in some instances the aspirations for this site may add cost or not help to realise the value which the site needs in order to be self funding and deliverable. To ensure that planning requirements are sensitive to the impact on viability stemming from the overall 'ask', we suggest that the following actions should be considered:

Interested parties should work with the site promoter and District Council to set out an agreed set of priorities for this site and seek viability and masterplanning responses from the site promoter to demonstrate how these priorities can be delivered and any choices that might need to be made.

Prioritisation should be done in conjunction with Network Rail / SOLUM and their development team, who can provide the cost / value inputs to inform the choices and impact on the master plan layout. For instance, if a reduction in the number of residential units (compared with the 2007 Local Plan) is a key aspiration locally, then the stakeholders should recognise that this may impact on the value generated by the site, and so should be prepared to consider the implications for other priorities such as the delivery of affordable housing and infrastructure contributions. Some requirements e.g. transport access will have to be met if the development is acceptable.

The site promoter is looking to undertake a masterplanning exercise which will inform a detailed financial viability appraisal, and this may challenge the achievability of some of the aspirations previously expressed in the draft District Plan, the 2011 Development Brief and various other community aspirations.