

meeting notes



Attendees:

Martin Paine (MPaine)	–	East Herts District Council (EHDC)
John Baker (JBaker)	–	Peter Brett Associates (PBA)
Shilpa Rasaiah (SR)	–	Peter Brett Associates
Elliot Page (EP)	–	Peter Brett Associates
Stuart Cook (SC)	–	Peter Brett Associates
Rob Smith (RS)	–	ATLAS
Mary Parsons (MParsons)	–	Places for People (PFP)
David Bird (DB)	–	Vectos
Paul Wilcock (PW)	–	AECOM
Bruce Fyfe (BF)	–	AECOM
Philip Murphy (PM)	–	Quod
Claire Dickinson (CD)	–	Quod
Andy Hunt (AH)	–	Quod
Fiona Sibley (FS)	–	Quod
Aaron Elliot (AE)	–	Quod
Adina Bisek (ABi)	–	Grimshaw Architects
Chris Lovegrove (CL)	–	City and Provincial Properties (CPP)
Jane Barnett (JBarnett)	–	Savills
Mark Somerville (MS)	–	Savills
Justin Bates (JBates)	–	Savills
Trenton Williams (TW)	–	Alan Baxter
Andrew Broomfield (ABr)	–	WT Partnership
Sophie Ungerer (SU)	–	Figure Ground Architects

Apologies

Paul MacBride	-	Harlow Council
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Project: Gilston Area

Meeting Title:

Gilston Area Viability Surgery

Location:

Places for People

Date & Time:

3 November 2014, 9.30am

ACTION**a) Introduction**

1. MParsons introduced the joint presentation being given today to East Herts District Council and its Delivery Study consultants, PBA, by Places for People and City and Provincial Properties, the two main landowners in the Gilston Area. Following a request by EHDC to consider joint working, discussions in the past weeks had resulted in an agreement to promote a joint vision for the area. Today the two parties were presenting their joint concept masterplan for circa 10,000 homes, setting out the common infrastructure assumptions and key deliverability assumptions, currently being assessed for the District as a whole by PBA. PFP and CPP had signed a Memorandum of Understanding to agree to support a joint concept masterplan and infrastructure for the Gilston Area. The parties wished to set out their case for the identification of the Gilston Area as a Site Allocation in the East Herts District Plan.
2. MParsons explained that PFP had a long involvement in the Gilston Park Estate (GPE) site. PFP holds £3.5bn in assets and operates as a not-for-dividend organisation, so that all profits are re-invested into the communities that are created.
3. CL explained that CPP has a 30-year history as a developer and is promoting the Briggens Estate (BE) site. He expressed CPP's commitment to a joint and cohesive masterplan for the Gilston Area.
4. MParsons described the parties' common view of the planning context. The joint commitment to deliver circa 10,000 homes with comprehensive supporting infrastructure would assist in meeting both EHDC's housing need as well as the urgent regeneration need within Harlow (which must be addressed via the Duty to Cooperate). It is both parties' view that a full Site Allocation in the District Plan is justified and will create certainty for early delivery in the plan period, which is not achieved by the Broad Location status. It is the promoter's view, that the proposals presented assume a realistic housing and infrastructure trajectory, and there are no showstoppers that would inhibit development coming forward. In the site promoters' view it is therefore considered that a Site Allocation is appropriate and deliverable.

b) Masterplan and Phasing

5. MParsons presented the masterplan for circa 10,000 homes, which brings the two landholdings together and comprises a series of seven villages. Previous work undertaken by the two parties had a common masterplanning approach, and so in bringing the sites together the BE site is capable of forming a 'village' of equivalent scale and layout to the villages in PFP's 'necklace' concept.
6. Grimshaw presented a series of phasing plans illustrating housing and infrastructure delivery over a 20-year period. Delivery starts from the south and

south east of the Gilston Area to create connectivity with Harlow, and form the necessary utilities connections to the east of the site. Housing is then phased northwards and eastwards concurrently to establish multiple, differentiated sales centres to drive build rates, and also to create the centrepiece of Gilston Park, which is key to the overall place-making proposals, at an early stage.

7. Assuming an onsite start in 2018 based on the District Plan timescales, the scheme delivers 6,500 dwellings by 2031 (within EHDC's plan period), and circa 10,000 homes by 2038. In terms of key infrastructure triggers, two offsite river crossings are required by the time 2,000 and 5,000 dwellings are constructed respectively. Community facilities are delivered on site in line with housing.

c) Transport

8. Vectos presented the transport proposals for the 10k scheme. DB described the ongoing engagement PFP was undertaking with the highways authorities (ECC and HCC jointly) on various modelling workstreams to identify the impacts and mitigation required to support the scheme. These consist of ECC's emerging VISUM model and the Paramics model being developed by PFP for the Gilston Area and Harlow urban area. In terms of infrastructure, the joint concept masterplan shows a preferred eastern route for the second Stort Crossing, and an alternative, deliverable western option. Several further junction improvements were also identified.
9. The site's sustainable location, potential for sustainable modes of transport and connectivity to Harlow was also emphasised. 9. Developer funding would form an appropriate contribution to the wider package of works coming forward. This had been costed according to a detailed understanding of the schemes and the local authorities' delivery plans. DB noted that this was a very detailed level of work for this stage of the plan-making stage. On the basis of the work undertaken to date, DB stated there was no reason to assume the scheme could not be delivered and would be evidenced as the process continued.

d) Utilities

10. AECOM presented the utilities, energy and waste water strategies for the Gilston Area, which had been developed in discussions with suppliers and consultees. The provision of onsite waste water treatment plants are proposed given the uncertainty surrounding capacity upgrades to Rye Meads and the local sewerage infrastructure in the timescales needed for the District Plan's housing delivery.

e) Community Facilities

11. Quod presented the strategy for the Gilston Area. The fully costed proposals assume that each village has its own community facilities to assist place-making. Primary schools are located in the five larger villages to deliver optimum 3FE size. Up to 14FE secondary provision would be provided on a single campus site,

possibly as two co-located schools, alongside a leisure centre. Health and other community facilities are also directly delivered on site.

f) Viability and Costs

12. Quod presented a summary of the infrastructure requirements for the joint 10,000 dwelling masterplan. To date PFP had carried out detailed costings for its 8,500 dwelling masterplan, and submitted its cost information to the EHDC Delivery Study 2014. In the time available, a set of principles had since been agreed between the two parties as to how these assumptions would be expanded and/or apportioned to deliver circa 10,000 dwellings. Further work would be undertaken to identify the costs relating to the 10,000 masterplan, but the parties agreed to commit to jointly fund the identified infrastructure requirements.
13. CD presented the key findings of the PFP viability appraisal that was submitted to the Delivery Study in August 2014. This had been specifically undertaken for the Study using Argus software, which is considered appropriate for the plan-making stage. The presentation of information has had to respect the confidential nature of some commercially sensitive data. A master developer model is used rather than a housebuilder model. The results demonstrate that the scheme is viable and deliverable.
14. JBarnett and JBates described the approach to costs and viability taken by CPP. Very Initial costings might indicate an average assumption of £50k per unit infrastructure costs taking account economies of scale with the larger allocation however this would be subject to further testing. A housebuilder model had been run by CPP, which demonstrates that the CPP development is viable and deliverable.

g) Discussion – Transport

15. EP questioned the relationship between the western and eastern crossings options. DB explained that they are alternative options, with the eastern preferred given ECC's concerns over traffic in south west Harlow, proximity to the Harlow Enterprise Zone and the emergence of the M11 Junction 7a proposal to the east of Harlow. He also confirmed that the absence of an eastern crossing should not undermine the business case for M11 J7a, which had been made by Essex County Council regardless of the Gilston Area proposals. It was noted that pedestrian /cycle linkages could enhance connectivity across the Stort Valley in the absence of a western crossing.
16. MPaine asked if the parties had engaged with the landowners for the eastern crossing. RS explained that this was a critical element of deliverability. PM confirmed that discussions were currently being pursued.
17. EP queried the triggers for the existing and 2nd crossings at 5,500 units, noting that there is already congestion on the existing crossing, which may worsen before the crossing is dualled. DB explained that the A414 dualling would be part of a wider

package of improvements which taken together should ease congestion across the network.

18. JBaker questioned the relationship to Harlow, in terms of employment and trip generation assumptions about those staying on site, working in Harlow and dispersing further afield. DB and MParsons stated that the Gilston Area scheme is seen as part of the regeneration of Harlow, supporting the Enterprise Zone and an increase in jobs and spending in the town centre, but it is considered important that we do not provide onsite employment that competes for jobs with Harlow. DB agreed to provide further detail to PBA on the travel to work assumptions, including some heat map analysis.

Vectos/ABA

19. MPaine noted the authority's concern over the assessment of cumulative impact beyond Harlow and questioned how the wider cumulative impacts would be addressed, eg in Sawbridgeworth and along the A414. DB confirmed that PFP were keen to work with the authorities to undertake the appropriate cumulative analysis. ECC would be using the VISUM model to test the cumulative impacts beyond those tested in the HSGTM work and PFP would use the same inputs (ie levels of development) for their Paramics modelling. He said that Sawbridgeworth needed to be considered in relation to the developments to the north and south of Bishop's Stortford, whilst ECC were proposing an improvement to Station Road. He confirmed that the Gilston Area team were content to provide comment on the VISUM modelling assumptions suggested by the authorities. It was agreed that PBA would arrange a developers' workshop to inform the cumulative impact assessment and to determine the stress points and collectively consider mitigation measures are addressed in a joined-up fashion. DB commented that it should be the responsibility of developers to lead on mitigation for the area where their impacts are greatest.

20. DB agreed to provide detail on how rat-running through the villages would be addressed.

Vectos/ABA

21. SR stated that the presentation on transport was Harlow focused and there is a need look at and present the implications on the wider E Herts transport network, – especially as this scheme is with E Herts and members wish to understand the impact and mitigations within the District.

22. SR questioned what assessment has been undertaken in relation to the capacity of the Harlow rail network to accommodate this scale of growth, which was to be further investigated.

h) Utilities - Discussion

22. MPaine asked about sewerage infrastructure, noting the issues relating to Thames Water's capacity and their concerns over the maintenance of onsite solutions. FS explained that PFP's request for a meeting had not yet been answered, but PFP was keen to discuss the provision of onsite treatment.

23. SR asked about meeting the engagement with the EA and how on site solution would address the discharge licensing arrangements? PFP would confirm details of discussions with the EA relating to onsite treatment and discharge to the Stort.

AECOM

i) Schools – Discussion

24. JBaker asked about the strategy for schools procurement, and the distribution of the schools. AH confirmed that we are confident that our child yields are known, and the peaks are well understood based on the current build rates, and we are confident we can procure schools in the manner that is guided by national policy at the appropriate time. The school provision is divided among five villages so not every village will have a primary school, but is based on 3FE schools in line with HCC guidance.

j) Minerals – Discussion

25. SR questioned the approach to potential mineral reserves. FS confirmed that some geotechnical studies had been carried out but the potential resource value was yet to be determined by both parties, and would be investigated.. The current phasing trajectory assumed no mineral extraction.

Quod/Savills

k) Viability – Discussion

26. CD confirmed that the authority can be satisfied that the PFP scheme is viable given that the PFP Argus appraisal yields a positive land value even where no growth in values is assumed. MParsons confirmed that the appraisal provided confidence to PFP and the authority that the master developer gets a reasonable return.
27. SR clarified PBA's role in testing viability for the District Plan examination, which was to do a high level viability to support a Community Infrastructure Levy, whilst developers of the strategic sites would be expected to submit their own viability appraisals.

l) Other topics - Discussion

28. MPaine explained that a report had recently been published to the District Planning Executive Panel setting out recommendations for how EHDC could meet identified needs for Gypsy, Travellers and Travelling Showpeople (GTTS) sites in the District. The report had recommended EHDC to look at the Broad Locations sites for possible provision. Quod and Savills agreed to review the report and provide a response.
29. JBaker asked about the affordable housing proposals for the site. CD commented that 30% affordable had been assumed by PFP because it was considered a reasonable assumption for a site of this scale and infrastructure requirement. She added that affordable housing should be used to create mixed and balanced communities and to achieve an appropriate type and tenure with regard to EHDC

Quod/Savills

and HDC. MParsons added that understanding the intermediate market is important, and that a properly planned and realistic level of affordable housing is welcomed as it helps to establish a place and support market growth rates. HDC's affordable housing needs were discussed, including the need to balance private and affordable provision both within and around the town and achieve a more varied housing mix.

30. RS questioned the debt finance vs equity approach to financing. MParsons confirmed that PFP do not have any concerns over development funding for their scheme.
31. SC referred to the need to test viability on a consistent basis, and an intended approach to consider viability in terms of land value return and threshold land value considerations. RS added that the current approach to achieve an IRR of 20% and resulting profit line separate to residual land value was different to the approach taken on other sites.
32. SR asked about build rate assumptions. MParsons said that the joint proposed trajectory was justified based on sales research and soft market testing PFP had undertaken, and their experience on other schemes. PFP's experience in Milton Keynes has proven that their differentiated housing offer drives higher build rates. JBates stated that separate sales centres within a large scheme supports high build rates, but noted also that there is demand locally at every level. Sales rates for good schemes in Harlow, such as New Hall, outstrip the national average. MParsons confirmed that as PFP would usually deliver a third of large sites themselves, and in doing so set a high standard for quality, whilst enabling a higher rate to be delivered by multiple housebuilders delivering within the larger villages.
33. JBaker asked the developers for their views on being identified as a Broad Location in the District Plan rather than a Site Allocation, and for their views on how much this defers development. PM stated that PFP considers all the requirements set out in the Broad Location and Gilston Area policies have already been met, leaving no areas that require further testing through a DPD. As a result there is no basis for not identifying the site as a full Site Allocation. The DPD process would significantly delay the delivery of much needed housing – by the length of time EHDC are quoting for the DPD process.
34. JBarnett added that any joint planning would be dealt with satisfactorily through the planning application process by meeting the requirements set out in the Site Allocation policy. Any delay brought about by the DPD will affect the District's five year supply.
35. RS questioned that an allocation would require a clear and evidenced boundary, including all infrastructure necessary and related to the scheme, including confirmation of the access arrangements & location of the second Stort crossing. PM considered that this would be possible.

36. SR asked what needed to be done to get to delivery stage. PM confirmed that PFP already had a body of evidence capable of supporting a planning application and that timescales were being dictated by the Local Plan programme.
37. MPaine stated that the aspiration to conclude the Delivery Study had been altered by the VISUM modelling programme, and the authority's aspiration is now to publish a revised amended draft of the District Plan as soon as possible after the critical technical evidence base is in place.
38. SR confirmed that PBA would provide a note setting out recommendations on the approach to viability.

SR