



GOVERNANCE NOTE

GILSTON AREA

December 2016

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1 INTRODUCTION

1.1 The Gilston Area is identified in East Hertfordshire District Council's pre-submission draft Local Plan (2016) as a 'unique opportunity' to deliver a strategic sized sustainable development. This includes a total of 10,000 new homes along with transport infrastructure, community facilities, open space and other mixed uses.

1.2 Proposed Policy **GA1 The Gilston Area** refers to 'long term governance arrangements':

iii) The development is expected to address the following provisions and issues:

(h) significant managed public open space and parklands, and a limited number of buildings associated with that use, on the northern section of the site as identified in Figure 11.2, the ownership of which will be transferred to a community trust or other mechanism that ensures long term governance;

IV. In order to ensure that the site is planned and delivered comprehensively, any application for development on part of the site will be assessed against its contribution to the aims of the Concept Framework, and any other more detailed design work, and will not prejudice the implementation of the site as a whole.

1.3 The supporting text (paragraph 11.2.7) also states, with respect to Open Space:

The site allocation covers a large geographical area. However, only the south and south eastern sections of the site will be developed. In addition to development, this part of the site will deliver new green spaces including sports pitches, parks and recreation areas. Within the north and north western sections of the site, a substantial amount of public open space in the form of managed parklands will be provided. This area will therefore remain undeveloped, with the exception of a small number of buildings associated with its recreational use. *A community land trust, or other governance mechanism as appropriate, will be established in order to deliver local ownership and management of these assets.* This should take place early in the overall development programme. In addition, the environment of the Stort Valley will be enhanced through the provision of new green infrastructure links.

- 1.4 This Note sets out some more background to the proposed approach in relation to Governance. It identifies how the landowners intend to work together to ensure a coherent approach to Governance across the Gilston Area development to ensure the long term management of open space, other strategic infrastructure and the more localised 'neighbourhood' infrastructure that will be brought forward as an essential part of the development.

2 THE ROLE OF THE GOVERNANCE STRATEGY

2.1 Governance can be defined as:

“the exercise of political, economic and administrative authority in the management of a place”.

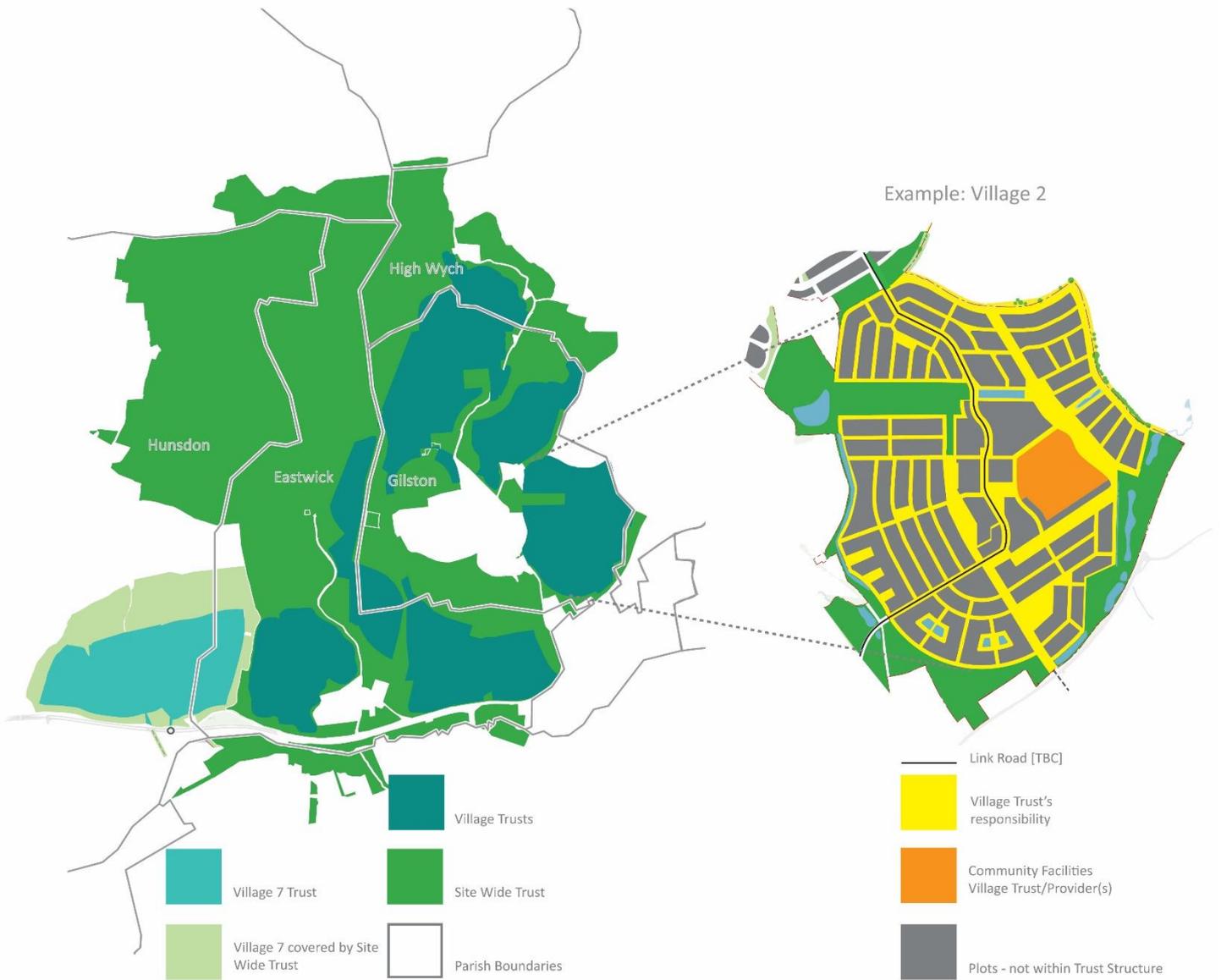
2.2 In essence, it is about how decisions are made and by whom and how the quality of a place can be sustained. Having appropriate Governance arrangements in place at the outset of a development is regarded as essential to its ultimate success as a 'place'. It allows legal structures to be put in place that provide a vehicle for the involvement of the local community, that secure long term resident involvement, allow land to be held in trust and for contributions to be guaranteed for long term management.

2.3 The arrangements proposed for the Gilston Area contain two parts:

- i. Land ownership and management arrangements which guarantee local control of the undeveloped land at Gilston Park Estate – this is what is referred to in the draft policy at iii(h) and the supporting text;
- ii. General implementation and management arrangements which ensure that:
 - funding for maintenance and re-investment in the development is in place;
 - land values reflect the need for re-investment; and
 - residents and other stakeholders can be part of decision making.

2.4 This approach follows the principles of the Masterplan, being based on a ‘Village Structure’, with seven villages, six of which are being brought forward by Places for People and one by CPP. The plan overleaf (Figure 1) shows the Concept Framework Masterplan, identifying the undeveloped area in green and the villages in blue with "Example: Village 2" providing an example of an individual village. Further details of each are set out in the following sections.

Figure 1: Site Wide and Village Governance



3 STRATEGIC PUBLIC REALM GOVERNANCE

- 3.1 The proposals for management of public and open space reflect a collaborative approach - but are also specifically designed to respond to local concerns about further development beyond 10,000 homes.
- 3.2 As part of the Governance arrangements it is therefore proposed to establish a multiple 'lock' which will guarantee against additional growth without the consent of existing and new communities. The multiple 'lock' would work as follows:
- i. The first lock is through the Local Plan policy, with the current draft ensuring that the land in the north of the site is predominantly non-developed;
 - ii. The second lock would be by capping the number of homes in the planning permission;
 - iii. The third lock is to place the Parkland and other relevant non-developed land under joint community ownership governed by a separate company or trust which would manage the land and make any decisions on its future use.
- 3.3 The requirement for the transfer of the Parkland and other relevant non-developed land would be secured under a Section 106 obligation. The owner of the land (Places for People) would, by the end of their development, transfer the land to a third party vehicle in which certain defined bodies would have an interest (including existing residents, Parish representatives and other local environmental groups and or interest groups) alongside the landowners and the local authorities.
- 3.4 The precise legal structure of the vehicle is yet to be determined but could be a Community Interest Company (CIC), Trust or other vehicle. The governing articles for the vehicle will set out how the land is to be secured and how decisions on the future use of the land will be taken. They are likely to allow for changes in the membership of the vehicle over time with new residents becoming increasingly involved as new homes are constructed. The role of the landowners is likely to reduce as the development progresses, allowing for assets to be increasingly controlled by the community.
- 3.5 The assets will include the main parks, corridors, and sports provision, including the pitches associated with the secondary school.

- 3.6 The Airfield Park and Eastwick Wood Park are the principal areas which would have the effect of limiting further development.
- 3.7 The Airfield Park is currently used as farmland. It is envisaged that this would continue to be so but that access and trails to and through the area would be enhanced. New capital investment would therefore be limited as it is assumed that the areas would continue to be leased to farmers. Eastwick Wood Park would see significant investment as part of the overall landscape and public realm strategy.
- 3.8 Before the land is transferred, the Landowners will produce a detailed Business Plan which will identify each of the assets, the investment in those assets secured through the Section 106 obligations, any fees or income accruing from those assets, and any on-going requirement for management and maintenance. The current financial model includes assumptions on endowments for all of the major capital investments and this may also be supplemented by additional service charges/rent charges if required.
- 3.9 As this infrastructure, along with the Secondary School, has a 'development-wide' benefit, it is assumed that capital and maintenance costs will be assigned to each village in proportion with the number of homes. It will be for each landowner to determine how those costs will be apportioned among the residents and tenants of each respective village
- 3.10 Other parks, allotments and sports fields could be included within the trust body to create a critical mass. The Trust could combine its endowment income with ongoing income from farm and other leases and/or charges related to the use of facilities, and possibly a share of ground rent or rent charge.
- 3.11 The structure will not preclude the 'site-wide' management being integrated with that of each village. It may be, for example, that it will be more efficient to use the same management company. However, that will be determined by those involved at each level at the time.

4 WIDER GOVERNANCE & VILLAGE LEVEL

- 4.1 The Masterplan is based on a 'Village Structure' with seven villages, six of which are being brought forward by Places for People and one by CPP.
- 4.2 These villages also form the basic 'building block' of the wider Governance Strategy. Each village will have identified infrastructure costs and amenities and detailed proposals for the development of the villages will be brought forward within the framework of the overall Masterplan. Each village will need to 'wash its own face' in terms of its local infrastructure delivery – for example primary schools, and village squares.
- 4.3 Alongside the 'village level' infrastructure will be 'site wide' infrastructure which serves the development as a whole. This includes, for example, strategic roads, parklands, leisure facilities and secondary schools. The cost of this will be split between the development promoters on the basis of housing numbers.
- 4.4 For individual development plots the developer will be responsible for putting in place arrangements for the long term management of access, buildings and common areas through a service charge, in the standard way.
- 4.5 The development may take 20 years to build. It will involve numerous stages, beginning with 'site wide' planning and infrastructure delivery, followed by the detailed planning of each village, the development of each village, and the long term operation of the development as a whole along with facilities and infrastructure in each village.
- 4.6 It is likely that there will be overlapping periods when more than one village is in development. Equally, some villages will be completed and 'mature' whilst others are still being built.
- 4.7 Engagement with the Councils, local stakeholders, Parish representatives and nearby residents on the principle of development has been underway, locally, for many years. This will be extended and deepened as Planning Applications are developed for the overall scheme. Following confirmation of the site allocation in the Local Plan, Places for People will establish 'shadow' Governance structures, which will operate in the pre-planning application stage of the development. This will be focussed on including existing local residents and stakeholders, including the Parish Councils, in establishing

the permanent Governance structures for the safeguarded land and provide resources for them to engage in the Masterplan development process.

- 4.8 Subsequently, there will need to be detailed engagement on the development of each of the village including the detailed content of the proposals and the long term approach to management for each.
- 4.9 The Section 106 agreement will also include obligations to ensure that the required infrastructure is secured and funded and that long term arrangements are in place for its management. It will be for each of the landowners to determine their approach within a framework set out in the Section 106 agreement.
- 4.10 The Places for People approach is likely to involve imposing covenants and rent charges on the developers of individual plots, to secure long term funding for management and maintenance arrangements for the infrastructure that is not adopted by the Council or other Statutory Bodies. It is also likely to include 'village boards' involving Places for People, residents and other stakeholders, to oversee the development of the community and the management of shared assets.
- 4.11 The role of Places for People in operating these arrangements will reduce over time as the role and size of the new community grows. In addition to rent charges and service charges, the 'village boards' may generate fee income, and might be endowed assets which allow them to raise a long term income stream which can be used to support community activity. Depending on the wishes of the Board, and the potential for efficiencies, it is envisaged that villages could share Governance structures, and/or service providers with each other and with the site wide trust.

5 SECURING GOVERNANCE

- 5.1 As the Concept Framework is finalised it will confirm the structure of the Governance arrangements. Places for People will prepare a framework planning agreement that will be entered into that will ensure that any application for development meets core Governance standards.
- 5.2 The agreement will be conditional only on the GA1 allocation being confirmed in an appropriate form and will impose obligations that will shape or frame any development:
- i. protecting the Parkland, Eastwick Wood Park and other relevant land by setting out future use and ownership arrangements;
 - ii. setting up the site wide Governance arrangements and providing an initial endowment to help the local communities become involved in the evolution of the Gilston Area; and,
 - iii. identifying the process for the village based Governance arrangements.
- 5.3 When permission is granted it will provide more detailed arrangements relating to the delivery of the development. However, the framework for the core public realm, Governance and stewardship arrangements will already have been implemented by that point.

6 CONCLUSION

- 6.1 The Governance arrangements at the Gilston Area will be essential to its success. This Note has set out the principles of this approach, including how it meets the requirements of the policy in the East Hertfordshire Submission Draft Local Plan.
- 6.2 The proposed arrangements will be the subject of detailed consultation with stakeholders, including residents and the Council, before they are finalised. As such, the precise legal vehicle (e.g. Trust or Community Interest Company) has not been finally determined and some minor changes should be made to the wording of the draft policy to provide the necessary flexibility.
- 6.3 The Governance structure will secure the long term use of the Parkland and other relevant land as open space and ensure that residents have a permanent role in determining its future use and management. The Governance arrangements also extend beyond this to ensure that residents are involved in the design and long term management and maintenance of the new villages, as and when they are created.
- 6.4 The Governance arrangements will be secured through Section 106 obligations.