

Gilston Park Estate

North of Harlow

4 - Governance Strategy





GILSTON PARK ESTATE

GOVERNANCE STRATEGY

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Our Ref: Q30217

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1 INTRODUCTION

1.1 The East Hertfordshire Draft District Plan Preferred Options Consultation Draft Local Plan (2014), identifies 'Broad Locations' for large scale strategic development. One of these is Gilston Park Estate.

1.2 Draft Policy DPS4 identifies a number of criteria against which the acceptability of detailed locations will be judged which includes:

"Details of how development would be implemented and managed once occupied (inc housing stock and publicly available space) (criteria DPS4 IIIc)"

1.3 The site specific policy for Gilston Park (GA1) identifies a series of issues which any detailed Masterplan for the site will need to address. This includes:

"Encouraging successful and active communities, including innovative approaches to create the conditions for local resident participation, governance and stewardship of their new communities" (criteria GA1 IVn)

1.4 Places for People is committed to testing new approaches to Governance and Placemaking at Gilston Park Estate with a collaborative approach to the development underpinning the proposals. Early work undertaken for the project set out a proposed framework based on a new 'Garden City' model which was used by the Town and Country Planning Association in their report¹.

1.5 This builds on the principles of the original Letchworth Garden City Heritage Foundation model where the Community organisation was endowed with assets from the Garden City and, 100 years later, it still:

- Contributes to the maintenance and enhancement of the physical, economic and social environment of Letchworth Garden City;

¹ http://www.tcpa.org.uk/data/files/reimagining_garden_cities_final.pdf see page 14

- Proactively manages assets and income generated from its substantial commercial and land assets; and
- Builds positive relationships with its communities including supporting local charitable activities.

1.6 This note updates that approach and describes how the key components of Governance are intended to operate. This is intended as a basis for discussion with stakeholders and residents, and further detail will be added as proposals are brought forward. In broad terms the intention is that:

- i) *A 'development vehicle' will be set up, with public involvement, to manage the delivery of the development, with responsibility for ensuring the high quality and sustainability of the place;*
- ii) *A 'management company' with community ownership will be evolved from this to take long term responsibility for the management and maintenance of the place; and*
- iii) *After the completion of the development all land outside the villages will be held on behalf of the community who will have control over the way in which it is used, managed and maintained.*

a) **Definition of Governance**

1.7 Governance has two linked meanings which are of relevance to the Gilston Park project.

1.8 In its narrow sense, it refers to “the procedures associated with the decision making, performance and control of an organisation”. This can be described as ‘internal’ governance.

1.9 In its broader sense, it refers to “the exercise of political, economic and administrative authority in the management of a place”.

1.10 This definition goes beyond formal elected local Government to encompass the actions of all public service providers, charities, trusts and community organisations, individual institutions such as schools, and private or non-profit companies (for example, an estate management company), where the decisions of these bodies have a significant effect on people’s lives.

- 1.11 It is largely the latter definition that Government and others are referring to when talking about governance arrangements for new communities.

2 STRATEGY

a) The Broad Approach

i. Governance Principles

2.1 Places for People proposes the following key principles for the Governance of the Gilston Park Estate.

- The strategy must look to the long term. There must be arrangements in place from the outset that ensure continued investment so that high standards are maintained;
- Places for People and new residents will have a duty to protect and enhance the natural environment. Governance arrangements will ensure that the areas outside the villages, the new and existing parklands are protected in the long term, and accessible to residents and the wider community;
- Gilston Park Estate will be a place for everyone, from local couples starting a family, to older people looking to retire or downsize. It will provide opportunities to rent and to buy for people on low and high incomes. Governance arrangements must ensure that common areas are effectively managed and that house-builders and landlords provide long term investment in management and placemaking;
- The area is already home to historic parishes, and active local residents. They should be able to help shape the proposals for Gilston Park Estate and see the achievement of jointly held objectives from local parish plans;
- Gilston Park Estate is located on the border of Hertfordshire and Essex, East Hertfordshire and Harlow. Governance arrangements need to ensure that they allow authorities to effectively co-operate so that all surrounding communities can benefit;
- Great places develop over generations. The Governance arrangements must be sufficiently flexible to reflect this, with Places for People playing a strong steering role, and financial underpinning in the early years, with the role of residents and groups growing as the place

develops. They must allow local residents to shape their environment, and be engaged as much, or as little as they like in the process; and

- Gilston Park Estate is a sustainable choice which can provide the full range of community facilities required by both new and current residents. These must be exemplary institutions, providing educational, recreational and health opportunities that are second to none whilst playing a central role in social and civic life locally.

2.2 Places for People is committed to establishing arrangements for the planning, development and long-term stewardship of Gilston Park Estate ("GPE") that will put local people at the heart of the decision making process.

2.3 This will include two main interrelated components:

- General implementation and management arrangements which ensure that:
 - funding for maintenance and investment in the development is in place;
 - uplift in land values is available to be re-cycled and re-invested; and
 - local residents and other stakeholders can be part of decision making structures about reinvestment.
- Land ownership and management arrangements which guarantee local control of the undeveloped land at Gilston Park Estate.

b) **General Implementation and Management**

ii. **The Role of Places for People**

2.4 Places for People is promoting the development at Gilston Park Estate.

2.5 Places for People's structure is ideal for the development of a place on the scale of Gilston Park Estate, because it is able to guarantee a long term approach to development and governance, like the promoters of the original Garden Cities. Places for People is a 'not for dividend' organisation –

it doesn't have to pay profits out to shareholders – so, unlike most house-builders, it can take a long term view of its investment.

- 2.6 It is envisaged that Places for People will have four main roles in the development of Gilston Park Estate.

Landowner/Master Developer

- 2.7 As landowner/master developer Places for People will secure planning approval for the development, and be responsible for ensuring that site wide infrastructure is provided which allows the development of the villages and individual plots and buildings to take place.

Long Term Investor

- 2.8 Places for People will also be a long term investor at Gilston Park Estate. It will develop the funding model for the development, and secure investment in infrastructure and long term re-investment in management and maintenance. It will take a long term interest in some of the new homes, whether affordable, shared ownership or private rent and other facilities.

Guarantor and Steward

- 2.9 Places for People will have a long term role as 'Guarantor' and 'Steward' of the development. It will put in place arrangements which set out requirements and standards from leaseholders and freeholders and ensure that they make a fair contribution to the long term upkeep of facilities. This will be established in such a way that the approach can evolve and assets can be handed over, with income streams to maintain them, to the community and/or public authorities in the longer term. Such an approach is not only required as an essential part of the Governance of the place but is also in the interest of Places for People to safeguard its investment.

Facilitator and Partner

- 2.10 Places for People will also be a facilitator and partner, with local authorities, local residents, Government and anyone else with an interest in making Gilston Park Estate happen and be successful. It is very keen to involve local authorities and local parishes as they are seen as essential partners in making the development happen. In the longer term it is anticipated that the

new residents of the development will take an increasingly important role. The Governance structure will allow for their involvement in the decision making process.

iii. Developing and Managing the Gilston Park Estate

2.11 In bringing forward the development of Gilston Park Estate one can define three levels of activity:

- The delivery, management and maintenance of site wide infrastructure – which may include utilities, roads, some strategic social infrastructure and parks and open space;
- The definition of plans for and development of each of the villages; and
- The ownership, development, management and maintenance of development plots and their common areas, including local items of social infrastructure.

Site Wide and Village Delivery

2.12 Site wide infrastructure and the individual villages will require a ‘Development Vehicle’ to bring them forward. This will secure the necessary funding as part of a robust Business Plan. The precise nature and role of this vehicle is to be defined but at a minimum this will involve Places for People as a majority shareholder. There is the potential for local authorities and other public agencies to be part of such a vehicle as a ‘joint venture’, although this has not been discussed to date.

2.13 In addition to the main ‘Development Vehicle’ there are likely to be other bodies established – for example to hold parkland and open space as described in Section E below, which would probably involve the vehicle and/or its constituent members as members, along with parishes and other partners.

2.14 The ‘Development Vehicle’ itself has the potential, in the longer term when the development is completed, to become a Trust responsible for the long term stewardship of the development as happened in Letchworth.

2.15 The development will be brought forward on a village by village basis – although possibly with more than one being built in parallel. For each village an individual plan will be brought forward which defines the proposed housing mix and approach, other types of facilities to be included, the

required utilities and infrastructure and what the village will look like and how it will be built. This will be defined in consultation with key stakeholders.

Home Builders

- 2.16 The relationship between the Development Vehicle and individual plot developers will need to be defined as each village is brought forward. In some cases it, or Places for People may develop plots themselves. In others they may dispose of serviced plots to developers – housebuilders, registered providers, commercial developers, self builders or public agencies. The terms of these disposals will define relative responsibilities for management and maintenance of plots and site wide infrastructure and will include a payment mechanism which allows rent-charge or service charge payments to fund long term management and maintenance.

Social Infrastructure

- 2.17 Individual items of social infrastructure will be brought forward in line with the prevailing policy and legal position which is in operation at the time. Such institutions would play an essential role in providing 'social glue' and there would also be an aspiration that as far as possible facilities would be open for community use and by clubs and associations. There will be an essential 'Community Development' function.

Resources

- 2.18 The development and long term management and maintenance of Gilston Park Estate will require detailed financial planning and funding from a range of sources.
- 2.19 Ongoing funding for management and maintenance will be planned for at the outset with the long term funding arrangements for each asset being identified at the planning stage. It will involve a combination of:
- Rent-charges and service charges from plot developers and residential occupiers;
 - Income from utilities, parking or other 'charges' for services; and
 - Long term rental or other income from endowed assets, such as commercial properties.

c) **Management of Open & Public Space**

- 2.20 The proposals for management of public and open space reflect the general collaborative approach described above but are also specifically designed to respond to local concerns that approval for GPE would be the first stage in a significantly larger development. The principles set out below are bespoke to reflect the requirements for Gilston Park Estate and refer specifically to the land in Places for People's ownership.
- 2.21 The current illustrative Masterplan for Gilston Park Estate consists of circa 8,500 homes and associated facilities, situated in a series of villages, and separated from one another and from existing villages by open parkland, woodland and farmland. We propose to offer a multiple 'lock' which guarantees against additional growth without the consent of existing communities, as follows:
- The first lock is by capping the number of homes in the planning permission and the physical extent of the developed area;
 - The second lock is that Places for People would expect Local Plan policies to set out strict controls about the way in which the Parkland should be used;
 - The third lock is that Places for People would support the future identification of the Parkland as an asset of community value; and
 - The final lock is to place the Parkland under joint community ownership governed by a separate company or trust which would manage the land and make any decisions on its future use.
- 2.22 It should be noted that this approach is proposed for the land in the ownership of Places for People. There has been no discussion with adjacent landowners who are promoting their land for development as to what their proposed governance arrangements will be.
- 2.23 The proposed Parkland areas are shown on Map 1 (appended). They are currently in use as farmland, open space and woodland. The vision for these areas is to retain their natural state and

openness, in their current uses, with selective investment to create improved recreation provision, paths and public access.

2.24 It is proposed to establish a 'Trust' or 'Company' which would take ownership of this land with the following roles:

- To own and manage the GPE Parkland in the interests of the local community;
- To agree management arrangements for farmland in the estate, including leasing arrangements for the land;
- To own, manage and maintain any recreational facilities, open space and walkways and routes within the land;
- To enhance local heritage assets; and
- To invest and re-invest any income from the land, and/or any endowments or payments from GPE to achieve these aims and objectives, and secure external funding where necessary.

2.25 Places for People propose that the governing instruments of the governance vehicle should contain some flexibility in relation to use of land in case, for example, the local community wished to support additional small areas of development to meet local needs or otherwise to reflect local plan or neighbourhood plan requirements. The ownership structure would ensure that profits would be re-invested through the vehicle and that decision would rest with the community alone.

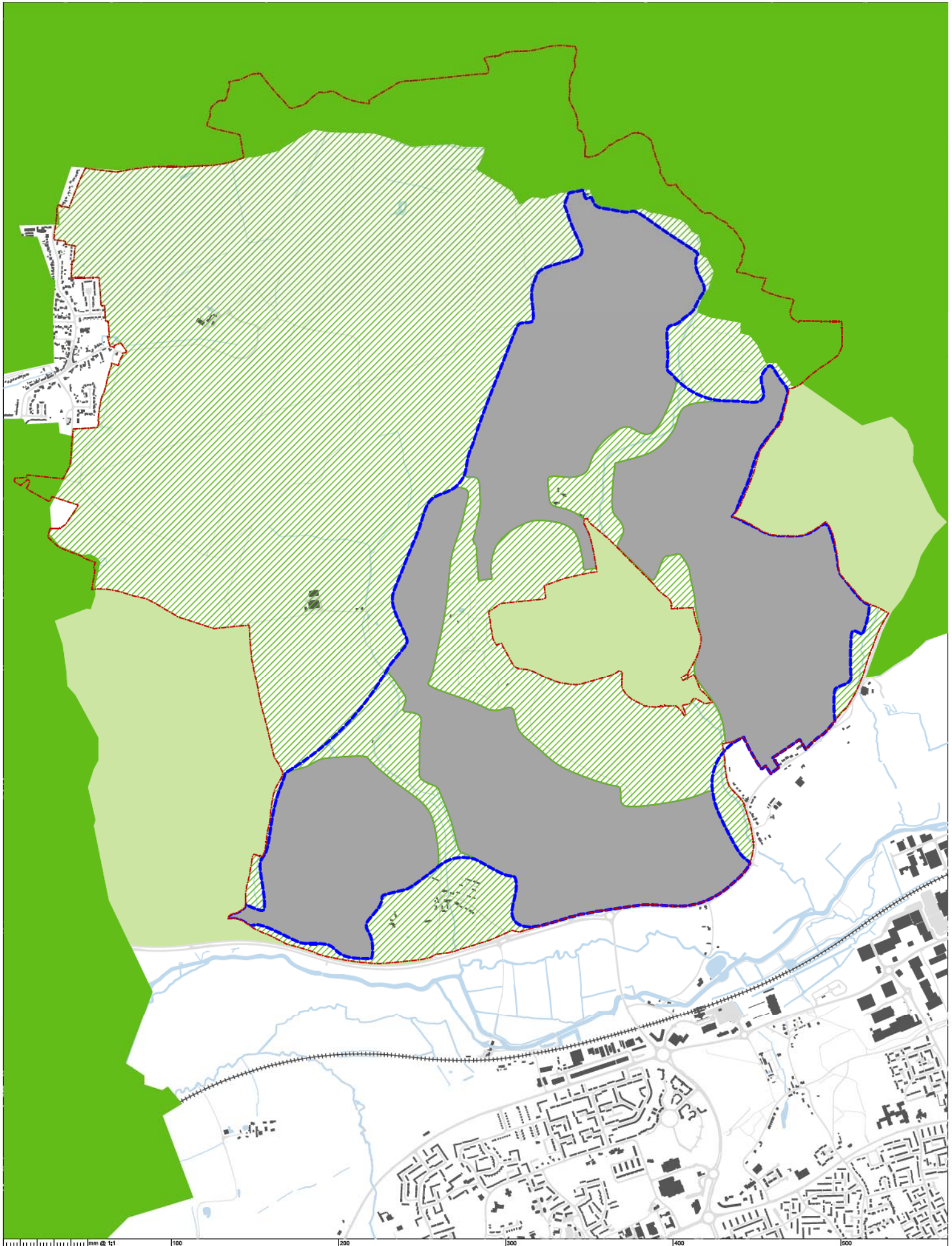
2.26 The legal structure of this vehicle will depend on discussions with local partners, and will be influenced by their aims and objectives, whether the preference is for direct individual representation or via existing institutions. The vehicle could be 'Asset Locked' to ensure that in the event of its wind up any assets would need to be passed to another charity or 'asset locked body' to maintain safeguards in perpetuity.

2.27 It is Places for People's intention that the full range of stakeholders with a legitimate interest would be represented as part of the governing structure. This would include, over time, residents of the new development, existing communities as well as representatives from statutory bodies and local interests in the wider area.

- 2.28 Precise membership and/or nomination rights will be subject for discussion but would be likely to include the local district councils, parish and town Councils, and could include nominees from local amenity groups, faith groups or voluntary and community organisations, as well as residents of the new villages as they develop.
- 2.29 Subject to the allocation of the site in the adopted Local Plan Places for People we will be working up a detailed Business Plan.

3 NEXT STEPS

- 3.1 The detail of the arrangements will be dependent on the extent of involvement desired by stakeholders as the development proposals are progressed, and the scale and scope of each phase of development. It is ultimately envisaged that the development would become 'self-governing' with assets ultimately transferred to either some form of Trust Structure. This will be supported by detailed business plan and programme to support its establishment from the outset of development.
- 3.2 As landowner Places for People can ensure that these governance arrangements will be delivered. Before the next stage of the Local Plan process Places for People will develop, with all interested parties, a framework planning obligation that ensures that the future development and use of the land can only be delivered in accordance with these principles.



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A1

Notes:
Do not scale
Measurements to be checked on site

Date:

Key

- Development Area
- Indicative Village Boundary
- Revised Green Belt Boundary
- Parksland
- Ownership Boundary

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