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NORTH ESSEX AUTHORITIES

SECTION 1 LOCAL PLAN EIP

Hearing Statement – Matter 1 Additional Hearing

SUBMITTED ON BEHALF OF G120, CIRRUS AND L&Q

April 2018

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1 INTRODUCTION

- 1.1 This Statement has been prepared on behalf of (Gateway 120 (“G120”), Cirrus Land Limited (“Cirrus”), and L&Q Group (“L&Q”) who together form) the Delivery Partners for the majority landholdings to the Colchester Braintree Borders Garden Community.
- 1.2 Representations have been duly made by the Delivery Partners throughout the production of the Section 1 Local Plan, including each iteration of the Braintree District Council and Colchester Borough Council Local Plans. Furthermore, the Delivery Partners have been involved throughout the Examination in Public of the Section 1 Local Plan, with representations made to and attendance at all relevant public hearing session. The following Statement should be read in the context of, and in conjunction with these earlier made submissions.
- 1.3 The scope of this Statement covers those questions posed by the Inspector within his agenda for the Additional Hearing Session for Matter 1 (doc ref: IED008).
- 1.4 The following response notes the reference within the agenda that the NEAs now propose to remove the reference to ‘risk and reward’ from the Vision for North Essex and Policy SP7. No drafting has been provided by the Councils to confirm the exact phrasing. It is understood, on the advice of the Inspector at the Examination hearings that further revisions to the *Vision for North Essex* are to be made within Main Modifications. On the basis of the information provided, and the discussions agreed during the original public hearings, it is understood the resulting proposed Policy SP7 will now read:

... The design, development and phased delivery of each new garden community will conform with the following principles:

- i. Community and stakeholder empowerment in the design and delivery of each garden community from the outset and a long-term community engagement and activation strategy*
- ii. The public sector working pro-actively and collaboratively with the private sector to design, and bring forward these garden communities, ~~deploying new models of delivery, sharing risk and reward and ensuring that the cost of achieving the following is borne by landowners and those promoting the developments to include~~ (a) securing a high-quality of place-making, (b) ensuring the timely delivery of both on-site and off-site infrastructure required to address the impact of these new communities, and (c) providing and funding a mechanism for future stewardship, management, maintenance and renewal of community infrastructure and assets. Given the scale and time period for development of these new garden communities, the appropriate model of delivery will secure a comprehensive approach to the delivery of each new community in order to achieve the outcomes outlined above, avoid a piecemeal approach to development, provide the funding and phasing of both development and infrastructure, and be sustainable and accountable in the long term...*

2 MATTER 1: LEGAL AND PROCEDURAL REQUIREMENTS

QUESTION 9

(i) *New Approaches to Delivery and Partnership Working*

- 2.1 It is an important differentiation as to whether the policy wording “requires” or “encourages” new approaches to delivery and partnership working.
- 2.2 New and productive approaches to delivery and partnership working has been encouraged by Government throughout its promotion of a new generation of garden settlements. The Garden Village Towns and Cities Prospectus gives clear encouragement to innovation “*in ways which we may not have anticipated*”.
- 2.3 The Government is continuing to create opportunities for new models of delivery through the measures introduced in the Neighbourhood Planning Act 2017, specifically Section 16, and the subsequent consultation on The New Towns Act 1981 (Local Authority Oversight) Regulations. The NEAs have shown their support to these proposals and intention to pursue them as a possible delivery model.
- 2.4 Lord Kerslake recognised in his review (page 7, middle column) the significant debt and risk the Councils would take on through a lead developer role. To alleviate this, it was proposed one or more of the communities could be delivered as a collaborative venture with a strategic partner (developer and/or financier) who supports the principles the Councils wish to promote.
- 2.5 The Delivery Partners have been consistently open to the different models being tested by the Councils, whether it be through the creation of a Local Delivery Vehicle, Development Corporation, or more traditional routes, and have engaged with the Councils to help understand how each could help to increase and enhance the delivery programme when compared with traditional models.
- 2.6 Paragraph six to Policy SP7 requires each of the listed principles to be secured prior to the granting of planning permission, providing a range of options to secure this. Bullets i-xiii then set out the principles that need to be satisfied in order for any proposal brought forward to comply with Local Plan policy. We therefore support the direction of the Councils through the revised rewording to Policy SP7, to allow well-crafted policy to shape the quality of the Garden Community rather than enforcing new models of delivery.
- 2.7 This follows the agreed position of the NEAs at the Examination, who stated during these hearings that they remain open to range of delivery model options as long as they secure the quality and quantum of development set out in policy. Indeed, Chapter 9 of the Plan states the creation of NEGC Ltd and potential subsequent LDVs was done without prejudice to the outcomes of the Local Plan process.
- 2.8 The effect of the original wording could be viewed as attempting to tie the deliverability of the policy to a specific LDV structure (or equivalent), which would be unnecessary when it has been demonstrated that a range of delivery model methods are implementable, as is acknowledged at paragraph 6 of Policy SP7, and

again at paragraph 9.2 of the Plan. This risks the deliverability of the policy and therefore the Plan as a whole.

- 2.9 Discussions between the Councils and the Delivery Partners over an appropriate delivery vehicle have been ongoing since the early stages of the NEGC proposals. There is a continued consideration for the evolving proposals to pursue a locally controlled development corporation under proposed legislative amendments to the 1981 New Towns Act Regulations. The Development Corporation model is one that is supported in principle by the Delivery Partners subject to it not prejudicing a suitable agreement with such a body in the same way as has been pursued to date between the Delivery Partners and NEGC Ltd.
- 2.10 Notwithstanding this commitment, L&Q has a proven track record of delivering large scale development projects, and delivering new communities with a range of housing, employment, community and social infrastructure, and strategic infrastructure within traditional development models. As such, the terms of any model must enhance delivery and increase outputs in order to be acceptable. If necessary L&Q will use its existing financial strength, with access to long term funding, to deliver the project as master-developer.
- 2.11 The recommend proposed changes to the policy will allow the Councils to achieve their aims for the Garden Communities whilst maintaining the soundness of the Plan. There is no justification for policy wording to contain a requirement to deploy new delivery models and furthermore, it risks the deliverability of the Plan as a whole should a traditional model be required.
- 2.12 We support the Councils' ambition in seeking new delivery models where it would enhance the deliverability of the development. However, it is questioned whether this is necessary or even appropriate to include reference within the actual policy. It would seem more appropriate for the supporting text to the policy to refer to an *encouragement* for the public sector and private sectors to work together in seeking new models of delivery, with the policy wording explicit to detailing the particulars of what is to be delivered.

(ii) *The sharing between the public and private sectors of risk and reward from development*

- 2.13 It is appreciated that the NEAs are to remove reference to the sharing of 'risk and reward' from within the policy. In this context the subsequent text "*ensuring that the cost of achieving the following [listed infrastructure] is borne by landowners and those promoting the developments*" is also required to be deleted.
- 2.14 The Councils have explicitly indicated their intention for public-sector engagement in the delivery of the Garden Communities (noting above our view that this is neither required nor should be secured within policy). Were this to occur it would involve subsequent agreements between the Councils (and/or their representative body e.g. NEGC Ltd) and landowners/promotion partners. In the event that no agreement is possible, the ambition of the Councils shouldn't restrict deliverability of the Garden Communities and consequently the Local Plan.

2.15 The proposed removed policy wording (quoted above) could be viewed as pre-judging the outcome of these agreements and puts a burden specifically on the landowners/promotion partners rather than the overall delivery body. Paragraph 173 of the NPPF states *“To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.”* The Delivery Partners have consistently emphasised their support towards delivering a high quality development that meets the infrastructure needs set out in policy, and confirm the viability of doing so. Any future partnerships that are involved in the delivery of the site would equally have to share burden of costs as well as reward (subject to the detail of the agreements that are made). It is not the place of Local Plan policy to place financial burdens on specific individuals.