



HEGNPG

Supporting our Community

Hunsdon Eastwick and Gilston Neighbourhood Plan Group

<https://hegnp.org.uk/>

Planning Policy
East Herts Council
Wallfields
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By email only

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Dear Sir/Madam,

Gilston Area Applications – Revised Outline Planning Application for Villages 1-6 ref 19/1045/OUT: Viability Assessment

The Hunsdon, Eastwick and Gilston Neighbourhood Plan Group (HEGNPG), on behalf of the Parish Councils of Hunsdon and Eastwick & Gilston have reviewed the Financial Viability Assessment (July 2022, ref. 96V) submitted by Places for People and would like to express our **serious concerns about the far-reaching implications** of this document for the Gilston Area and the delivery of the high quality development embedded in Garden City principles which the District Plan promised when it passed Examination.

- We are disappointed that Places for People appear no longer to be committed to the delivery of a scheme that is compliant with the expectations clearly set out in policy GA1 and other key policies in the District Plan and the Gilston Area Neighbourhood Plan and their own Concept Development Framework.
- We deplore the substantial shift away from Garden City Principles and the key tenet of Land Value Capture for the benefit of present and future communities for what appears to be unjustifiable developer profits; this has been exacerbated by the direction taken to prioritise the delivery of costly strategic highways infrastructure over other community benefits.

- We expect East Herts to assess the merits of the proposed revisions robustly and to use the planning instruments at its disposal to ensure the scheme is policy compliant and will deliver the high-quality sustainable development that has justified the release of the Green Belt. In doing so, we expect the Council to pay full regard to the advice set out in the Independent Viability Review undertaken by BPS.
- We fear that this ‘revision’ may not be the last and that we could find ourselves on a slippery slope of falling quality of development and quality of life for future generations. This is not the shared vision which the community has supported and underpins the Neighbourhood Plan.

There is a substantial difference between the baseline costs and of the level of reasonable profits in the Turner Morum (TM) report prepared by PfP and the BPS report prepared on behalf of the Council. While we fully appreciate that viability appraisals are based on a number of assumptions, the discrepancy is so great that **the TM report cannot be used as the basis for planning decision making**. We expect to see the matters raised by BPS to be fully addressed by PfP and a revised appraisal submitted and subject to consultation before any further progress is made in determination of the outline planning application.

In the interest of achieving appropriate and sustainable development, in line with Garden City Principles, it is now **incumbent on the Council to re-establish the credibility of the entire process** and make sure that any subsequent planning approval is clearly associated with:

- A transparent assessment of viability, with reliable assumptions for baseline costs and fair but not excessive rates of return for the developers.
- Reaffirmed commitment to Land Value Capture to deliver the social and physical infrastructure for the benefit of the community; , so publicly made by the Council and the developers in 2018 and written into the District Plan: this could be done by agreeing a realistic baseline land value (BLV) in the Viability Appraisal **before** applying any uplift due to the allocation. The Council has always promoted the principle of Land Value Capture to deliver the social and physical infrastructure for the benefit of the community and must reinforce this with the applicant.
- An approach to scaling back the development if this would ensure viability (as suggested in the East Hertfordshire Strategic Sites Delivery Study prepared by PBA in 2015) that is driven by sustainability and material priorities, rather than the expediency of ambiguous interpretations of planning requirements. The Gilston Area Development Forum should be given the opportunity to assess options and make recommendations.
- A new review by the HGGT Quality Review Panel should be undertaken to ensure that the proposals are still in line with policy expectations and the adopted Vision for the HGGT.
- The resulting recommended changes should subject to full public consultation to ensure transparency of the whole process.

The HEGNPG and the Parish Councils urge East Herts Council to treat the very significant and controversial proposals put forward by Places for People

as a call to reassess the scheme as a whole and ensure a fair and transparent process which will deliver the development and meet the identified housing needs of the District, safeguard quality of life commitments made to current and future residents and ensure just and reasonable profits for the investors taking into account Garden City Principles and the key tenet of Land Value Capture.

Specific Concerns

1. Low level of affordable housing / higher Private Rent provision

We are not convinced that the proposed new housing mix will meet East Herts identified housing needs or result in mixed and balanced communities and provide homes for local people and key workers.

East Herts is an expensive place to live: key workers, younger generations and many local residents need access to a range of affordable units. The District Plan acknowledges that there is a significant need for affordable housing. The West Essex and East Hertfordshire SHMA which informed the District Plan confirmed that in numerical terms East Hertfordshire had the highest level of affordable housing need in the Housing Market Area- equating to 32% of overall housing need.

The Council's stated aim is to maximise affordable housing provision and the target of 40% applied to larger sites in Policy HOU3 was informed by viability assessments. EHC had previously assessed the need for 4,000 affordable units to be delivered in the Gilston Area - that is 3,400 in V1-6 and this has now been cut to 1800 : if these much needed affordable homes are no longer to be delivered as part of the Gilston development, where will they provided and what will the implications be for local households and meeting identified local needs?

One of the key benefits of building at scale should be to maximise affordable housing provision- a figure of 21% (which could in practice be further reduced over time) is totally unacceptable for a development of this size and on a site which has been released from the Green Belt on the premise of the planning benefits that would be secured.

It is argued by the developers that the provision of private rented homes will go some way towards compensating for this but in practice, in this location, private rent will attract a range of employment related accommodation (airline staff, hospital staff, company workers) resulting in inflated rental prices and stiffer competition for housing. It will not meet local needs.

We note that BPS consider the scheme to be in surplus and capable of contributing further towards affordable housing. Para 5.5 of the BPS report states that if a benchmark profit of 15% on cost is assumed, this surplus would represent c.£109 million. We would urge the Council to ensure that the level of affordable housing provision is maximised in accordance with policy.

PfP should also be required to provide, and EHC to publish a well-documented and benchmarked assessment of their proposed housing mix and how it will contribute to the formation of stable and prosperous local communities in accordance with Policy GA1 and the shared vision for the Gilston area.

2. The lead weight of the Eastern Crossing

The HEGNPG argued forcefully, but to no avail, in its representations to the Development Management Committee that the costs of the CSC and ESC could put the rest of the Gilston Area development at risk and that the planning applications for the crossings should not be approved before understanding the full viability position of the scheme, an issue already then raised by the developers). Sadly, our fears have proved to be well founded.

The VA report has confirmed that the massive (and increasing) costs of the two crossings (including additional junctions and pedestrian bridges) have played a significant part in the cuts to affordable housing and other contributions now proposed by PfP. It also confirms our earlier contention that the ESC will not be needed, and will not be built in any case, before 10 years at least and that there would be the opportunity to reconsider the road schemes.

These over-scaled and over-engineered infrastructure projects are a lead weight on the wider development. Though already, prematurely, approved, they should be reconsidered, and efforts made to minimise costs and impacts: smaller footprint, reduced earthworks, revision of unnecessary junctions. EHC should support the preparation of revised proposals to reduce the crippling costs of the crossings as part of trying to find a fairer and more balanced solution.

3. The funding implications for Harlow's Sustainable Transport Corridors

The VA and PfP note that they will expect the HGGT and the authorities to secure substantial funding contributions for the ESC from other developers (as identified in the HGGT IDP) and guarantee that part of the funding in case of shortfall.

This could potentially result in a very significant loss of funding for Harlow's Sustainable Transport Corridors. This could potentially make the 60% share of Sustainable Travel within the Gilston Area unattainable if buses, cycle routes and other active travel measures are cut back or delayed in the surrounding area. This will in turn invalidate all the baseline assumptions made in the Transport Assessment which has been submitted in support of the outline planning application.

Alternatively, if PfP were required to increase their own contribution to deliver the crossings, this could result in a further reduction in affordable housing, other infrastructure provision and community benefits.

Before any revised proposals are approved, the HGGT and Transport Authorities should provide a clear and deliverable framework to secure the necessary funding to complete the STCs. PfP should supplement their TA with further 'sensitivity testing' / scenarios in which the STCs in Harlow are delayed or not delivered.

4. Lack of clarity regarding Pye Corner

The revised proposals do not make clear what would be the impact on Pye Corner (already a difficult junction and challenging fast road in the middle of a village area) and on Terlings if development in Village 1, Village 2 and maybe other areas comes forward in advance of the planned date for completion of the ESC. Eastwick Road at this location is a C road with weight restrictions that cannot take construction traffic and is unlikely to be suitable to serve the first 3,500 homes. The acceptability of the interim proposals for this area should be made clear and capable of scrutiny, as it will be a cause of considerable concern for residents.

A full transport, safety and noise study should be provided as part of the planning application submission, as specific impacts will result from the proposal to defer the ESC which is included in the VA.

5. Cutbacks on investments in the Stort Valley

Although outside the red line application boundary, the Stort Valley will clearly be significantly impacted by the proposals:

- Water and drainage patterns will be affected.
- Cycle routes will be required to link new residents to key destinations in Harlow
- There will be considerable pressure for additional leisure use as c. 35,000 people move into the area.

We fully endorse HMWT's representations already submitted on the VA and invite EHC to identify how the costs of the inevitable impacts will be covered, if they are not to be funded through development.

6. The lack of provision for Health Services

If it is the case that development in the HGGT is only required to contribute towards the provision of primary care facilities, such as a new health centre or GP surgeries, it cannot be acceptable to approve a development which will potentially house 35,000 new residents without any certainty about funding or medical staff to deliver the necessary health provision to meet their needs.

The area already experiences shortages and lack of doctors and nurses. It's not enough to provide land and buildings if there will be no-one to staff them.

The IDP identifies a shortfall of £330 million for the relocation or redevelopment of the Princess Alexandra Hospital with potential funding sources identified as the Department for Health and Social Care, NHS England, the Hospital Trust, CCG and private financing. No funding has been identified for extra care or nursing/residential care provision across the HGGT.

The pressures on the NHS, and central Government funding in 2022 are massively greater than they were in 2018 when the District Plan allocated the GA site. The Clinical Commissioning Groups and the Ambulance Service are warning that it is not within their capacity to provide GPs or ambulances for the new residents; furthermore, the delivery of the proposed new hospital in place of Princess Alexandra is looking uncertain.

This is a growing and now a very real problem for the whole Garden Town and must be addressed and the necessary commitments and funding secured before a development of the scale proposed can be approved by EHC or accepted by HGGT.

7. Status of the Draft Strategic Landscape Masterplan

The Strategic Landscape Masterplan is recognised as a critical document which must be in place prior to the preparation of Village Masterplans. We have become increasingly frustrated by the lack of progress made to date and the suggestion that this should follow the grant of outline planning consent. We are therefore extremely concerned that the VA states that landscaping costs have been based on the Draft

Strategic Landscape Masterplan when this document does not form part of the outline planning application submission and limited consultation has taken place.

If such a document has been prepared and is being relied on for the purposes of the VA, it should be made available as part of the planning application and subject to full consultation. We would welcome the Council's clarification on the status of this document.

Conclusion

The HEGNPG is of the view that the **amended scheme is no longer policy compliant and cannot be considered acceptable in planning terms**. Given the gravity of the current situation, we would request an early meeting with you to discuss the implications of the VA and the OPA going forward and reserve our right to make further comments as additional information becomes available and dialogue with various parties is undertaken. We would also urge the Council to place significant weight on the independent review undertaken by BPS and to ensure that all of the matters raised in that report are fully addressed.

Whilst our community remain committed to continue to engage with all parties to ensure an exceptional development of the highest quality in accordance, we believe the vision and objectives in the District Plan and Neighbourhood Plan are in serious jeopardy. **We regret we cannot support the proposals as currently presented given the grave uncertainty regarding the funding and delivery of essential social and community infrastructure and other benefits and the substantial reduction in affordable housing provision now proposed.**

Yours faithfully

D A Bickmore, Chairman

CC Cllr Linda Haysey, EHC Leader

Cllr Eric Buckmaster EHC and HCC