



MEETING : EXECUTIVE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 4 JUNE 2019
TIME : 7.00 PM

MEMBERS OF THE EXECUTIVE

Councillor Linda Haysey	- Leader
Councillor Geoffrey Williamson	- Deputy Leader & Executive Member Financial Sustainability
Councillor Peter Boylan	- Executive Member for Neighbourhoods
Councillor Eric Buckmaster	- Executive Member for Wellbeing
Councillor George Cutting	- Executive Member for Corporate Services
Councillor Jan Goodeve	- Executive Member for Planning & Growth
Councillor Graham McAndrew	- Executive Member for Environmental Sustainability
Councillor Suzanne Rutland-Barsby	- Executive Member for Communities

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AGENDA

1. Apologies

To receive apologies for absence.

2. Leader's Announcements

3. Minutes - 26 February 2019

To approve as a correct record the Minutes of the meeting held on 26 February 2019

4. Declarations of Interest

To receive any Member(s) declaration(s) of interest.

5. Harlow and Gilston Garden Town Guidance Infrastructure Delivery Plan Strategic Viability Assessment and "How to" guide (Pages 6 - 343)

6. Annual Report on Performance 2018 - 19 (Pages 344 - 398)

7. Draft Statement of Community Involvement (Pages 399 - 452)

8. Risk Management Strategy (Pages 453 - 483)

9. Heritage Fund Lottery (Pages 484 - 490)

10. General Fund Revenue and Capital Outturn 2018/19 (Pages 491 - 504)

11. Urgent Business

To consider such other business as, in the opinion of the Chairman of the

meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

Agenda Item 5

EAST HERTS COUNCIL

EXECUTIVE – 4 JUNE 2019

REPORT BY LEADER OF THE COUNCIL

REPORT TITLE: HARLOW AND GILSTON GARDEN TOWN:
INFRASTRUCTURE DELIVERY PLAN, STRATEGIC VIABILITY
ASSESSMENT AND HOW TO GUIDE.

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To enable the Executive to consider key documents relating to the extent and provision of infrastructure associated with the Harlow and Gilston Garden Town.

<u>RECOMMENDATIONS FOR EXECUTIVE:</u> to recommend to Council that:	
(A)	The Harlow and Gilston Garden Town Infrastructure Delivery Plan, Strategic Viability Assessment and How To Guide for Planning Obligations, Land Value Capture and Development Viability be agreed as material considerations for Development Management purposes.

1.0 Background

- 1.1 The Council has been working collaboratively with partners at Harlow District Council, Epping Forest District Council, Hertfordshire County Council and Essex County Council to bring forward transformational growth through the Harlow and Gilston Garden Town. A Vision and a Design Guide for the Garden Town have been published and set out the aspirational

nature of the development that the partner Councils are seeking to achieve.

- 1.2 A core Garden Town team of officers has been established and is undertaking tasks across a number of workstreams to ensure that development, when it comes forward, meets the aspirations set out in the Vision and Design Guides.
- 1.3 An important and early element of that work is to identify the range of infrastructure that will be required to support the development. This has been undertaken through the preparation of an Infrastructure Development Plan (IDP). Associated with this, work has been carried out to test the potential of the development to generate funds to enable the delivery of the infrastructure identified as required. This work has taken place through the preparation of a Strategic Viability Assessment (SVA).
- 1.4 These documents, together with an explanatory 'How to' Guide, are now published on the websites of the partner District Councils. They have already been endorsed by the partner Councils, through their Member representative on the Garden Town Board.
- 1.5 The production of the documents has also seen a programme of stakeholder engagement. All key landowners and developers have been involved in this.
- 1.6 The purpose of this report is to inform the wider Executive of this work and to enable it to recommend the formal endorsement of the documents as material to the consideration of development proposals, when they come forward.
- 2.0 The Infrastructure Delivery Plan (IDP)
- 2.1 The IDP is attached to this report as **Essential Reference Paper B**. The document sets out:

- the scale of infrastructure required across the Garden Town;
 - anticipated delivery phasing;
 - indicative costs;
 - priorities and responsibilities; and
 - funding gaps.
- 2.2 Prior to the production of this Garden Town IDP, work of a similar nature has already been undertaken for the District as part of the preparation of the East Herts District Plan. In addition, an Infrastructure Prospectus, undertaking a similar role, has been prepared on a cross Hertfordshire basis. The Garden Town IDP builds on these former reports and now focusses on the infrastructure required for the delivery of the Garden Town.
- 2.3 The IDP provides a full summary of the infrastructure considered to be necessary to ensure that good quality development is delivered as part of the Garden Town, meeting the aspirations of the partner Councils.
- 2.4 The IDP is a live document, as infrastructure requirements and delivery will change as development takes place. In that respect it represents matters at the point in time that it has been produced. It will be subject to regular review. It is proposed that, in future, the wider East Herts District Plan IDP will exclude consideration of Garden Town infrastructure matters. These will continue to be covered in any future Garden Town IDP update. This will avoid duplication.
- 3.0 Strategic Viability Assessment (SVA)
- 3.1 The SVA is attached to this report as **Essential Reference paper C**. The role of the SVA is to test the ability of the development sites, which form the Garden Town allocations, to meet the costs of delivery of the infrastructure identified as required in the IDP. The report assesses the value that will be generated by the development through its housing and other

land use elements. It factors in land costs, development costs and other standard assumptions that are incorporated in work of this type.

- 3.2 The conclusion reached in the SVA is that the viability of the delivery of the sites is sensitive to, amongst other matters, the timing of infrastructure delivery and the mix and type of housing delivered. It is stressed in the report that it represents a 'worst case' scenario, with all infrastructure and mitigation costs arising as a result of the development included in the assessment. In that respect the work does not take into account the potentially beneficial impact of externally sourced infrastructure funding, for example the £171m Housing Infrastructure Fund (HIF) Bid, to be used to provide transport related infrastructure, that has been submitted to government.
- 3.3 Overall, the conclusion is that the partner Councils should continue to work with the promoters of the key sites. Confidence is given that the sites are deliverable. However, it is noted that flexibility around the timing of infrastructure payments and the mix of affordable housing can have a significant impact on and improve viability notably.
- 3.4 Importantly, changes in national policy, in the form of the National Planning Policy Framework (NPPF), published in Feb 2019, have shifted the emphasis on viability testing from the development management (planning application) stage to the plan making stage. Harlow and Epping Forest Districts are in the process of taking their Local Plans through the Examination process. The IDP and SVA have been submitted to those Examinations and are being assessed therefore, at the plan making stage.
- 3.5 For East Herts, the Examination has concluded and the District Plan has been adopted. The NPPF sets out however that the weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the

case, including whether the plan and the viability evidence underpinning it is up to date. So, with regard to East Herts, because of the recent and up to date nature of this work, it is still the case that it can be given full weight in any relevant decision making.

4.0 How To Guide

4.1 At the same time as the publication of the IDP and the SVA, the Councils have published a Guidance Note setting out the approach the Councils will take to ensuring delivery of the necessary infrastructure to enable the Vision and aspirations of the Councils to be met. This is in the form of a note titled: A Harlow and Gilston How To Guide for Planning Obligations, Land Value Capture and Development Viability. Attached to this report as **Essential Reference Paper D**.

4.2 The Guidance Note summarises the land value capture approach that the Councils will take, ensuring that a reasonable element of the value generated by the development is used to ensure the provision of high quality new places and infrastructure.

4.3 The Note provides a summary to the approach set out in the IDP and SVAs. It then sets out the approach the Council will take to securing provision through the use of s106 Agreements.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	The documents have been subject to stakeholder engagement through their preparation.
Legal:	Planning Obligation Agreements will relate to the infrastructure requirements identified in the IDP, funding arrangements set out in the SVA and be based on the approach set out in the How To Guide.
Financial:	The conclusions of the IDP and SVA reports will have a significant bearing on the funding arrangements for the delivery of infrastructure as part of the Garden Town development.
Human Resource:	No implications.
Risk Management:	The IDP, SVA and How To Guide seek to clearly set out how the partner Councils will approach the extent, funding and delivery of infrastructure and other mitigation required as a result of the development. Their preparation seeks to minimise the risks associated with this.
Health and wellbeing – issues and impacts:	Much of the Garden Town infrastructure is sought to underpin the Garden Town aspiration of the development of a healthy new place.

Equality Impact Assessment required:	No

Harlow and Gilston Garden Town

Infrastructure Delivery Plan

Final Report

April 2019



This report takes into account the particular instructions and requirements of our client. It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

Job number 263366-00

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Section 1

Introduction

1 Introduction

1.1 Overview of the Garden Town

Harlow District Council (HDC), East Hertfordshire District Council (EHDC), Epping Forest District Council (EFDC), Hertfordshire County Council (HCC) and Essex Country Council (ECC) are working together to bring forward the transformational growth of Harlow as the **Harlow and Gilston Garden Town**. The objectives of the Garden Town are to deliver sustainable growth and infrastructure of considerable scale and significance, which will meet housing and employment needs, deliver regeneration objectives and create a high-quality environment). Approximately 16,000 new homes are planned for the Garden Town within the Councils' plan periods to 2033 (including units already delivered or consented), with an additional 7,000 delivered beyond the plan periods.

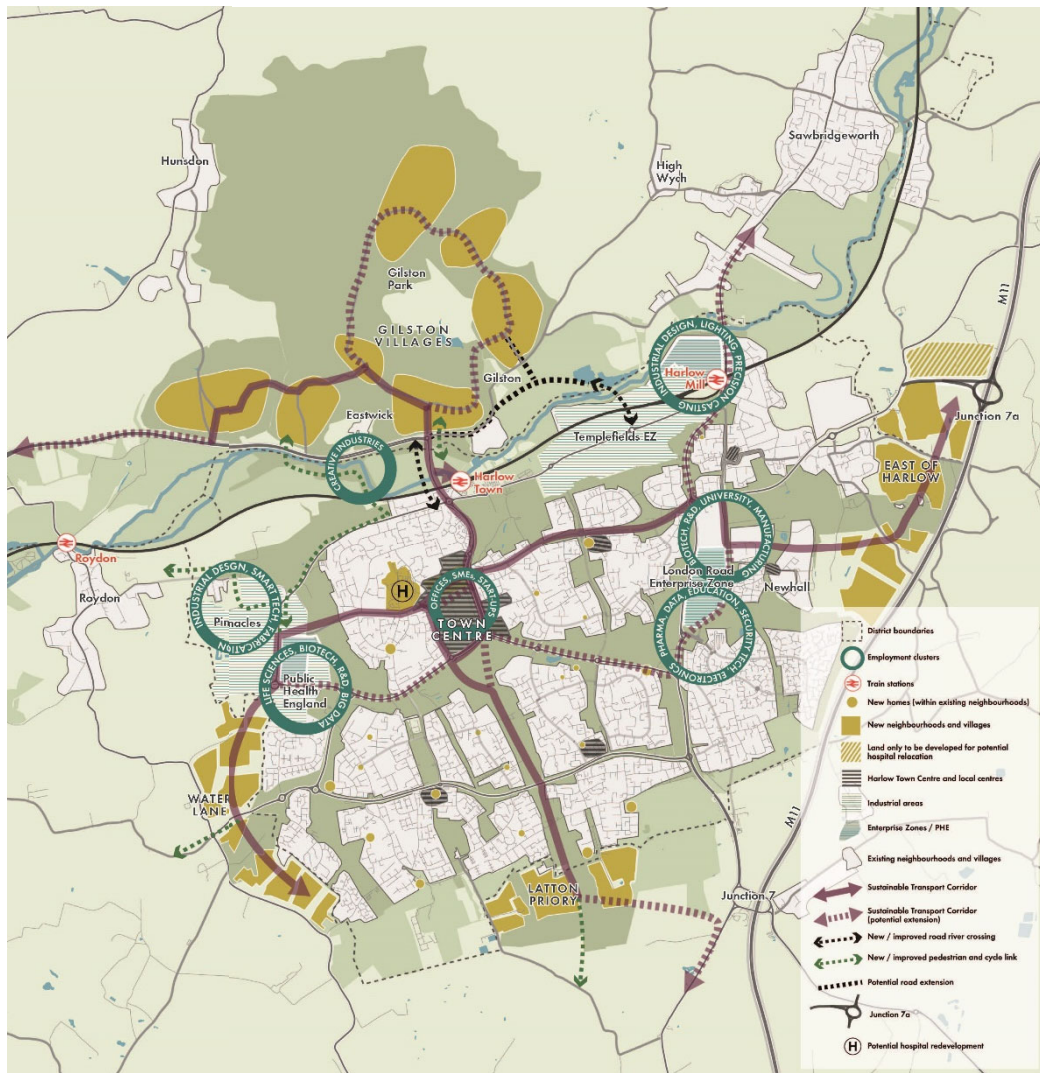
The Garden Town comprises development sites both within the Harlow administrative area and within East Hertfordshire District and Epping Forest District. This includes:

- **Gilston Area**, located in East Hertfordshire District – 10,000 units across distinct villages (of which at least 3,000 will be delivered by 2033).
- **East of Harlow**, located in Harlow and Epping Forest Districts – 3,350 units.
- **Water Lane Area**, located in Epping Forest District – 2,100 units. Water Lane Area is broken down into two separate areas known as West of Katherine's and West Sumners.
- **Latton Priory**, located in Epping Forest District – 1,050 units.
- A further 21 sites, which together total 1,147 dwellings, are allocated in the draft Harlow Local Plan.

The locations of these growth areas are shown in Figure 1.

In January 2017, the Government announced its support for Harlow and Gilston Garden Town. This 'Garden Community status' makes clear the aspiration to accelerate delivery of growth within the first five years of the authorities' plan periods, and the phasing of appropriate levels of infrastructure delivery is integral to this aspiration.

Figure 1 Harlow and Gilston Garden Town



Harlow and Gilston Garden Town is being delivered in accordance with the Town and Country Planning Association's 'Garden City Principles'¹, which are:

1. **Land value capture for the benefit of the community.**
2. **Strong vision, leadership and community engagement.**
3. **Community ownership of land and long-term stewardship of assets.**
4. **Mixed-tenure homes and housing types that are genuinely affordable.**
5. **A wide range of local jobs in the Garden City within easy commuting distance of homes.**
6. **Beautifully and imaginatively designed homes with gardens, combining the best of town and country to create healthy communities, and including opportunities to grow food.**
7. **Development that enhances the natural environment, providing a comprehensive green infrastructure network and net biodiversity gains,**

¹ Available at: <https://www.tcpa.org.uk/garden-city-principles> (accessed March 2019).

and that uses zero-carbon and energy-positive technology to ensure climate resilience.

8. **Strong cultural, recreational and shopping facilities in walkable, vibrant, sociable neighbourhoods.**
9. **Integrated and accessible transport systems, with walking, cycling and public transport designed to be the most attractive forms of local transport.**

Paragraph 72 of the National Planning Policy Framework (NPPF) (2019) also references the role of the Garden City Principles in setting clear expectations for the quality of development and how this can be maintained.

The Garden City Principles have informed the **Garden Town Vision** that has been prepared to help residents, business, investors and developers to understand the Garden Town and its quality aspirations to create the shared Vision:

The pioneering New Town of Gibberd and Kao will grow into a Garden Town of enterprise, health and sculpture at the heart of the UK Innovation Corridor. Harlow and Gilston will be a joyful place to live with sociable streets and green spaces; high quality homes connected to fibre optic broadband; local centres accessible by walking and cycling; and innovative, affordable public transport. It will set the agenda for sustainable living. It will be adaptable, healthy, sustainable, innovative.

1.2 Purpose of the Infrastructure Delivery Plan

The Councils have commissioned the preparation of an **Infrastructure Delivery Plan** (IDP) to assist in bringing forward transformational growth at the Harlow and Gilston Garden Town. The purpose of the IDP is to set out the infrastructure that will be required to deliver the planned level of housing and employment growth at the Garden Town. The IDP draws on previous work undertaken by the Councils – in particular, the District-level IDPs already produced to support the respective Local Plans (See Section 2.2) – and compiles, aligns and updates it.

The combined Infrastructure Schedule for the Garden Town (set out in full in Appendix A and summarised in Section 5) covers a wide range of types of infrastructure. The Schedule:

- Identifies the **scale of infrastructure** required across the Garden Town.
- Determines the anticipated **phasing** of the infrastructure based on the trajectory for the Garden Town.
- Presents **indicative costs** associated with delivering the infrastructure required to support growth.
- **Prioritises the infrastructure** interventions according to whether it is considered ‘critical’, ‘essential’ or ‘required’ to the delivery of the planned growth.

- Sets out the **organisational responsibility** for delivery and potential sources of funding.
- Identifies, where possible, the **scale of the funding gap** where funding is not fully committed.

The commission also identifies how expected developer contributions from various sites will be apportioned and what collection mechanisms can be utilised to assist in funding the infrastructure items which serve more than one site.

Through the process of producing the IDP, a package of measures and broad estimates of the likely financial contribution for each of the Garden Town sites has been produced. The IDP has been produced concurrently with the Strategic Viability Assessment, to allow these costs to be included in the appraisal. The purpose of the Strategic Viability Assessment is to consider the wider deliverability of the Harlow and Gilston Garden Town, taking into account infrastructure requirements alongside other considerations. More information on the Strategic Viability Assessment can be found in Section 4.10.

How the Infrastructure Delivery Plan will be used

Changes to national policy – in the form of NPPF 2019 (updating the July 2018 version) and Planning Practice Guidance updates – have shifted the emphasis on viability testing from the development management stage to the plan making stage (see Section 2.1 for more information). Understanding infrastructure requirements and their impact on viability early is an important component of this.

Planning Practice Guidance states that, where up-to-date policies have set out the contributions expected from development, planning applications which comply with them should be assumed to be viable.

The IDP, along with the Strategic Viability Assessment (see Section 4.10) will be used as a basis for subsequent strategic masterplanning and planning application discussions for the four strategic sites (Gilston Area, East of Harlow, Water Lane Area, and Latton Priory).

Further guidance on this process is set out in the Harlow & Gilston Garden Town ‘How To’ Guide for Planning Obligations, Land Value Capture and Development Viability².

IDPs are, by their very nature, a ‘snapshot in time’, and as different infrastructure providers respond to their own unique challenges, the information that they provide will naturally date and alter over time. There are a number of areas of work ongoing which will further inform infrastructure requirements. The IDP will be reviewed periodically and updated where necessary.

² Available on Districts’ websites.

1.3 Disclaimer

This report takes into account the particular instructions and requirements of the client. It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

1.4 Acknowledgements

Production of the IDP has involved collaborative working between a wide range of stakeholders. Arup is grateful for the time taken by the local authorities, infrastructure providers, and developers/promoters and their agents and consultants who engaged with the study.

More information on the consultation and engagement undertaken as part of producing the IDP is set out in Section 4.4.

1.5 Structure

The rest of the IDP is structured as follows:

- **Section 2** sets out the national and local policy context.
- **Section 3** describes the collaborative arrangements in place to deliver the Harlow and Gilston Garden Town.
- **Section 4** summarises out the methodology used to identify the infrastructure requirements of the Garden Town.
- **Section 5** provides a summary of the infrastructure required to support the Harlow and Gilston Garden Town.
- **Section 6** explores alternative contribution collection and funding approaches.
- **Appendix A** provides the Infrastructure Delivery Schedule in full.
- **Appendix B** sets out the Garden Town delivery trajectory.
- **Appendix C** explains the approach to applying risk allowance to infrastructure costs.

Section 2

Policy Context

2 Policy Context

2.1 National Context

2.1.1 National Planning Policy Framework

The revised NPPF (2019) requires planning authorities to positively plan for development and infrastructure required in the area to meet the needs associated with growth. Local planning authorities must progress a proportionate evidence base for infrastructure which assesses the quality and capacity of various forms of infrastructure.

The IDP is therefore an important part of the evidence base. Its purpose is to demonstrate that the infrastructure requirements necessary to support the level of housing and employment growth in Harlow and Gilston Garden Town can be delivered.

Paragraph 16 of the NPPF states that plans should be prepared positively, in a way that is aspirational but deliverable, while being prepared with the objective of contributing to the achievement of sustainable development. Specifically, the NPPF states that both strategic (paragraph 20) and non-strategic (paragraph 28) policies should set out the overall strategy for the pattern, scale and quality of development, and make sufficient provision for infrastructure, including transport and community facilities (such as health and education).

Paragraph 34 of the NPPF states the following:

“Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan.”

Updates to the NPPF (since the previous version published in July 2018) have shifted the emphasis on viability testing from the development management stage to the plan making stage. Paragraph 57 of the NPPF states that:

“Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.”

Because of this increased emphasis on the plan making stage, early understanding of the infrastructure requirements (and their impact on viability) has also become more important.

2.1.2 Planning Practice Guidance

Planning Practice Guidance (PPG) (Paragraph: 059; Reference ID: 61-059-20190315) explains the role and function a Local Plan in delivering infrastructure:

- The Local Plan should identify what infrastructure is required and how it can be funded and brought forward.
- Early discussion with infrastructure and service providers should be undertaken to collaboratively identify infrastructure deficits and requirements, and opportunities for addressing them. In doing so they will:
 - Assess the quality and capacity of infrastructure, and its ability to meet forecast demands. Policies should set out how identified deficiencies will be addressed; and
 - Take account for strategic infrastructure, including nationally significant infrastructure, within these areas.
- It is recommended that an Infrastructure Funding Statement is prepared using available evidence to set out the anticipated funding from developer contributions, and the choices local authorities have made about how these contributions will be used. At examination this can be used to demonstrate the delivery of infrastructure throughout the plan period.
- Where longer term growth is planned through new settlements or significant extensions to existing villages or town, less detail may be provided as the position regarding the provision of infrastructure is likely to be less certain. In these circumstances, it is expected that authorities will demonstrate a reasonable prospect that the proposals can be developed within the timescale envisaged.

PPG also provides guidance on viability and plan making. It states that:

“Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure).

“These policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and Section 106.”

(Paragraph: 001 Reference ID: 10-001-20180724)

The PPG also states that plan makers should engage with landowners / developers and infrastructure providers to secure evidence on costs and values to inform the understanding of viability (Paragraph: 006 Reference ID: 10-006-20180724).

2.1.3 Planning Obligations

Planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms. Planning obligations may only constitute a reason for granting planning permission if they meet all the tests set out in Paragraph 56 of the NPPF and Regulation 122 of the CIL Regulations:

- necessary to make the development acceptable in planning terms;
- directly related to the development; and
- fairly and reasonably related in scale and kind to the development.

The PPG (Paragraph: 059; Reference ID: 61-059-20190315) states that local authorities should ensure that the combined total impact of such requests does not threaten the viability of the sites and scale of development identified in the development plan.

Developers may be expected to provide contributions for infrastructure in several ways. This may be by way of Community Infrastructure Levy (CIL) charged, or through Section 106 (S106) Agreements and Section 278 (S278) Agreements relating to highways works. None of the Councils have a local CIL Charging Schedule in place, and Charging Schedules are not currently being progressed.

Under the CIL Regulations 2010 (2014 amendments) there are currently restrictions on the ‘pooling’ of separate Section 106 planning obligations, so that authorities cannot pool more than five obligations to pay for a single piece of infrastructure³. (There are no limits on pooling for Section 278 Agreements, though in practice pooling a large number of Section 278 Agreements might not be practicable.)

It should be noted that the Government has committed to introducing guidance on the use of CIL and planning obligations, and it is expected that the restriction on pooling will be lifted.

2.2 Sub-Regional and Local Policy Context

In support of their Development Plan Documents, each District has produced a District-level IDP:

- Delivery Study for Harlow and Surrounding Area: Infrastructure Delivery Plan (2018)⁴
- East Herts Infrastructure Delivery Plan (2017)

³ A consultation document *Supporting housing delivery through developer contributions* was published by the Government in March 2018. The document includes proposals to remove the pooling restrictions in certain circumstances – where there is an adopted CIL Charging Schedule; where authorities fall under a threshold of the tenth percentile of average new build house prices meaning CIL cannot meaningfully be charged; or where a development is planned on several strategic sites.

⁴ This document also considers infrastructure requirements beyond Harlow District Council’s administrative boundary.

- Epping Forest District Council Infrastructure Delivery Plan: Part A Report (Infrastructure Delivery Plan) and Part B Report (Infrastructure Delivery Schedule) (2017)

The three Districts have set out policies for planning obligations within their respective Development Plan Documents, as follows:

- Harlow Local Development Plan (Pre-Submission Publication May 2018), Policy IN6
- East Herts District Plan (adopted October 2018), Policy DEL2
- Epping Forest District Plan (Submission Version 2017), Policy D1

The two Counties have also adopted separate documents to provide information on planning obligation requirements:

- Essex Planning Protocol (2018)
- Essex County Council Developers' Guide to Infrastructure Contributions (Revised Edition 2016)⁵
- Essex Local Viability Protocol (2018)
- Planning Obligations Guidance - Toolkit for Hertfordshire (2008)⁶

The guidance sets out infrastructure policy standards and costing information, to help standardise the approach to delivery, and ensure new developments are sustainable. These documents have been used as a starting point for identifying the quantum and provision of infrastructure required to support growth over the Plan period.

A 'How To' Guide⁷ has been prepared and published by the Garden Town authorities, providing guidance to applicants, decision makers and other stakeholders on the delivery of growth and infrastructure, including the capture of development land value through the use of planning obligations. The Guide promotes a consistent approach – in line with the Garden City Principles and the Garden Town Vision – to the sustainable delivery of the Garden Town and its long-term stewardship. The Guide has been endorsed by the Garden Town Member Board, including Councillors from Harlow, East Herts and Epping Forest District Councils and Essex and Hertfordshire County Councils.

⁵ Essex County Council is in the process of updating the Developers' Guide to Infrastructure Contributions and this is due to be completed by mid 2019.

⁶ Hertfordshire County Council is in the process of updating the Toolkit with an updated version of the document proposed to be adopted by the end of 2019.

⁷ Harlow and Gilston Garden Town, 'How To' Guide for Planning Obligations, Land Value Capture and Development Viability (2019) (Available on Districts' websites)

Section 3

Garden Town Collaboration and Delivery

3 Garden Town Collaboration and Delivery

3.1 Joint Working

Local planning authorities are expected to cooperate on planning issues that cross administrative boundaries, particularly those which relate to the strategic priorities. In January 2017, Epping Forest District, Harlow District and East Hertfordshire District Councils were given Garden Town status for the strategic development at Harlow and Gilston Garden Town.

The successful delivery of the Garden Town needs to be underpinned by a comprehensive package of infrastructure, phased and delivered in a timely way, ahead of, or in tandem with the development it serves. This necessitates a coordinated approach across local authority boundaries and the involvement of a range of partners, including the site owners/promoters, infrastructure providers and other stakeholders. The IDP will help to ensure that a consistent approach to infrastructure requirements to support the sites will be adopted. The Councils will continue to work with one another and with relevant working groups and partners, to ensure the funding and delivery of strategic infrastructure requirements impacting on the Garden Town, while considering the cross-boundary implications.

The three District Councils are not all at the same stage of the plan-making process but have come together with Essex and Hertfordshire County Councils where necessary to undertake evidence base work to support the delivery of the Garden Town. The housing and economic market area extends to include Uttlesford District Council. As such, the three Councils and Uttlesford have consequently sought to align local plan policies as far as possible and have agreed three Memorandums of Understanding. A Vision and Design Guide have also been produced which set out the vision for the Garden Town and the aspirations for the delivery of high quality and sustainable development.

Figure 2 Harlow and Gilston Garden Town Vision and Design Guide



The East-West and North-South Sustainable Transport Corridors are a key element of the infrastructure required to integrate the Garden Town Communities with the built-up area of Harlow and achieve the aim to make walking, cycling and public transport the most attractive option in line with Garden City Principles. A Draft Transport Strategy has been produced for consultation setting out objectives for achieving sustainable travel and a Sustainable Transport Corridor Study for the Garden Town has been produced to set out the design and scope of the corridors, and further detailed work is ongoing.

3.2 Planning Obligations Supplementary Planning Document

The Garden Town authorities have identified that further guidance in the form of Planning Obligations Supplementary Planning Document/s (SPD) may also be required in order to ensure that contributions to, and delivery of, strategic infrastructure such as the Eastern River Stort Crossing and the Sustainable Transport Corridor network is secured in a co-ordinated and consistent manner.

3.3 External Funding

The IDP is a live document and will be updated over time; when published or reviewed it is based upon the best available evidence at the time of publication or review. In relation to certain infrastructure items in the IDP, external funding has been factored in where evidence exists to indicate that it is likely to come forward either because there is sufficient commitment to that funding (such as in relation to the M11 Junction 7A works), or where past experience or engagement with stakeholders suggests that it is likely to come forward (such as in relation to emergency services funding).

Harlow and Gilston Garden Town has been designated as a Garden Town by the Government and through this status the authorities have been able to obtain external funding from Homes England to support work to deliver the growth. The authorities are also committed to working positively and proactively to identify further opportunities for external or innovative funding approaches to ensure that the Garden Town is delivered in accordance with the Garden City Principles and Garden Town Vision, in particular with regards to the early delivery of necessary infrastructure.

Securing external funding will not mean that reasonable and appropriate funding from development through the capture of land value is precluded. Such external funding can be used to address cashflow problems or funding gaps should these be identified in the course of delivering growth across the Garden Town. If external funding is used to forward fund infrastructure, then subsequent contributions received from development will be used to contribute towards a rolling infrastructure fund.

If additional external funding is secured, or the likelihood of securing it is considered sufficiently high, this will be reflected in future reviews of this IDP, where applicable.

3.3.1 Housing Infrastructure Fund

At the time of writing (April 2019), a business case is currently being prepared for the Housing Infrastructure Fund (Forward Funding bid) (HIF) – a capital grant programme to assist in the delivery of new homes. The fund will be used to deliver new physical infrastructure to support new communities and enable local authorities to forward fund infrastructure on the understanding that contributions from future development will reimburse that forward funding and those contributions will be allocated to a rolling infrastructure fund which will be available to cover other critical gaps in infrastructure funding.

HIF is designed to address ‘market failure’, where the market alone cannot resolve an issue that would otherwise have been resolved through the conventional development market delivery approach (e.g. funding of infrastructure required to unlock growth).

A key aspect underpinning the successful delivery of the Harlow and Gilston Garden Town is the delivery of the Sustainable Transport Corridors and other strategic infrastructure (including the River Stort Crossings) that will ensure sustainable growth across the area. However, development across the Garden Town is not expected to be able to fund some of the key infrastructure elements and sustainable transport corridors at the right time to ensure that new development comes forward in a sustainable way. To achieve the level of sustainability that the Garden Town is seeking may therefore not be possible without intervention and support provided by the HIF.

The HIF would enable the priority transport infrastructure to be delivered when it is necessary, whilst also enabling developers to fund the early delivery of wider infrastructure needs. Due to the scale of the strategic infrastructure, the complex phasing of housing, the number of developers and multiple authorities involved, it

is likely that the delivery of the development and infrastructure will only be secured comprehensively with a co-ordinated effort and upfront funding.

If successful, the HIF would help accelerate delivery of this infrastructure and thereafter use contributions recovered from development to create a rolling infrastructure fund for the Garden Town which would continue to be used to forward-fund key infrastructure, in turn recovering additional developer contributions creating a virtuous cycle supporting early infrastructure delivery. External funding can also be used to prioritise developer funding to achieve early delivery of other forms of infrastructure where this would also support the realisation of the Garden City Principles and Garden Town Vision.

More information about how the Housing Infrastructure Fund bid has been treated in the IDP is provided in Section 4.9.3.

3.4 Delivering Sites

Strategic masterplans will be developed for the East Harlow, Latton Priory and Water Lane Area sites and Village Masterplans will be developed for the Gilston Area, with a view to them being formally endorsed by the relevant authorities. This process will be undertaken jointly with the Garden Town Partners and the site developers/promoters through collaborative engagement with stakeholders and the community.

A key element of the planning application and masterplanning process will be to establish in more detail how the specific infrastructure required for each development allocation will be delivered. Consultation with the key infrastructure providers will continue as the planning and design process progresses.

3.5 Key Infrastructure

3.5.1 M11 Junction 7A and Improvements to M11 Junction 7

Harlow is connected to the national motorway network via Junction 7 on the M11. Junction 7 is at capacity; future planned growth at Harlow and Gilston Garden Town is therefore dependent on upgrades to the strategic road network.

Planning consent has been granted and funding secured for a new Junction 7A on the M11 (between J7 and J8), to facilitate current and future development. Plans include a new motorway junction between the existing Junction 7 and Junction 8, and the construction of a new link road and roundabout to link the junction with Gilden Way and Sheering Road. This scheme also includes widening and improvements to Sheering Road and Gilden Way. Preparatory works to deliver Junction 7A began in January 2019.

In the longer term, improvements to Junction 7 of the M11 are also required. A Memorandum of Understanding⁸ commits the relevant parties to working together to resolve key highways issues including Junction 7.

3.5.2 Sustainable Transport Corridors Network

The Sustainable Transport Corridors (STC) will form a strategic network of routes, principally, north-south and east-west across the Garden Town, connecting the new neighbourhoods and villages to Harlow Town Centre, the existing neighbourhoods of Harlow new town and key locations including the railway stations and employment areas. This network will provide dedicated routes for public transport as well as cycling and walking, identified in the Harlow and Gilston Garden Town Transport Strategy (Draft for Consultation 2019). These modes of travel are key interventions necessary to achieve the 60% modal split for the Garden Town communities⁹.

In the HIF bid to Homes England, sections of the STC network have been identified as forming part of the network to support the comprehensive and sustainable growth of the Garden Town (see Section 3.3). The HIF bid has been identified as a means to support delivery of the network both directly (through funding sections of the network) and indirectly (from forward funding that will enable a rolling infrastructure fund to be set up and developer contributions recovered for HIF-funded infrastructure).

3.5.3 River Stort Crossings

Identified within the IDP is the provision of works to enhance connectivity across the River Stort valley. This infrastructure is identified as a combination of highway capacity improvements and that necessary to enable provision of active, healthy sustainable connectivity in order to achieve the mode share targets within the Garden Town, in accordance with the Garden City Principles and the Garden Town Vision, as articulated further within the Harlow and Gilston Garden Town Transport Strategy (Draft for Consultation 2019).

The works principally comprise two distinct enhancements, as set out below.

Central Stort Crossing

The existing Fifth Avenue crossing, between the Eastwick roundabout in East Hertfordshire and Burnt Mill roundabout in Harlow, has been identified for enhancement in the adopted East Herts District Plan (Policy GA2) and the Harlow Local Development Plan (Pre-Submission Publication) (Policy SIR1). The identified enhancement comprises dualling of the northbound and southbound

⁸ Memorandum of Understanding on Highways & Transportation Infrastructure for the West Essex/East Hertfordshire Housing Market Area between Essex County Council, Hertfordshire County Council, Highways England, East Hertfordshire District Council, Epping Forest District Council, Harlow District Council and Uttlesford District Council (2017)

⁹ Objective 1 of the Harlow and Gilston Garden Town Transport Strategy (Draft for Consultation 2019) provides that 50% of all journeys across Harlow will be made by active and sustainable modes. This target rises to 60% of all journeys within the new communities.

carriageways and provision of a new footway/cycleway, which will form part of a north-south sustainable transport corridor through Harlow.

The dualling is for the purposes of providing dedicated public transport lanes, which together with the new footway/cycleway will form an extension of the planned Sustainable Transport Corridors. The existing highway capacity will remain broadly as presently provided. The works also include reconfiguration of the existing Eastwick roundabout to a signalised junction; in this regard, these works overlap with works to deliver the new Eastern Stort Crossing (covered below).

The Eastern Stort Crossing

The proposed new Eastern Stort Crossing will primarily provide new highway capacity in the Harlow area connecting existing sections of the A414 strategic highway network as well as local roads and key locations within the Garden Town and its environs including the Gilston Area allocation, existing neighbouring villages and the Harlow Enterprise Zone and employment areas. The route will also serve a function in supporting active, healthy sustainable travel through dedicated footways/cycleways and could support highway based public transport routes.

Although journeys using the existing highway capacity provided by the Central Stort Crossing may divert to use the new route, it will essentially represent an increase in capacity for crossing the Stort Valley irrespective of the fact that it lies further east. In this function it is considered to represent a strategic highway mitigation that will support the growth of the Garden Town. Even with the achievement of the travel modal targets, additional highway journeys will still be generated by the housing growth, particularly of an inter-urban nature such as between the Garden Town and the Hertfordshire towns of Hertford, Ware, Sawbridgeworth, Bishops Stortford, Hoddesdon and Broxbourne as well as further afield.

The Eastern Stort Crossing may be delivered in more than one phase of works. Works including the realignment of the existing Eastwick Road carriageway and a bypass of the existing properties in Pye Corner would provide interim highway measures which would mitigate negative impacts of traffic seeking to enter/exit Harlow from the north and would also complement the access strategy for the Gilston Area allocation including the eastern most development access point. If a phased approach is adopted, as indicated above, this first phase would only represent an interim solution pending the delivery of the bridge crossing. Once completed in final form these would, in combination, serve the strategic role identified and therefore the cost of the works in their totality are apportioned on that basis.

The River Stort Crossings have been identified within the HIF bid to Homes England as forming part of an infrastructure package to support the comprehensive and sustainable growth of the Garden Town (see Section 3.3). In the absence of external funding (or in combination with external funding), the proposed developers in the Gilston Area have publicly indicated the intention to seek to forward-fund elements of the River Stort Crossings if necessary. This is explored in further detail in Section 6.6.

3.5.4 Other Key Infrastructure

There are a number of other key infrastructure items required to support the delivery of the Harlow and Gilston Garden Town. These include (but are not limited to) the following:

- **Princess Alexandra Hospital:** The Princess Alexandra Hospital NHS Trust is considering options to meet its future service requirements. The hospital serves a catchment much larger than the Garden Town alone, and must meet the existing and future needs of this catchment.

The Trust is continuing to develop its Business Case for the redevelopment or relocation of the acute and general hospital site at Harlow. The process undertaken to date has narrowed down the healthcare strategy to three main options: a redevelopment of the existing main hospital site at Harlow; partial redevelopment and partial refurbishment of the main hospital; or the provision of a new hospital within the East Harlow development area. The Trust's preferred option is relocation and provision of a new facility at the East Harlow strategic site.

The preferred option may require additional transport mitigation measures including M11 Junction 7A capacity works above and beyond what it currently planned (see Section 3.5.1).

- **Education:** The growth of the Garden Town will require significant new primary and secondary education provision, in the form of both new and expanded schools. New early years and childcare places will also be required.
- **Suitable Alternative Green Space (SANGS):** Epping Forest is designated as a Special Area of Conservation (SAC), with a Zone of Influence which currently extends to 6.2km from its boundary (which will be subject to review from time to time). To mitigate the recreational pressures that development will have on the SAC, SANGS will be required. An Epping Forest Recreational Pressure and Air Pollution Mitigation Strategy is currently being finalised which will provide further guidance on the requirement for, and delivery of, SANGS.

A full list of the infrastructure required to support Harlow and Gilston Garden Town is summarised in Section 5 and provided in full in Appendix A.

Section 4

Methodology

4 Methodology

4.1 Locations of Growth

The IDP reflects and plans for the level and locations of growth set out in across the three Districts' (adopted and emerging) Local Plans. This growth is set out in Table 1.

Table 1 Level and Distribution of Growth

Site	Units	Justification (if applicable)
Gilston Area Villages 1-6	8,500	The Gilston Area allocation is in two separate landownerships so is treated as two sites.
Gilston Area Village 7	1,500	
East of Harlow (Epping Forest District portion)	750	The East of Harlow site falls in both Harlow and Epping Forest Districts. For the purposes of the IDP the two portions have been dealt with separately.
East of Harlow (Harlow District portion)	2,600	
Latton Priory	1,050	
West Sumners	807	West Sumners and West of Katherine's together make up the Water Lane Area allocation in the Submission Version Epping Forest District Local Plan. In order to disaggregate the two portions of Water Lane Area, indicative capacities have been taken from the Epping Forest Site Selection Report 2018 ¹⁰ .
West of Katherine's	1,331	
Other sites within Harlow District	1,147	A further 21 sites proposed for allocation in the Pre-Submission Publication Harlow Local Development Plan.
Total	17,685	

Appendix B sets out the delivery trajectory for this growth.

¹⁰ West Sumners is taken to be sites SR-0068-N (indicative capacity 691 homes) and SR-0107 (indicative capacity 116 homes). West of Katherine's is taken to be sites SR-0964-Z (indicative capacity 1,149 homes), SR-0424 (indicative capacity 118 homes), SR-0039 (indicative capacity 43 homes) and SR-0038 (indicative capacity 21 homes). These total 2,138 which is slightly higher than the 2,100 stated in the Submission Version Epping Forest District Local Plan. Please refer to Epping Forest District's Site Selection Report 2018 for further details.

4.2 Infrastructure Types

The IDP focuses on the infrastructure types which require on-site provision (land and/or facilities), or off-site provision where a financial contribution is required. The IDP also considers infrastructure which is necessary to enable delivery or to make development acceptable in planning terms and/or need to be delivered or secured through the planning system. The Schedule covers the physical and social infrastructure types shown in Table 2, and reported at the spatial scales identified in Table 3.

Table 2 Infrastructure types identified in the Schedule

Category	Infrastructure
Transport	Highways
	Public Transport
	Active Transport (including behavioural change)
Education	Early Years and Childcare
	Primary Schools
	Secondary Schools
	Other
Health and Social Care	GPs
	Dentists
	Pharmacies
	Secondary Healthcare
	Adult Social Care
Emergency Services	Police
	Ambulance
	Fire and Rescue
Community Facilities	Community Space (including Libraries, Community Halls and Youth)
	Public Art
Open Space	Amenity Greenspace
	Public Parks and Gardens
	Natural Space
	Children's Play
	Allotments
	Other (including Stewardship)
Sports and Leisure	Sports and Leisure
Utilities	Water and Waste Water
	Electricity
	Gas
	Telecommunications

Category	Infrastructure
	Strategic Waste Provision
Flood	Flood Defences
	Drainage

Infrastructure provision has been considered across a range of spatial scales to reflect what is required to serve the Garden Town in the widest sense.

Table 3 Spatial scales reported in the Schedule

Spatial Scale	Infrastructure schemes
Individual sites	Infrastructure required to specifically support growth on one particular site <i>– for example, on-site open space at Gilston Village 7 which will serve the growth of that development.</i>
Groups of sites	Infrastructure required to support growth on a number of sites within the Garden Town <i>– for example, a new secondary school at East Harlow which will serve the growth of more than one site.</i>
All sites	Infrastructure required to serve growth across Harlow and Gilston Garden Town as a whole <i>– for example, additional adult social care provision, which will serve the growth of all the sites in the Garden Town.</i>

It should also be noted that different infrastructure types were assessed and calculated across a range of geographies. This was informed by consultation with providers, and was used to best reflect how services are delivered and used. These are referenced below:

- Early years – assessed on a ward-level scale
- Primary schools – assessed in Primary Forecast Planning Groups
- Secondary schools – assessed in Secondary Forecast Planning Groups
- Primary and secondary healthcare – assessed on a Garden Town-wide scale (based on work undertaken by NHS Strategic Estates Planning Service, commissioned by Harlow and Gilston Garden Town)
- Dentists – assessed on a Garden Town-wide scale
- Pharmacies – assessed on a Garden Town-wide scale
- Emergency services – assessed on a Garden Town-wide scale
- Adult social care – assessed on a Garden Town-wide scale
- Sports and leisure – assessed on a Garden Town-wide scale

4.3 Identifying the Garden Town Infrastructure Requirements

The purpose of the Harlow and Gilston Garden Town IDP is to identify the infrastructure required to support housing and employment growth across the Garden Town. Individual IDPs have already been prepared for each authority in support of each respective Local Plan (see Section 2.2). The three authorities' IDP Schedules present the infrastructure need to ensure that all development is policy compliant, in relation to the level of social and physical infrastructure required to serve the needs of the additional population in their areas.

This IDP has built on the findings of the three District IDPs, identifying the infrastructure requirements that are specifically relevant to the planned growth at the Garden Town. Infrastructure has been identified where it supports the delivery of specific sites, as well as the wider growth of the Garden Town. Where necessary, growth beyond the Garden Town has also been considered where it might have an impact on infrastructure provided within the Garden Town (for example, secondary education).

The updated Harlow and Gilston IDP Schedule for the Garden Town sets out the following:

- The infrastructure required, including locations and phasing of delivery.
- Whether the infrastructure required is site specific (whether on or off-site) or strategic (serving several sites).
- The organisation or organisations responsible for delivery.
- The priority for delivery – based on a ‘critical’, ‘essential’ or ‘required’ categorisation (see Section 4.6).
- The estimated cost (Section 4.7) and how contributions might be collected and apportioned between sites (Section 4.8 and Section 4.9).
- Other potential sources of funding.

The commission has sought to update and align the three individual IDPs to produce one collated and updated version of the IDP Schedule for the Garden Town. This has included deciding what infrastructure categories should be reported, and evaluating the different scales presented and the metrics used (for example the reporting of school need in either form entries or site size requirement). The IDPs have also been aligned in collaboration with the relevant stakeholders. The Schedule has also been updated where new information has been made available since the individual IDPs were prepared. This includes further refinements in the Sustainable Transport Corridor Study, and further work undertaken by developers and the local authorities.

Where an item is strategic (in other words, it serves more than one of the Garden Town sites, other sites beyond the Garden Town), it has been necessary to make assumptions about which sites it will serve/will benefit from it and apportion costs between the sites. The methodology for undertaking this is set out in Section 4.9.

It is important to note that service delivery is complex, and limited by financial constraints. It will be for providers to decide how best to deliver services and meet new infrastructure demands. This may include further co-location of services, multi-use of buildings, such as using schools for alternative uses at weekends and evenings, or moving towards hub models. Whilst the IDP identifies what is currently expected to be required to support growth across the Garden Town, it may be subject to change and will not necessarily identify every site-specific requirement which might be identified in response to specific planning applications. Section 4.11 provides more detail on review of the IDP.

4.4 Consultation and Engagement

The PPG states that plan makers should work alongside infrastructure providers, service delivery organisations, and developers, landowners and site promoters to understand information requirements (Paragraph: 059; Reference ID: 61-059-20190315), and the impact on viability (Paragraph: 006 Reference ID: 10-006-20180724). Production of the IDP has therefore involved collaborative working between a range of stakeholders. A list of workshops held is set out in Table 4.

Service and infrastructure providers have been re-consulted to provide an opportunity to update their position on infrastructure requirements and ensure consistency and coverage across the Garden Town. Providers were also able to advise of any new evidence base needs assessments or of changing models of delivery and preferred implementation plans.

Engagement with developers for both the Harlow and Gilston Garden Town sites was undertaken to seek their understanding of the infrastructure required to deliver their respective sites. Information was requested on the provision of different types of infrastructure associated with development proposals. This included information on any engagement that has been undertaken with providers and any preliminary modelling or capacity work.

Table 4 Summary of workshops

Workshop	Attendees	Date	Purpose
Developer Forum	Strategic developers	10 September 2018	Early engagement with developer to introduce them to the commission.
Face-to-face developer meetings (1)	Strategic developers	26 September 2018	To seek information on the emerging infrastructure requirements and contributions and any additional work undertaken by developers on infrastructure. (Where developers were not able to make this date, teleconference meetings were held.)

Workshop	Attendees	Date	Purpose
Education workshop	Education authorities – Essex County Council and Hertfordshire County Council Other relevant officers	04 October 2018	To agree requirements and apportionment across sites.
Transport workshop	Transport authorities – Essex County Council and Hertfordshire County Council Other relevant officers	23 October 2018	To agree requirements and apportionment across sites.
Face-to-face developer meetings (2)	Strategic developers	04 December 2018	To present the draft list of infrastructure requirements and seek feedback on apportionment methodology.
Legal workshop	Relevant officers	08 January 2019	To discuss the legal status of the IDP.
Health workshop	Health providers NHS Improvement Other relevant officers	25 January 2019	To discuss health inputs to the IDP.
Face-to-face developer meetings (3)	Strategic developers	04 and 05 March 2019	To seek feedback on apportionment and viability.

4.5 Phasing

The Schedule set out in Chapter 7 identifies when the infrastructure will need to be delivered over the Plan period. The phasing of infrastructure was determined through a combination of consultation with service providers, existing strategies and evidence base documents, and the Garden Town housing trajectory (provided in Appendix B).

Where infrastructure is required to serve the Garden Town as a whole (rather than a specific or a group of specific sites), phasing has been matched to the overall trajectory. In using this phasing to apportion costs, this may have the impact of showing some sites as continuing to contribute beyond their completion. In reality, they are likely to need to contribute in line with their site-specific trajectory¹¹.

¹¹ An adjustment has been made to correct for this in the Strategic Viability Assessment. More information on the Strategic Viability Assessment is provided in Section 4.10.

4.6 Infrastructure Prioritisation

The infrastructure interventions included in the Schedule in Chapter 5 have been listed as either *critical*, *essential* or *required*. The definition for each priority is set out in Table 5. These establish an indicative system of priority which inform consideration of the trigger points by which the infrastructure should be delivered. Lower priority infrastructure should not be assumed to be of any lesser importance in terms of making the development acceptable in planning terms, developments will still be expected to deliver all identified infrastructure needs.

Table 5 Infrastructure requirement prioritisation criteria

Priority	Criteria
Critical (C)	Critical infrastructure is that which must happen in order for development to proceed. It most commonly involves connections to transport and utility networks. It is usually triggered by the commencement of development activity.
Essential (E)	Essential infrastructure is that which is necessary to mitigate impacts arising from the development, for example provision of education and health facilities. It is usually triggered at occupation of a development site, either a specific phase or the whole site. It enables development to come forward in a way that is both sustainable and acceptable in planning terms.
Required (R)	Required infrastructure is that which is required for sustainable growth and to achieve good place making objectives in line with the Garden City Principles, but the absence of which is unlikely to prevent development in the short to medium term. It is usually triggered at occupation of a development site, either a specific phase or the whole site. This type of infrastructure would improve operational capacity, and deliver other wider benefits, but would not necessarily prevent or delay the delivery of further development.

4.7 Costing Infrastructure

Infrastructure costs have been obtained from the most recent or locally-specific information available. Where possible, cost estimates have been provided directly from providers. The source of the costs is shown in the Schedule in Appendix A (see 'Cost Source' column).

For some types of infrastructure, costs have been estimated by Arup. Table 6 sets out the sources of the Arup estimates.

Table 6 Costing sources

Infrastructure	Source of cost
Early Years education	Cost estimates derived from BCIS average prices, rebased to 2018 and Essex
Adult social care	Cost estimates derived from BCIS average prices, rebased to 2018 and Essex. Floorspaces taken from National Care Standards: Care Homes for Older People (2007)
Community space	Where required, cost estimates derived from BCIS average prices, rebased to 2018 and Essex (some costs for community space provided by Essex County Council and Hertfordshire County Council)
Open space	Cost estimates derived from 2017 Spons and a South East adjustment factor; Arup professional experience on live/completed jobs
Sports facilities	Cost estimates derived from Sport England average facility costs, rebased to 2018

It should be noted that costs have been included even where the infrastructure required may or will be directly delivered as part of development, funded through a Section 278 Agreement (for highways), etc. **A cost being included in the Schedule does not indicate it will necessarily form part of a Section 106 Agreement; rather, it provides an indication of the total liability of the development, to inform the Strategic Viability Assessment.**

4.7.1 Unknown Costs

Within the Schedule, some costs are labelled as unknown. This is due to either a lack of detail of the intervention at this stage, or that costs have not yet been formulated by the delivery body. The most significant unknown costs are as follows:

- Delivery of / contributions towards Suitable Alternative Natural Green Space (SANGS) and air quality measures, related to Epping Forest Special Area of Conservation (SAC). An Epping Forest Recreational Pressure and Air Pollution Mitigation Strategy is currently being finalised¹².
- Contributions towards projects contained in the emerging Harlow Town Centre Area Action Plan.
- Contributions towards ongoing maintenance and stewardship of open space, community facilities and so on. Harlow and Gilston Garden Town Stewardship Advice Stage 1 Report and Stage 2 Report are currently being prepared.

¹² Potential on-site delivery of SANGS may also have an impact on the unit numbers and densities delivered on site. For the purposes of the IDP it has been assumed that the units set out in Table 1 are delivered.

- Delivery of / contributions towards Travel Plan measures and monitoring, additional passenger travel infrastructure, and pump priming of bus routes (above and beyond what is already contained in the Schedule).
- Delivery of / contributions towards post-16 education and employment and skills.

The costs do not include off-site land costs, or any costs in relation to compulsory purchase of land to deliver infrastructure. This is because the costs related to this are currently unknown. The Garden Town has commissioned a Land Assembly Advisor to identify needs for land assembly to deliver infrastructure and, where necessary, support on compulsory purchase.

The Strategic Viability Assessment has tested the impact of a range of infrastructure costs to understand the impact on site viability. This provides an understanding of the likely scale of the impact in the absence of exact costs. (More information on the Strategic Viability Assessment is provided in Section 4.10).

The costs for the Sustainable Transport Corridors included in the IDP are based on the high-level costs included in the Harlow and Gilston Garden Town Sustainable Transport Corridors Strategy and refined for the preparation of the Housing Infrastructure Fund Bid (Section 3.3). More detailed work on the Corridors will continue to be undertaken which will establish more detailed costs.

4.8 Collection Mechanisms

There are a range of funding sources available to support infrastructure delivery over the Plan period, including from a range of governmental and non-departmental public bodies, partnerships and wider grant opportunities. Funding options include:

- Central government
- Homes England
- Funding through the South East LEP
- Funding opportunities relating to Garden Town status
- Funds available through the County Councils
- Other grant sources

Alongside these sources, developer funding will be the most important element of delivering the infrastructure required to support growth through the capture of increases in land value in accordance with the Garden City Principles (See the Harlow & Gilston Garden Town ‘How To’ Guide for Planning Obligations, Land Value Capture and Development Viability). Importantly, where infrastructure serves more than one development, there will need to be an approach to apportioning costs fairly and equitably. As the councils do not currently have a CIL charging regime in place, the main mechanisms for collecting contributions are S106 planning obligations and where relevant, S278 Agreements for highways works. As set out in Section 2.1.3, under the current CIL Regulations 2010 (2014

amendments), there is a limit on the pooling of separate S106 planning obligations. Direct delivery of infrastructure will also be appropriate in some circumstances.

Where funding is already in place for an item of infrastructure, it is reflected in the Schedule in Appendix A (see 'Identified Funding' column).

Other opportunities for collection are considered in Section 6.

4.9 Apportionment

4.9.1 Approach to Apportionment

Where an item is strategic (in other words, it serves more than one of the Garden Town sites and in some cases other sites beyond the Garden Town), it has been necessary to make assumptions about which sites it will serve/will benefit from it. The general principles underpinning apportionment are as follows:

- Infrastructure interventions should be matched to those development(s) which result in that intervention being required.
- Contributions should be equitable between developments, in proportion to the scale of the development and level of impact or generated demand.
- The framework should be consistent with District Policies, the Essex Developers' Guide to Infrastructure Contributions and Hertfordshire's Planning Obligations Guidance, plus any other approaches taken by the Councils.

The first stage of apportionment has been to match interventions with the developments, through consultation and evidence base information such as transport modelling, existing and likely future travel to school patterns and school catchments. Apportionment approaches are based upon the best available information at the time that the IDP is published.

Contributions are proportional to the level of impact or generated demand resulting from the planned growth based on likely trip generation, housing unit numbers and child yields. The methodology for apportionment varies by infrastructure type, and is set out below:

- **Transport** – in absence of detailed modelling on the transport impact of each site, apportionment based on professional judgement with unit numbers used in many instances as a suitable proxy for impact. See Section 4.9.2 for further details.
- **Education** – apportionment based on number of units as a suitable proxy for child yields (in the absence of detailed site mixes).
- **Healthcare** – per-unit requirement provided by NHS Strategic Estates Planning Service, therefore no apportionment required.
- **Emergency Services** – apportionment based on number of units.
- **Community Facilities** – apportionment based on number of units.

- **Open Space** – requirements calculated on a site-by-site basis, therefore no apportionment required.
- **Sports and Leisure** – apportionment based on number of units.
- **Utilities** – apportionment based on number of units.
- **Flood Defence** – no apportionment required.

Developer contributions towards infrastructure projects may need to be collected from sites within different local authority administrative areas, and sites which do not fall within the Garden Town. An example of this is secondary school provision which reflects school planning areas that are not defined by district authority borders.

Where infrastructure is expected to be delivered on one site but will also serve other sites (for example new schools), a variant apportionment was also developed which took into the account the cost of providing the land at existing use value. However, given that it is not the role of the planning system to ‘equalise’ costs between landowners and developments this variant is not reflected in the costs shown in Section 5 and Appendix A, nor was it used in the inputs to the Strategic Viability Assessment (see Section 4.10).

4.9.2 Transport Apportionment

Sustainable Transport Corridors

For the Sustainable Transport Corridors to be effective in achieving the modal split targets for the Garden Town, they will need to work as a network rather than piecemeal interventions. Accordingly, the network is considered to represent a single strategic item of essential infrastructure, with the cost of the works apportioned to all the strategic sites across the Garden Town¹³.

These strategic sites must all achieve a 60% modal split target. (see Section 3.5.2). To support sites in achieving this target, and ensure the network is operating holistically, the apportionment is based upon the number of dwellings that each site is contributing to the Garden Town’s growth. It is envisaged that contributions will be pooled and used to deliver the Sustainable Transport Corridor network, which will likely be delivered in phases for practical reasons of delivery and funding¹⁴.

This apportionment approach is considered appropriate and reasonable in the context of the Garden Town, in order to support the delivery of the interrelated Garden City ambitions through the Garden Town Vision. It is therefore

¹³ The apportionment also assumes that contributions from the wider regeneration of the town centre will be available to fund some of the Sustainable Transport Corridors and Town Centre Transport Hub town centre upgrades – shown as a ‘funding gap’ in the Schedule summarised in Section 5 and provided in Appendix A.

¹⁴ A possible approach to the phasing of the Sustainable Transport Corridors has not been identified in this IDP as it will be influenced by a range of factors including where the greatest benefits might initially be derived, land assembly and other factors such as taking advantage of opportunities to improve the efficiency of delivery by co-ordination with other planned works such as other highway works, public realm improvements or nearby development.

considered that when determining planning applications for Garden Town proposals, the approach set out above will meet the legal and policy tests that apply to planning obligations (in other words it is compliant with the Community Infrastructure Regulation 122 tests for developer contributions).

There may be opportunities to collect contributions from a wider range of sites – see Section 6.3.

River Stort Crossings

Fifth Avenue River Stort Crossing

Upgrades to the existing Fifth Avenue River Stort Crossing are considered to principally¹⁵ form part of the access strategy for delivering the East Herts District Plan Gilston Area allocation (Policy GA1), as they are deemed essential in order to deliver the active and sustainable mode access connections between the Gilston Area and the existing urban area of Harlow in order for the Gilston Area to access the planned Sustainable Transport Corridor network. Accordingly, the cost of the works has been apportioned to the two Gilston Area sites.

Hertfordshire County Council have published the A414 Corridor Study (Draft for Public Consultation 2018) which identifies opportunity for creation of an inter-urban Mass Rapid Transport (MRT) network between Hatfield and Harlow and Gilston Garden Town. The Study envisages MRT services will route through the planned Gilston Area development with MRT making use of the transformed Fifth Avenue River Stort Crossing and onward Sustainable Transport Corridor network to Harlow town centre. The MRT is not presently an established project identified in this IDP and, whilst it would perform a strategic function, it is not identified as likely to present any additional design considerations to the Fifth Avenue River Stort Crossing works and therefore has not been considered a factor in the approach to apportionment.

Second River Stort Crossing

As set out in Section 3.5.3, the Second River Stort Crossing is considered to represent a strategic highway mitigation that will support the growth of the Garden Town. Accordingly, the cost of the works is apportioned to all of the strategic sites across the Garden Town.

For the purposes of the IDP, and in the absence of individual site transport modelling at this point in time, the apportionment of the Second River Stort Crossing has been proposed on a per-dwelling basis. It is, however, recognised that future transport modelling may establish that the development of some sites may place a greater or lesser demand on the highway routes across the Stort Valley. It is therefore acknowledged that the approach to apportionment may need to be revisited as development proposals are advanced.

¹⁵It has been identified that the existing Railway Bridge of the Fifth Avenue River Stort Crossing will require replacement at some point in the future, the replacement of this structure is not required in order to deliver the access to the Gilston Area but due to the age, condition and design of that structure it would therefore be considered a strategic intervention.

4.9.3 External Funding and Apportionment

Where external funding may be available (from the sources set out in Section 3.3 and Section 4.8) but is not yet secured, the apportionment (in the main) assumes that development will meet the remaining costs in full (the assumptions for each infrastructure intervention is shown in the ‘Cost to be Apportioned – Rationale’ column in the Schedule contained in Appendix A.)The five authorities will continue to explore opportunities for other sources of funding, and successful bids etc. will be reflected in the apportionment in future iterations of the IDP. In this sense, the inputs into the Strategic Viability Assessment could be considered conservative (see Section 4.10) as they assume no additional external funding.

As set out in Section 3.3.1, a Housing Infrastructure Fund (HIF) bid is being progressed, to help meet the total amount of infrastructure required to support delivery of the Garden Town, at the right time, and in a co-ordinated fashion. Similar to other non-secured funding sources (as set out above), the apportionment currently tests the impact of development meeting the costs without HIF. The findings of the Strategic Viability Assessment (April 2019) have shown that whilst the Councils can be confident of the deliverability of the Garden Town, there are challenges with the delivery of large scale development associated with both the level of infrastructure required and the timing of delivery and/or contributions¹⁶, and that some of the sites are more ‘marginal’ than others.

4.10 Strategic Viability

Through the process of producing the IDP, a package of measures and broad estimates of the likely financial contribution for each of the Garden Town sites has been produced.

The IDP has been produced concurrently with the Strategic Viability Assessment, to allow these costs to be included in the appraisal. The purpose of the Strategic Viability Assessment is to consider the wider deliverability of the Harlow and Gilston Garden Town, taking into account infrastructure requirements alongside other considerations.

In order to feed the IDP into the Strategic Viability Assessment, a risk allowance has been added to the infrastructure costs. In general, a 20% risk allowance has been added, reflecting comments contained in the North Essex Inspector’s report. Some education and highways costs from ECC and HCC already include an element of contingency so a risk allowance has not been added to these costs. More information on the risk allowance added to the IDP costs is provided in Appendix C. To be clear, the costs set out in Section 5 and Appendix A do not include a risk allowance.

It is anticipated that as schemes are designed and delivered the amount of risk allowance required on each scheme may reduce. Because of this, the inputs into the Strategic Viability Assessment could be considered conservative (see also Section 4.9 on external funding).

¹⁶ Refer to Section 12, paragraphs 12.137-12.139 of the Strategic Viability Assessment (April 2019).

In order to avoid double counting, costs in the IDP associated with on-site open space were excluded as they are already accounted for as a development cost in the strategic viability appraisal.

4.11 IDP Review

IDPs are, by their very nature, a ‘snapshot in time’, and as different infrastructure providers respond to their own unique challenges, the information that they provide will naturally date and alter over time.

There are a number of areas of work ongoing, which will further inform infrastructure requirements, and will be reflected in the Schedule as part of periodic reviews.

Section 5

Summary of Infrastructure Requirements

5 Summary of Infrastructure Requirements

5.1 Overview

A Schedule of infrastructure has been produced to clearly show interventions required to support the delivery of the Harlow and Gilston Garden Town. The Schedule is provided in full in Appendix A and summarised in the rest of this chapter.

Infrastructure requirements by topic

Section 5.2 provides summary tables of the infrastructure required to support delivery across the entire of the Garden Town, broken down into topics. The summary tables include the following information:

- Intervention required
- Priority – see Section 4.6 for prioritisation criteria
- Delivery partners
- Potential funding sources
- Total estimated cost of the intervention
- Funding already identified to deliver the intervention
- Costs apportioned to sites – what is expected to be funded/delivered through development¹⁷
- Contributing sites

In relation to ‘Apportioned Costs’ column, it should be noted that even where a cost has not been included it does not mean there is no cost to be met, particularly:

- where costs are part of ‘normal development costs’ which have been dealt with separately within the Strategic Viability Assessment (in particular for utilities);
- where the exact requirements and/or delivery mechanism is still to be determined (for example, Suitable Alternative Natural Green Space (SANGS)¹⁸); or
- where costs are still unknown (see Section 4.7.1).

¹⁷ As stated in Section 4.7, costs have been included even where the infrastructure required may or will be directly delivered as part of development, funded through a Section 278 Agreement (for highways) etc. A cost being included in the Schedule does not indicate it will necessarily form part of a Section 106 Agreement; rather, it provides an indication of the total liability of the development, to inform the Strategic Viability Assessment.

¹⁸ The number of SANGS required is not yet determined, and for this reason costs are not currently attributed to specific sites.

Infrastructure requirements by strategic site

Section 5.3 provides summary tables of the infrastructure required to support each of the strategic sites, broken down into topics. The summary tables include the following information:

- Intervention required to support the site
- Cost apportioned to the site
- Proportion of the total expected through developer contributions apportioned to the site
- Proportion of the total cost of the infrastructure apportioned to the sites

For the same reasons as set out above, it should be noted that even where a cost has not currently been apportioned to the site it does not mean there is no cost to be met by the site.

The phasing of key infrastructure required for each site is also shown. It should be noted that for many of interventions the exact phasing is not yet known, or will depend on more detailed sub-phasing of the site¹⁹. For this reason, broader bands of time are shown. As more specific timings or triggers become known this phasing may be revised in future iterations of the IDP.

Funding gap

A summary of the funding gap is shown in Section 5.4.

As explained in Section 4.9.3, where external funding may be but is not yet secured (including the outstanding HIF bid), the apportionment largely assumes that development will meet the remaining costs in full through developer contributions.

As stated in Section 3.3, the Garden Town authorities are committed to working positively and proactively to identify further opportunities for external or innovative funding approaches to ensure that Garden Town is delivered in accordance with the Garden City Principles and Garden Town Vision. Opportunities to address this funding gap will therefore be pursued over time.

¹⁹ The phasing of sites shown in the figures in this section currently matches each Districts' local development plan trajectory.

5.2 Infrastructure Requirements by Topic

5.2.1 Transport

Table 7 Summary of transport interventions

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites								
										Gilson 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Summers	W. Katherine's	Other Sites	
Highways																		
TR1	M11 Junction 7A	N/A ²⁰	Highways England / ECC	Highways England - RIS1	£50,000,000	£50,000,000	£0	£0	2018-2022									
TR2	Mayfield Farm access to East Harlow strategic site, including a single junction upgrade and link-road to the site	C	Developers	Developer contributions (S278)	£4,000,000	£0	£4,000,000	£0	2020-2025 (dependent on phasing)			✓						
TR3	Sheering Way access to East Harlow strategic site, including a single junction upgrade and link-road to the site	C	Developers	Developer contributions (S278)	£2,000,000	£0	£2,000,000	£0	2020-2025 (dependent on phasing)			✓						
TR4	Nursery site (east of Gilden Way) access to East Harlow strategic site, including a single junction upgrade and link-road to the site	C	Developers	Developer contributions (S278)	£7,000,000	£0	£7,000,000	£0	2020-2025 (dependent on phasing)				✓					
TR5	Minor upgrades and improvements to M11 Junction 7 to provide access to Latton Priory strategic site and B1393	C	Developer / ECC	Developer contributions (S278 / S106)	£5,000,000	£0	£5,000,000	£0	2023-2033					✓	✓	✓		
TR6	Link road and B1393 junction from Latton Priory strategic site to M11 Junction 7	C	Developer	Developer contributions (S278)	£5,000,000	£0	£5,000,000	£0	2016-2025					✓				
TR7	Improvements to M11 Junction 7	E	Highways England / ECC	Highways England - RIS	£29,000,000	£0	£0	£29,000,000	2025-2030									
TR8	Enhancements to Water Lane / A1169 roundabout; A1025 / Abercrombie Way signals; and traffic calming along the A1169	C	Developers	Developer contributions (S278)	£12,000,000	£0	£12,000,000	£0	2021-2026						✓	✓		
TR9	Velizy / Second Avenue works including signalled crossing and	R	ECC	Developer contributions (S106)	£10,000,000	£100,000	£9,900,000	£0	2021-2023	✓	✓	✓	✓	✓	✓	✓	✓	

²⁰ Committed, partially delivered or delivered interventions are shown as ‘N/A’ in the prioritisation.

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilson 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Luton Priory	W. Summers	W. Katherine's	Other Sites
	walking and cycling at grade crossing																
TR10	Gilden Way / Harlowbury development primary site access	N/A	ECC	Developer contributions (S106)	£800,000	£800,000	£0	£0	2018-2023								
TR11	Gilden Way / Harlowbury development secondary site access	N/A	ECC	Developer contributions (S106)	£200,000	£200,000	£0	£0	2018-2023								
TR12	Gilden Way / (B183) Mulberry Green for Harlowbury	N/A	ECC	Developer contributions (S106)	£100,000	£100,000	£0	£0	2023-2028								
TR13	A414 / Edinburgh Way / Cambridge Road (A1184) / Station Road, including junction improvements and road dualling	N/A	ECC	Growing Places Fund	£10,000,000	£10,000,000	£0	£0	2018-2023								
TR14	Closure of Old Road through traffic at rail bridge adjust A1184 / Old Road signals	E	ECC	Developer contributions (S106)	£250,000	£250,000	£0	£0	2018-2023								
TR15	New Junction from River Way (Templefields (EZ)) onto Cambridge Road	E	ECC	Developer contributions (S106)	£4,000,000	£0	£0	£4,000,000	2018-2023								
TR16	Cycling and walking improvements to A1025 Second Avenue / Manston / Tripton junction; cycling and walking improvements to the A1025 Second Avenue / Howard Way improvements / pedestrian crossings; and public transport and general capacity improvements	E	ECC	Developer contributions (S106)	£7,000,000	£0	£7,000,000	£0	2023-2028						✓	✓	
TR17	A414 Edinburgh Way / Howard Way improvement scheme	E	ECC	Developer contributions (S106)	£7,000,000	£0	£7,000,000	£0	2022-2033	✓	✓						
TR18	Amwell Roundabout upgrades and 'throughabout'	C	HCC	Developer contributions (S106) / Grant	£4,200,000	£0	£4,200,000	£0	2022-2033	✓	✓						
TR19	Central access to Gilston (Village 1) including Eastwick junction improvements with bus priority, provision of new walking/cycling bridge over A414, widening of 5th Avenue to create sustainable transport corridor including works to the bridges, and improved	C	Developer / HCC	HIF (claw back to be recycled) / Developer contributions (S106 or S278)	£36,200,000	£0	£36,200,000	£0	2021-2023	✓	✓						

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Luton Priory	W. Summers	W. Katherine's	Other Sites
	access to Harlow Town Station from the north																
TR20	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severance mitigation measures at Terlings Park	C	Developer / HCC	Developer contributions (S278)	£92,840,000	£0	£92,840,000	£0	2022-2033	✓	✓	✓	✓	✓	✓	✓	✓
TR21	Access to Gilston Area Village 2	C			£2,159,000	£0	£2,159,000	£0	2023-2028	✓							
TR22	Access to Gilston Area Village 1 (north of Eastwick junction) and creation of Sustainable Transport link within Village 1	C			£13,240,000	£0	£13,240,000	£0	2022-2023	✓							
TR23	Western access (village 7) to Gilston at A414/Church Lane	C	Developer / HCC	Developer contributions (S278)	£1,535,000	£0	£1,535,000	£0	2022 onwards		✓						
TR24	Sustainable link between Gilston Village 7 and Gilston Villages 1-6	E	Developer / HCC	Developer contributions (S278)	£10,350,000	£0	£10,350,000	£0	2022-2028	✓	✓						
TR25	Hertford Bypass	R	HCC		£175,000,000	£0	Unknown	Unknown	2024-2033								
TR26	Harlow Northern Bypass	Unknown ²¹	HCC / ECC	Developer contributions (S106)	Unknown	£0	Unknown	Unknown	2033+								
PAH Relocation-Related Highways																	
TR27	Hospital relocation to East Harlow strategic site - transport mitigation measures including M11 Junction 7A capacity works	Unknown	NHS Princess Alexandra Hospital Trust	Developer contributions (S106)/grant/NHS Princess Alexandra Hospital Trust	£25,000,000	£0	£0	£0	2023-2028								
Public and Active Transport																	
TR28	Sustainable Transport Corridors and Town Centre Transport Hub	E	ECC / HCC	HIF (grant and claw back to be recycled) / Developer contributions (S106)	£157,161,083	£0	£128,911,083	£28,250,000 ²²	2021-2033	✓	✓	✓	✓	✓	✓	✓	✓

²¹ Where the case for an intervention has not yet been demonstrated its priority has been recorded as ‘Unknown’.

²² The apportionment assumes that contributions from the wider regeneration of the town centre will be available to fund some of the Sustainable Transport Corridors and Town Centre Transport Hub town centre upgrades.

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilson 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Luton Priory	W. Summers	W. Katherine's	Other Sites
TR29	Enhanced bus services along Edinburgh Way via new EZ access	R	Operators / ECC	Operators / ECC	Unknown	£0	Unknown	Unknown	2018-2023								
TR30	Southern Way gap between Bishopsfield and Parnall Road	R	ECC / Developers	Developer contributions (S106) / Grant	Unknown	£0	Unknown	Unknown	2023-2028								
TR31	Off-road cycle and walking network from Gilston Village 7 to Roydon	R	Developers	Developers	£600,000	£0	£600,000	£0	2023-2033		✓						
TR32	Off-road cycle and walking network from Gilston Village 6 to Pinnacles	R	Developers	Developers	£600,000	£0	£600,000	£0	2023-2033	✓							
TR33	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links	R	ECC / HCC	Developer contributions (S106)	£7,317,195	£0	£7,317,195	Unknown	2018 onwards	✓	✓	✓	✓	✓	✓	✓	✓
TR34	Pump-priming of new bus services in Gilston Area	R	Operators	Developer contributions (S106)	£18,900,000	£0	£18,900,000	£0	2018 onwards	✓	✓						
TR35	Travel Plan measures/monitoring	R	ECC / HCC / Operators	Developer contributions (S106)	Unknown	£0	Unknown	Unknown	2018 onwards								
TR36	Passenger transport infrastructure and services	R	ECC / HCC / Operators	Developer contributions (S106)	Unknown	£0	Unknown	Unknown	2018 onwards								
Total					£698,452,278	£61,450,000	£375,752,278	£61,250,000									

5.2.2 Education

Table 8 Summary of education interventions

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites								
										Gilson 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Sumners	W. Katherine's	Other Sites	
Early Years																		
ED1	Approx. 64 early years places to meet the needs of new residents at East Harlow strategic site (Epping portion)	E	ECC / Operators / Developers	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£1,073,160	£0	£1,073,160	£0	2023-2033			✓						
ED2	Approx. 79 early years places to meet the needs of new residents at Latton Priory strategic site	E	ECC / Operators / Developers	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£1,324,682	£0	£1,324,682	£0	2021-2033					✓				
ED3	Approx. 158 early years places to meet the needs of new residents at Water Lane Area strategic site	E	ECC / Operators / Developers	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£2,649,364	£0	£2,649,364	£0	2021-2033							✓	✓	
ED4	Childcare facility (approx. 1650sqm) at Gilston Villages 1-6	E	HCC / Operators / Developers	On-site provision (developer to build and then lease)	£4,024,350	£0	£4,024,350	£0	2022 onwards	✓								
ED5	Childcare facility (approx. 275sqm) at Gilston Village 7	E	HCC / Operators / Developers	On-site provision (developer to build and then lease)	£670,725	£0	£670,725	£0	2022 onwards		✓							
ED6	Approx. 349 additional places in Old Harlow ward	E	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£5,616,937	£1,092,459	£4,524,478	£0	2018-2028				✓					✓
ED7	Approx. 50 additional places in Little Parndon and Hare Street ward	E	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£804,719	£0	£804,719	£0	2018-2023									✓

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilson 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Luton Priory	W. Sumners	W. Katherine's	Other Sites
ED8	Approx. 38 additional places in Todd Brook ward	E	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£611,586	£0	£37,232	£574,354	2018-2023								✓
ED9	Approx. 23 additional places in Bush Fair ward	E	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£370,171	£0	£105,968	£264,203	2018-2023								✓
ED10	Approx. 8 additional places in Sumners and Kingsmoor ward	E	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£128,755	£0	£83,056	£45,699	2018-2023								✓
ED11	Approx. 2 additional places in Church Langley ward	E	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£32,189	£0	£0	£32,189	2018-2028								
ED12	Approx. 1 additional place in Harlow Common ward	E	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£16,094	£0	£16,094	£0	2018-2028								✓
Primary																	
ED13	New 2FE ²³ (2.1ha site) primary school, including early years provision, at East Harlow (Epping portion)	E	ECC / Academy Trusts / Developers	Developer contributions (S106)	£7,481,000	£0	£7,151,387	£329,613	2023-2028			✓	✓				✓
ED14	New 2FE primary school at Newhall Phases 2/3 (2.25ha site requirement), including early years provision, to support a combination of growth at	R	ECC	Developer contributions (S106)	£7,481,000	Unknown	Unknown	Unknown	2018-2028								

²³ All references to numbers of forms of entry should be treated as provisional school size figures only, subject to confirmation at planning application stage.

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Sumners	W. Katherine's	Other Sites
	Newhall 2/3 and wider Harlow growth																
ED15	New 3FE (3ha site) primary school, including early years provision, at East Harlow (Harlow portion)	E	ECC	Developer contributions (S106)	£11,400,000	£0	£10,727,080	£672,920	2023-2028				✓				
ED16	New 2FE (2.1ha site) primary school, including early years provision, at Latton Priory	E	ECC / Academy Trusts / Developers	Developer contributions (S106)	£7,481,000	£0	£6,681,893	£799,107	2023-2028					✓	✓		
ED17	New 3FE (2.5ha site) primary school, including early years provision, at Water Lane Area	E	ECC / Academy Trusts / Developers	Developer contributions (S106)	£11,400,000	£0	£10,022,840	£1,377,160	2023-2028						✓	✓	
ED18	Requirement of 17FE of primary education, with each school including early years provision	E	HCC / Academy Trusts / Developers	Developer contributions (S106)	£74,071,820	£0	£74,071,820	£0	2022 onwards	✓	✓						
ED19	Additional safeguarded provision at Gilston (additional 3FE across primary schools)	E	HCC / Academy Trusts / Developers	Developer contributions (S106)	£11,450,464	£0	£11,450,464	£0	2043 onwards	✓	✓						
ED20	6FE of expansions to existing primary schools within Harlow	E	ECC / Academy Trusts / Developers	Developer contributions (S106)	£7,689,000	£0	£3,897,050	£3,791,950	2018-2028								✓
Secondary																	
ED21	New 8FE (10ha site) secondary school at East Harlow	E	ECC / Academy Trusts / Developers	Developer contributions (S106)	£25,763,000	£0	£22,485,531	£3,277,469	2023-2033			✓	✓				✓
ED22	New 8FE (10ha site) secondary school at Latton Priory	E	ECC / Academy Trusts / Developers	Developer contributions (S106)	£25,763,000	£0	£23,458,954	£2,304,046	2023-2033					✓	✓	✓	✓
ED23	8FE secondary school at Gilston	E	HCC / Academy Trusts / Developers	Developer contributions (S106)	£38,303,512	£0	£38,303,512	£0	2022-2033	✓	✓						

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Luton Priory	W. Summers	W. Katherine's	Other Sites
ED24	9FE secondary school at Gilston	E	HCC / Academy Trusts / Developers	Developer contributions (S106)	£42,539,274	£0	£42,539,274	£0	2028-2038	✓	✓						
ED25	Additional safeguarded provision at Gilston (additional 3FE across the two secondary schools)	E	HCC / Academy Trusts / Developers	Developer contributions (S106)	£12,707,287	£0	£12,707,287	£0	2038 onwards	✓	✓						
Other																	
ED26	SEN provision	E	ECC / HCC / Academy Trusts / Developers	Developer contributions (S106) / DfE / ECC / HCC	£11,000,000	£0	£11,000,000	£0	2018 onwards	✓	✓	✓	✓	✓	✓	✓	✓
ED27	Post 16 education provision	E	ECC	ESFA, DfE	Unknown	Unknown	£0	Unknown	Unknown								
ED28	Contribution to employment and training to support Harlow Skills Strategy	R	HDC / EFDC / EHDC / ECC / HCC / Providers	Developer contributions (S106)	Unknown	Unknown	£0	Unknown	Unknown								
Total					£311,853,088	£1,092,459	£289,810,921	£13,468,708									

5.2.3 Health

Table 9 Summary of health interventions

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Summers	W. Katherine's	Other Sites
HE1	Relocation or redevelopment of Princess Alexandra Hospital	E	NHS England / NHS PAH Trust	Department for Health and Social Care / NHS England / NHS Princess Alexandra Hospital Trust / NHS West Essex CCG / Private Financing	£500,000,000 ²⁴	£170,000,000	£0	£0 ²⁵	2025-2033								
HE2	New or extended dentists across the Garden Town	E	NHS England / Operators / Developers	NHS England / Operators / Developer Contributions (S106)	Privately delivered	£0	£0	N/A	2023 onwards								
HE3	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care	E	NHS England / Developers	Developer Contributions (S106)	£44,993,300	£0	£44,993,300	£0	To be considered further by CCGs	✓	✓	✓	✓	✓	✓	✓	✓
HE4	Two new pharmacies within Harlow	E		Private sector	Privately delivered	£0	£0	N/A	2018-2033								
HE5	Around 147 extra care beds across the whole Garden Town	E		ECC / NHS / Developers / Operators	£5,747,685	£0	£0	£5,747,685	2023 onwards								
HE6	Around 264 nursing care beds across the whole Garden Town	E		ECC / NHS / Developers / Operators	£11,894,164	£0	£0	£11,894,164	2023 onwards								
HE7	Around 382 residential care beds across the whole Garden Town	E		ECC / NHS / Developers / Operators	£14,936,162	£0	£0	£14,936,162	2023 onwards								
Total					£577,571,311	£170,000,000	£44,993,300	£32,578,011									

²⁴ Indicative figure only.

²⁵ Costs likely to be met through a mixture of central government funding (currently estimated to be around £170m although not confirmed), debt funded and capital receipts – developer contributions will also be sought but the level and geographical extent is not currently known (contribution to acute care forms part of HE3). Remaining funding gap is not shown as it is not considered to be for the Garden Town to meet.

5.2.4 Emergency Services

Table 10 Summary of emergency services interventions

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1 - 6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Luton Priory	W. Summers	W. Katherine's	Other Sites
ES1	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services	E	Essex Police / Hertfordshire Constabulary / East of England Ambulance Service NHS Trust / Essex County Fire and Rescue Service / Hertfordshire Fire and Rescue Service	Essex Police / Hertfordshire Constabulary / East of England Ambulance Service NHS Trust / Essex County Fire and Rescue Service / Hertfordshire Fire and Rescue Service / Developers	£6,000,000	£0	£3,000,000	£3,000,000 ²⁶	2023-2028	✓	✓	✓	✓	✓	✓	✓	✓
ES2	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area	E	Essex Police / Hertfordshire Constabulary	Essex Police / Hertfordshire Constabulary / Developers	£25,000,000	£0	£12,500,000	£12,500,000	2023-2028	✓	✓	✓	✓	✓	✓	✓	✓
Total					£31,000,000	£0	£15,500,000	£15,500,000									

²⁶ Engagement with providers has suggested that approximately half of the costs of providing additional emergency services facilities (ES1 and ES2) is expected from other sources, and so has been reflected in the IDP. As funding sources become more certain this position may be updated in future iterations of the IDP.

5.2.5 Community Facilities

Table 11 Summary of community facilities interventions

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1 - 6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Summers	W. Katherine's	Other Sites
CF1	Approx. 1,675sqm of new / additional / improved (multi-purpose) community space (and facilities) to meet the needs of new residents in East Harlow strategic site (both portions), including provision for community halls, youth facilities, other public / community service space	R	EFDC / HDC / ECC / Developers	Developer contributions (S106) / Grant funding	£3,720,175	£0	£3,720,175	£0	2021-2033			✓	✓				
CF2	Approx. 500sqm of new / additional / improved (multi-purpose) community space (and facilities) to meet the needs of new residents in Latton Priory strategic site, including provision for community halls, youth facilities, other public / community service space	R	EFDC / ECC / Developers	Developer contributions (S106) / Grant funding	£1,110,500	£0	£1,110,500	£0	2021-2033					✓			
CF3	Approx. 1,000sqm of new / additional / improved (multi-purpose) community space (and facilities) to meet the needs of new residents in Water Lane Area strategic site, including provision for community halls, youth facilities, other public / community service space	R	EFDC / ECC / Developers	Developer contributions (S106) / Grant funding	£2,221,000	£0	£2,221,000	£0	2021-2033						✓	✓	
CF4	Approx. 230sqm of additional community space in Harlow (excluding East Harlow strategic site)	R	HDC / ECC / Developers	Developer contributions (S106) / Grant funding	£510,830	£0	£510,830	£0	2018-2033								✓
CF5	One youth facility	R	HDC / ECC / Developers	Developer contributions (S106) / Grant funding	£744,100	£0	£744,100	£0	2018-2028				✓				
CF6	Approx. 3,120sqm of community space to serve Gilston	R	EHDC / HCC / Developers	Developer contributions (S106)	£6,929,520	£0	£6,929,520	£0	2022 onwards	✓	✓						
CF7	Youth provision at Gilston, associated with community space	R	EHDC / HCC / Developers	Developer contributions (S106)	£490,455	£0	£490,455	£0	2022-2028	✓	✓						
CF8	Increased / improved capacity and library provision to serve Gilston area, provided within Harlow (by ECC), with a reserve	R	EHDC / HCC / HDC / ECC / Developers	Developer contributions (S106)	£2,250,876	£0	£2,250,876	£0	2022-2033	✓	✓						

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1 - 6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Summers	W. Katherine's	Other Sites
	position of increased capacity and provision in Hertfordshire																
CF9	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)	R	EHDC / HCC / HDC / ECC / Developers	Developer contributions (S106)	£3,500,000	£0	£3,500,000	£0	2022-2033			✓	✓	✓	✓	✓	✓
CF10	Contribution towards on-site or off-site public art	R	HDC / EFDC / EHDC / Developers	Developer contributions (S106)	£1,768,500	£0	£1,768,500	£0	Various - by phasing of sites	✓	✓	✓	✓	✓	✓	✓	✓
CF11	Upgrades to sculpture trail leading to Harlow Town Station	R	HDC	Developer contributions (S106)	£75,000	£0	£75,000	£0	Unknown	✓	✓	✓	✓	✓	✓	✓	✓
CF12	Playhouse Square development	R	HDC	Developer contributions (S106)	£500,000	£0	£500,000	£0	Unknown	✓	✓	✓	✓	✓	✓	✓	✓
CF13	Revenue costs for community facilities and services	R	HDC / EFDC / EHDC / ECC / HCC / Providers	Developer contributions (S106)	Unknown	£0	Unknown	Unknown	2018 onwards								
CF14	Delivery of Town Centre AAP, including town centre management	R	HDC	Developer contributions (S106)	Unknown	£0	Unknown	Unknown	Unknown								
Total					£23,820,956	£0	£23,820,956	£0									

5.2.6 Open Space

Table 12 Summary of open space interventions

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites								
										Gilson 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Sumners	W. Katherine's	Other Sites	
Amenity Greenspace																		
OS1	Approx. 1.05ha. amenity greenspace at East Harlow (Epping Forest portion)	R	EFDC / Developers	Developer contributions (S106)	£147,000	£0	£147,000	£0	2023-2033			✓						
OS2	Approx. 12.45ha. amenity greenspace at East Harlow (Harlow portion)	R	HDC / Developers	Developer contributions (S106)	£1,743,000	£0	£1,743,000	£0	2020-2033				✓					
OS3	Approx. 1.48ha. amenity greenspace at Latton Priory	R	EFDC / Developers	Developer contributions (S106)	£207,200	£0	£207,200	£0	2021-2033					✓				
OS4	Approx. 2.91ha. amenity greenspace at Water Lane Area	R	EFDC / Developers	Developer contributions (S106)	£407,400	£0	£407,400	£0	2021-2033						✓	✓		
OS5	Approx. 11.42ha. of amenity greenspace at Gilston Villages 1-6	R	EHDC / Developers	Developer contributions (S106)	£1,598,800	£0	£1,598,800	£0	2022 onwards	✓								
OS6	Approx. 2.02ha. of amenity greenspace at Gilston Village 7	R	EHDC / Developers	Developer contributions (S106)	£282,800	£0	£282,800	£0	2022 onwards		✓							
OS7	Approx 5.49ha. amenity greenspace across other sites (excluding East Harlow) within Harlow	R	HDC / Developers	Developer contributions (S106)	£768,600	£0	£768,600	£0	2018-2033								✓	
Public Parks and Gardens																		
OS8	Approx. 1.40ha. public parks and gardens at East Harlow strategic site (Epping Forest portion)	R	EFDC / Developers	Developer contributions (S106) / Grant funding	£420,000	£0	£420,000	£0	2023-2033			✓						
OS9	Approx. 14.00ha. public parks and gardens at East Harlow strategic site (Harlow portion)	R	HDC / Developers	Developer contributions (S106)	£4,200,000	£0	£4,200,000	£0	2020-2033				✓					
OS10	Approx. 1.97ha. public parks and gardens at Latton Priory strategic site	R	EFDC / Developers	Developer contributions (S106) / Grant funding	£591,000	£0	£591,000	£0	2021-2033					✓				

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Sumners	W. Katherine's	Other Sites
OS11	Approx. 3.88ha. public parks and gardens at Water Lane Area strategic site	R	EFDC / Developers	Developer contributions (S106) / Grant funding	£1,164,000	£0	£1,164,000	£0	2021-2033						✓	✓	
OS12	Approx. 15.23ha. of amenity greenspace (including parks and gardens) at Gilston Villages 1-6	R	EHDC / Developers	Developer contributions (S106)	£4,569,000	£0	£4,569,000	£0	2022 onwards	✓							
OS13	Approx. 2.69ha of amenity greenspace (including parks and gardens) at Gilston Village 7	R	EHDC / Developers	Developer contributions (S106)	£807,000	£0	£807,000	£0	2022 onwards		✓						
OS14	Approx 6.18ha. public parks and gardens across other sites (excluding East Harlow strategic site) within Harlow	R	HDC / Developers	Developer contributions (S106)	£1,854,000	£0	£1,854,000	£0	2018-2033								✓
Natural and Semi-Natural Open Space																	
OS15	Approx. 3.15ha. of natural space at East Harlow strategic site (Epping Forest portion)	R	EFDC / Developers	Developer contributions (S106)	£157,500	£0	£157,500	£0	2023-2033			✓					
OS16	Approx. 15.56ha. of natural space at East Harlow strategic site (Harlow portion)	R	HDC / Developers	Developer contributions (S106)	£778,000	£0	£778,000	£0	2020-2033				✓				
OS17	Approx. 4.44ha. of natural space at Latton Priory strategic site	R	EFDC / Developers	Developer contributions (S106)	£222,000	£0	£222,000	£0	2021-2033					✓			
OS18	Approx. 8.74ha. of natural space at Water Lane Area strategic site	R	EFDC / Developers	Developer contributions (S106)	£437,000	£0	£437,000	£0	2021-2033						✓	✓	
OS19	Approx. 60.93ha. of natural and semi-natural greenspace at Gilston Villages 1-6	R	EHDC / Developers	Developer contributions (S106)	£3,046,500	£0	£3,046,500	£0	2022 onwards	✓							
OS20	Approx. 10.75ha. of natural and semi-natural greenspace at Gilston Village 7	R	EHDC / Developers	Developer contributions (S106)	£537,500	£0	£537,500	£0	2022 onwards		✓						
OS21	Approx 6.86ha. natural space across other sites (excluding East Harlow strategic site) within Harlow	R	HDC / Developers	Developer contributions (S106)	£343,000	£0	£343,000	£0	2018-2033								✓

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites								
										Gilston 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Sunners	W. Katherine's	Other Sites	
Children's Play																		
OS22	Approx. 0.44ha. provision for children and young people at East Harlow strategic site (Epping Forest portion)	R	EFDC / Developers	Developer contributions (S106)	£582,120	£0	£582,120	£0	2023-2033			✓						
OS23	Approx. 1.87ha. Local Equipped Area for Play (LEAP) at East Harlow strategic site (Harlow portion)	R	HDC / Developers	Developer contributions (S106)	£1,374,450	£0	£1,374,450	£0	2020-2033				✓					
OS24	Approx 2.49ha. Neighbourhood Equipped Area for Play (NEAP) at East Harlow strategic site (Harlow portion)	R	HDC / Developers	Developer contributions (S106)	£3,294,270	£0	£3,294,270	£0	2020-2033				✓					
OS25	Approx. 0.62ha. provision for children and young people at Latton Priory strategic site	R	EFDC / Developers	Developer contributions (S106)	£820,260	£0	£820,260	£0	2021-2033					✓				
OS26	Approx. 1.21ha. provision for children and young people at Water Lane Area strategic site	R	EFDC / Developers	Developer contributions (S106)	£1,600,830	£0	£1,600,830	£0	2021-2033						✓	✓		
OS27	Approx. 4.76ha. of children's play facilities at Gilston Villages 1-6	R	EHDC / Developers	Developer contributions (S106)	£3,498,600	£0	£3,498,600	£0	2022 onwards	✓								
OS28	Approx. 0.84ha. of children's play facilities at Gilston Village 7	R	EHDC / Developers	Developer contributions (S106)	£617,400	£0	£617,400	£0	2022 onwards		✓							
OS29	Approx. 0.82ha. Local Equipped Area for Play (LEAP) across Harlow strategic site (excluding East Harlow)	R	HDC / Developers	Developer contributions (S106)	£602,700	£0	£602,700	£0	2018-2033								✓	
OS30	Approx. 1.10ha. Neighbourhood Equipped Area for Play (NEAP) across Harlow strategic site (excluding East Harlow)	R	HDC / Developers	Developer contributions (S106)	£1,455,300	£0	£1,455,300	£0	2018-2033								✓	
Allotments																		
OS31	Approx 0.35ha. allotments at East Harlow strategic site (Epping Forest portion)	R	EFDC / Developers	Developer contributions (S106)	£8,750	£0	£8,750	£0	2023-2033			✓						
OS32	Approx 1.56ha. allotments at East Harlow (Harlow portion)	R	HDC / Developers	Developer contributions (S106)	£39,000	£0	£39,000	£0	2020-2033				✓					

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1-6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Sunners	W. Katherine's	Other Sites
OS33	Approx 0.49ha. allotments at Latton Priory strategic site	R	EFDC / Developers	Developer contributions (S106)	£12,250	£0	£12,250	£0	2021-2033					✓			
OS34	Approx 0.97ha. allotments at Water Lane Area strategic site	R	EFDC / Developers	Developer contributions (S106)	£24,250	£0	£24,250	£0	2021-2033						✓	✓	
OS35	Approx. 5.71ha. allotments at Gilston Villages 1-6	R	EHDC / Developers	Developer contributions (S106)	£142,750	£0	£142,750	£0	2022 onwards	✓							
OS36	Approx. 1.01ha. allotments at Gilston Village 7	R	EHDC / Developers	Developer contributions (S106)	£25,250	£0	£25,250	£0	2022 onwards		✓						
OS37	Approx 0.69ha. allotments across other sites (excluding East Harlow strategic site) within Harlow	R	HDC / Developers	Developer contributions (S106)	£17,250	£0	£17,250	£0	2018-2033								✓
Other																	
OS38	Upgrades at Harlow Town Park to reflect anticipated increased use	R	HDC	Developer contributions (S106)	Unknown	£0	Unknown	Unknown	2018 onwards								
OS39	Contribution towards Epping Forest Suitable Alternative Natural Green Space (SANGS)	E	EFDC / Developers	Developer contributions (S106)	£2,250,000	£0	£0 ²⁷	£2,250,000	2021-2033								
OS40	Air quality monitoring	E	EFDC / Developers	Developer contributions (S106)	£175,000	£0	£0	£175,000	2021-2033								
OS41	Off-site green infrastructure at Stort Valley	R	EHDC	Developer contributions (S106)	£5,000,000	£0	£5,000,000	£0	2022 onwards	✓	✓						
OS42	Ongoing stewardship and governance	R	TBC	TBC	Unknown	£0	Unknown	Unknown	2018 onwards								
Total					£45,821,730	£0	£43,396,730	£2,425,000									

²⁷ The number of SANGS required is not yet determined, and for this reason costs are not currently attributed to specific sites.

5.2.7 Sports and Leisure

Table 13 Summary of sports and leisure interventions

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1 - 6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Luton Priory	W. Summers	W. Katherine's	Other Sites
SF1	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios	R	HDC / EFDC / EHDC / ECC / HCC / Providers	Developer contributions (S106) / Grant funding	£10,016,000	£0	£10,016,000	£0	2018-2028			✓	✓	✓	✓	✓	✓
SF2	New affordable community leisure centre within Gilston, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 170 station fitness suite; playing pitches; and two studios	R	EHDC / HCC / Providers	Developer contributions (S106) / Grant funding	£11,015,680	£0	£11,015,680	£0	2023-2033	✓	✓						
Total					£21,031,680	£0	£21,031,680	£0									

5.2.9 Utilities

Table 14 Summary of utilities interventions

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites								
										Gilston 1 - 6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Summers	W. Katherine's	Other Sites	
Water																		
UT1	Network reinforcement works to provide potable water	C	Affinity Water	Providers / Developers (Charge)	N/A (strategic upgrades met by providers; on site connections part of normal development costs)	£0	£0	N/A ²⁸	Various - by phasing of sites									
UT2	Early implementation of waste water network upgrades at Latton Priory strategic site	C	Thames Water	Providers / Developers (Charge)	N/A (strategic upgrades met by providers; on site connections part of normal development costs)	£0	£0	N/A	2018-2021									
Electricity																		
UT3	New Harlow 33/11kV Primary sub-station	C	UKPN / Developers	Providers / Developers (Charge)	£900,000	£0	£0	N/A	2018-2023									
UT4	South Harlow 33/11kV Primary sub-station and 11kV interconnection	C	UKPN / Developers	Providers / Developers (Charge)	£1,100,000	£0	£0	N/A	2018-2023									
UT5	Rye House/Harlow West 132kV Tower Line	C	UKPN / Developers	Providers / Developers (Charge)	£5,400,000	£0	£0	N/A	2018-2023									
UT6	Replacement of 33kV switchgear at Harlow West substation	C	UKPN / Developers	Providers / Developers (Charge)	£1,400,000	£0	£0	N/A	2018-2023									
UT7	33kV overhead lines may require diverting for masterplanning of Water Lane Area strategic site	R	UKPN / Developers	Providers / Developers (Charge)	Site dependent	£0	N/A	N/A	2023-2035 (sub-phasing dependent)						✓	✓		

²⁸ Most local utilities upgrades and connections expected to be funded as a combination of the provider and developers via a connection and infrastructure charge (part of ‘normal development cost’ – see Section 5.1); additional costs beyond this expected to be met by the provider.

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1 - 6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Summers	W. Katherine's	Other Sites
UT8	New primary substation to serve Gilston	C	Utility Provider	Providers / Developer (Contribution / Charge)	£29,000,000	£0	£0 ²⁹	N/A	2022 onwards	(✓)	(✓)						
Gas																	
UT9	Gas infrastructure to enable growth	E	Providers / Developers	Providers / Developers (Charge)	N/A (strategic upgrades met by providers; on site connections part of normal development costs)	N/A	£0	N/A	Various - by phasing of sites								
UT10	Potential diversion of mains gas pipeline at East Harlow strategic site	R	Cadent Gas	UKPN / Developer agreement	Masterplan dependent	N/A	£0	N/A	2022-2030 (sub-phasing dependent)			✓	✓				
Telecommunications																	
UT11	Telecommunications infrastructure to enable growth	E	Providers / Developers	Providers / Developers (Charge)	N/A (strategic upgrades met by providers; on site connections part of normal development costs)	£0	£0	N/A	Various - by phasing of sites								
UT12	Measures to support implementation of the Garden Town Digital Strategy	R	Providers / Developers	Providers / Developers	Unknown	£0	Unknown	Unknown	2018 onwards								
UT13	Ongoing broadband and communication upgrades, as required by technological change	R	Providers	Providers	N/A (met by providers)	£0	£0	N/A	2018 onwards								
Waste																	
UT14	Household Waste Recycling Centre to serve Gilston	R	Developer / HCC	Developers / Grant	£6,700,000	£0	£1,662,067	£5,037,933	2023-2028	✓	✓						

²⁹ Substation is an abnormal cost to be reflected in the land value – refer to the Harlow and Gilston Garden Town Strategic Viability Assessment for further details on how it has been addressed.

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1 - 6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Latton Priory	W. Summers	W. Katherine's	Other Sites
UT15	Increased household waste and recycling capacity and / or facility upgrades in order to serve additional demand in Essex	R	Developer / ECC	Developers / Grant	£200,000	£0	£200,000	£0	2023-2028			✓	✓	✓	✓	✓	✓
Total					£44,700,000	£0	£1,862,067	£5,037,933									

5.2.10 Flood Protection

Table 15 Summary of flood protection interventions

Ref	Intervention	Priority	Delivery Partners	Potential Funding Sources	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Delivery Phasing	Contributing Sites							
										Gilston 1 - 6	Gilston 7	E. Harlow (N)	E. Harlow (S)	Lutton Priory	W. Summers	W. Katherine's	Other Sites
FL1	Measures to ensure the protection of the functional flood plain and restriction of surface water run-off into Pincey Brook to no more than existing rates	C	Environment Agency / EFDC / ECC / Developers	Developer Funded	Unknown	£0	£0	Unknown	2018-2023			✓					
FL2	Strategic surface water flood risk interventions (see Appendix A for further details)	C	Environment Agency / Developers	Environment Agency / Developer Contribution	£12,000,000	£341,482	£440,000	£11,218,518	2028-2033								✓
FL3	On-site SuDS delivered as part of developments	E	Developers	Developer Funded	N/A (part of normal development costs)	£0	£0	N/A	Various - by phasing of sites								
Total					£12,000,000	£341,482	£440,000	£11,218,518									

5.3 Infrastructure Requirements by Strategic Site

5.3.1 Gilston Villages 1-6

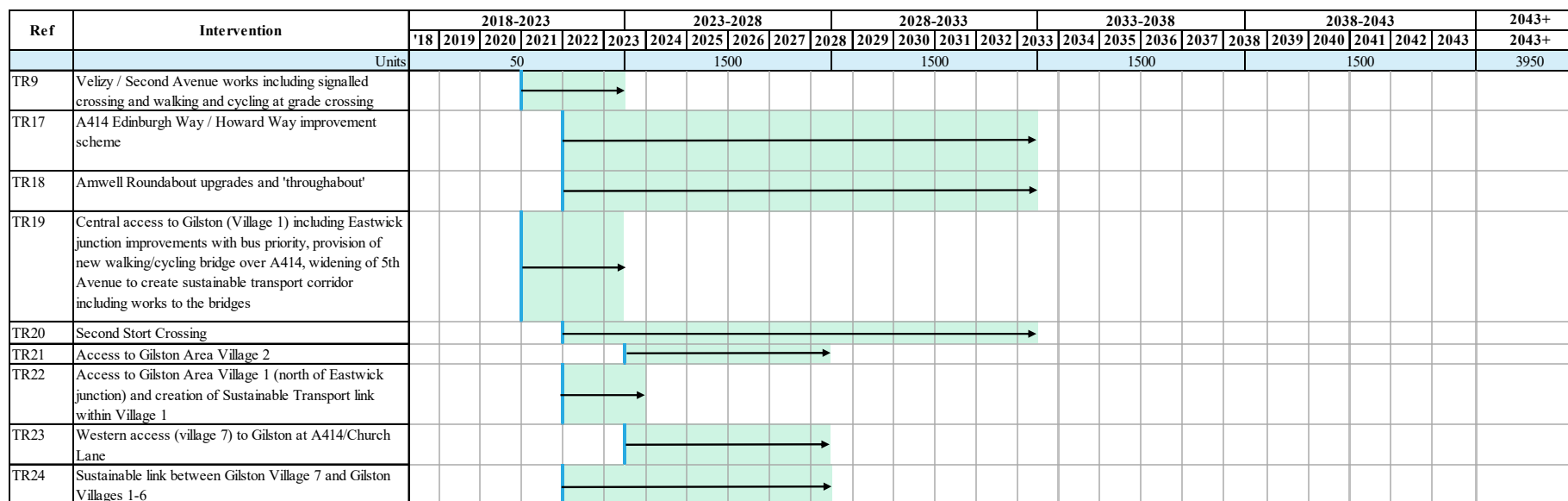
Table 16 Infrastructure requirements for Gilston Villages 1-6

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
TR9	Transport	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing	£4,805,825	48.54%	48.06%
TR17	Transport	A414 Edinburgh Way / Howard Way improvement scheme	£5,950,000	85.00%	85.00%
TR18	Transport	Amwell Roundabout upgrades and 'throughabout'	£3,570,000	85.00%	85.00%
TR19	Transport	Central access to Gilston (Village 1) including Eastwick junction improvements with bus priority, provision of new walking/cycling bridge over A414, widening of 5th Avenue to create sustainable transport corridor including works to the bridges, and improved access to Harlow Town Station from the north	£30,770,000	85.00%	85.00%
TR20	Transport	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severance mitigation measures at Terlings Park	£45,912,264	49.45%	49.45%
TR21	Transport	Access to Gilston Area Village 2	£2,159,000	100.00%	100.00%
TR22	Transport	Access to Gilston Area Village 1 (north of Eastwick junction) and creation of Sustainable Transport link within Village 1	£13,240,000	100.00%	100.00%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
TR24	Transport	Sustainable link between Gilston Village 7 and Gilston Villages 1-6	£8,797,500	85.00%	85.00%
TR28	Transport	Sustainable Transport Corridors and Town Centre Transport Hub	£63,750,536	49.45%	40.56%
TR32	Transport	Off-road cycle and walking network from Village 6 to Pinnacles	£600,000	100.00%	100.00%
TR33	Transport	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links	£3,527,602	48.21%	48.21%
TR34	Transport	Pump-priming of new bus services in Gilston Area	£16,065,000	85.00%	85.00%
ED4	Education	Childcare facility (approx. 1650sqm) at Gilston Villages 1-6	£4,024,350	100.00%	100.00%
ED18	Education	Requirement of 17FE of primary education, with each school including early years provision	£62,961,047	85.00%	85.00%
ED19	Education	Additional safeguarded provision at Gilston (additional 3FE across primary schools)	£9,732,895	85.00%	85.00%
ED23	Education	8FE secondary school at Gilston	£32,557,985	85.00%	85.00%
ED24	Education	9FE secondary school at Gilston	£36,158,383	85.00%	85.00%
ED25	Education	Additional safeguarded provision at Gilston (additional 3FE across the two secondary schools)	£10,801,194	85.00%	85.00%
ED26	Education	SEN provision	£5,286,966	48.06%	48.06%
HE3	Healthcare	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care	£21,625,278	48.06%	48.06%
ES1	Emergency Services	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services	£1,483,593	49.45%	24.73%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
ES2	Emergency Services	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area	£6,181,638	49.45%	24.73%
CF6	Community Facilities	Approx. 3,120sqm of community space to serve Gilston	£5,890,092	85.00%	85.00%
CF7	Community Facilities	Youth provision at Gilston, associated with community space	£416,887	85.00%	85.00%
CF8	Community Facilities	Increased / improved capacity and library provision to serve Gilston area, provided within Harlow (by ECC), with a reserve position of increased capacity and provision in Hertfordshire	£1,913,244	85.00%	85.00%
CF10	Community Facilities	Contribution towards on site or off site public art	£850,000	48.06%	48.06%
CF11	Community Facilities	Upgrades to sculpture trail leading to Harlow Town Station	£36,047	48.06%	48.06%
CF12	Community Facilities	Playhouse Square development	£240,317	48.06%	48.06%
OS5	Open Space	Approx. 11.42ha. of amenity greenspace at Gilston Villages 1-6	£1,598,800	100.00%	100.00%
OS12	Open Space	Approx. 15.23ha. of amenity greenspace (including parks and gardens) at Gilston Villages 1-6	£4,569,000	100.00%	100.00%
OS19	Open Space	Approx. 60.93ha. of natural and semi-natural greenspace at Gilston Villages 1-6	£3,046,500	100.00%	100.00%
OS27	Open Space	Approx. 4.76ha. of children's play facilities at Gilston Villages 1-6	£3,498,600	100.00%	100.00%
OS35	Open Space	Approx. 5.71ha. allotments at Gilston Villages 1-6	£142,750	100.00%	100.00%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
OS41	Open Space	Off-site green infrastructure at Stort Valley	£4,250,000	85.00%	85.00%
SF2	Sports and Leisure	New affordable community leisure centre within Gilston, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 170 station fitness suite; playing pitches; and two studios	£9,363,328	85.00%	85.00%
UT14	Utilities	Household Waste Recycling Centre to serve Gilston	£1,412,757	85.00%	21.09%
Total			£427,189,378		

Figure 3 Indicative Phasing of key infrastructure at Gilston Villages 1-7³⁰

³⁰ Combined indicative phasing for Gilston 1-6 and Gilston 7. Early phasing of Gilston differs slightly between Figure 3 and the figures used in the Strategic Viability Assessment but the impact is considered to be minimal.

Ref	Intervention	2018-2023					2023-2028					2028-2033					2033-2038					2038-2043					2043+					
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2043+				
	Units	50					1500					1500					1500					1500					3950					
TR28	Sustainable Transport Corridors and Town Centre Transport Hub																															
TR31	Off-road cycle and walking network from Village 7 to Roydon																															
TR32	Off-road cycle and walking network from Village 6 to Pinnacles																															
ED4	Childcare facility (approx. 1650sqm) at Gilston Villages 1-6																															
ED5	Childcare facility (approx. 275sqm) at Gilston Village 7																															
ED18	Requirement of 17FE of primary education, with each school including early years provision (markers show indicative phasing of each FE; this is indicative only as education provision expected to be provided in larger-than-IFE provisions)																															
ED19	Additional safeguarded provision at Gilston (additional 3FE across primary schools)																															
ED23 / ED24	Requirement of one 8FE secondary school and one 9FE secondary school at Gilston (markers show indicative phasing of each FE; this is indicative only as education provision expected to be provided in larger-than-IFE provisions)																															
ED25	Additional safeguarded provision at Gilston (additional 3FE across the two secondary schools)																															
ES1	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services																															
ES2	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area																															

Ref	Intervention	2018-2023					2023-2028					2028-2033					2033-2038					2038-2043					2043+	
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2043+
	Units	50					1500					1500					1500					1500					3950	
CF6	Approx. 3,120sqm of community space to serve Gilston																											
CF7	Youth provision at Gilston, associated with community space																											
CF8	Increased / improved capacity and library provision to serve Gilston area, provided within Harlow (by ECC)																											
SF2	New affordable community leisure centre within Gilston, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 170 station fitness suite; playing pitches; and two studios																											
UT14	Household Waste Recycling Centre to serve Gilston																											

5.3.3 Gilston Village 7

Table 17 Infrastructure requirements for Gilston Village 7

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
TR9	Transport	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing	£848,087	8.57%	8.48%
TR17	Transport	A414 Edinburgh Way / Howard Way improvement scheme	£1,050,000	15.00%	15.00%
TR18	Transport	Amwell Roundabout upgrades and 'throughabout'	£630,000	15.00%	15.00%
TR19	Transport	Central access to Gilston (Village 1) including Eastwick junction improvements with bus priority, provision of new walking/cycling bridge over A414, widening of 5th Avenue to create sustainable transport corridor including works to the bridges, and improved access to Harlow Town Station from the north	£5,430,000	15.00%	15.00%
TR20	Transport	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severance mitigation measures at Terlings Park	£8,102,164	8.73%	8.73%
TR23	Transport	Western access (village 7) to Gilston at A414/Church Lane	£1,535,000	100.00%	100.00%
TR24	Transport	Sustainable link between Gilston Village 7 and Gilston Villages 1-6	£1,552,500	15.00%	15.00%
TR28	Transport	Sustainable Transport Corridors and Town Centre Transport Hub	£11,250,095	8.73%	7.16%
TR31	Transport	Off-road cycle and walking network from Village 7 to Roydon	£600,000	100.00%	100.00%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
TR33	Transport	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links	£618,878	8.46%	8.46%
TR34	Transport	Pump-priming of new bus services in Gilston Area	£2,835,000	15.00%	15.00%
ED5	Education	Childcare facility (approx. 275sqm) at Gilston Village 7	£670,725	100.00%	100.00%
ED18	Education	Requirement of 17FE of primary education, with each school including early years provision	£11,110,773	15.00%	15.00%
ED19	Education	Additional safeguarded provision at Gilston (additional 3FE across primary schools)	£1,717,570	15.00%	15.00%
ED23	Education	8FE secondary school at Gilston	£5,745,527	15.00%	15.00%
ED24	Education	9FE secondary school at Gilston	£6,380,891	15.00%	15.00%
ED25	Education	Additional safeguarded provision at Gilston (additional 3FE across the two secondary schools)	£1,906,093	15.00%	15.00%
ED26	Education	SEN provision	£932,994	8.48%	8.48%
HE3	Healthcare	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care	£3,816,226	8.48%	8.48%
ES1	Emergency Services	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services	£261,811	8.73%	4.36%
ES2	Emergency Services	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area	£1,090,877	8.73%	4.36%
CF6	Community Facilities	Approx. 3,120sqm of community space to serve Gilston	£1,039,428	15.00%	15.00%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
CF7	Community Facilities	Youth provision at Gilston, associated with community space	£73,568.30	15.00%	15.00%
CF8	Community Facilities	Increased / improved capacity and library provision to serve Gilston area, provided within Harlow (by ECC), with a reserve position of increased capacity and provision in Hertfordshire	£337,631	15.00%	15.00%
CF10	Community Facilities	Contribution towards on site or off site public art	£150,000	8.48%	8.48%
CF11	Community Facilities	Upgrades to sculpture trail leading to Harlow Town Station	£6,361	8.48%	8.48%
CF12	Community Facilities	Playhouse Square development	£42,409	8.48%	8.48%
OS6	Open Space	Approx. 2.02ha. of amenity greenspace at Gilston Village 7	£282,800	100.00%	100.00%
OS13	Open Space	Approx. 2.69ha of amenity greenspace (including parks and gardens) at Gilston Village 7	£807,000	100.00%	100.00%
OS20	Open Space	Approx. 10.75ha. of natural and semi-natural greenspace at Gilston Village 7	£537,500	100.00%	100.00%
OS28	Open Space	Approx. 0.84ha. of children's play facilities at Gilston Village 7	£617,400	100.00%	100.00%
OS36	Open Space	Approx. 1.01ha. allotments at Gilston Village 7	£25,250	100.00%	100.00%
OS41	Open Space	Off-site green infrastructure at Stort Valley	£750,000	15.00%	15.00%
SF2	Sports and Leisure	New affordable community leisure centre within Gilston, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 170 station fitness suite; playing pitches; and two studios	£1,652,352	15.00%	15.00%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
UT14	Utilities	Household Waste Recycling Centre to serve Gilston	£249,310	15.00%	3.72%
Total			£74,656,220		

Please refer to Figure 3 for information on the phasing of key infrastructure at Gilston.

5.3.4 East Harlow (Epping Forest District)

Table 18 Infrastructure requirements for East Harlow (Epping Forest District)

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
TR2	Transport	Mayfield Farm access to East Harlow, including a single junction upgrade and link-road to the site	£4,000,000	100.00%	100.00%
TR3	Transport	Sheering Way access to East Harlow, including a single junction upgrade and link-road to the site	£2,000,000	100.00%	100.00%
TR9	Transport	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing	£424,043	4.28%	4.24%
TR20	Transport	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severance mitigation measures at Terlings Park	£4,051,082	4.36%	4.36%
TR28	Transport	Sustainable Transport Corridors and Town Centre Transport Hub	£5,625,047	4.36%	3.58%
TR33	Transport	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links	£309,439	4.23%	4.23%
ED1	Education	Approx. 64 early years places to meet the needs of new residents at East Harlow (Epping portion)	£1,073,160	100.00%	100.00%
ED13	Education	New 2FE (2.1ha site) primary school, including early years provision, at East Harlow (Epping portion)	£3,929,909	54.95%	52.53%
ED21	Education	New 8FE (10ha site) secondary school at East Harlow	£4,033,520	17.94%	15.66%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
ED26	Education	SEN provision	£466,497	4.24%	4.24%
HE3	Healthcare	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care	£1,908,112.81	4.24%	4.24%
ES1	Emergency Services	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services	£130,905	4.36%	2.18%
ES2	Emergency Services	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area	£545,439	4.36%	2.18%
CF1	Community Facilities	Approx. 1,675sqm of new / additional / improved (multi-purpose) community space (and facilities) to meet the needs of new residents in East Harlow (both portions), including provision for community halls, youth facilities, other public / community service space	£832,875	22.39%	22.39%
CF9	Community Facilities	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)	£365,192	10.43%	10.43%
CF10	Community Facilities	Contribution towards on site or off site public art	£75,000	22.39%	22.39%
CF11	Community Facilities	Upgrades to sculpture trail leading to Harlow Town Station	£3,181	4.24%	4.24%
CF12	Community Facilities	Playhouse Square development	£21,204	4.24%	4.24%
OS1	Open Space	Approx. 1.05ha. amenity greenspace at East Harlow (Epping Forest portion)	£147,000	100.00%	100.00%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
OS8	Open Space	Approx. 1.40ha. public parks and gardens at East Harlow (Epping Forest portion)	£420,000	100.00%	100.00%
OS15	Open Space	Approx. 3.15ha. of natural space at East Harlow (Epping Forest portion)	£157,500	100.00%	100.00%
OS22	Open Space	Approx. 0.44ha. provision for children and young people at East Harlow (Epping Forest portion)	£582,120	100.00%	100.00%
OS31	Open Space	Approx 0.35ha. allotments at East Harlow (Epping Forest portion)	£8,750	100.00%	100.00%
SF1	Sports and Leisure	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios	£1,045,075	10.43%	10.43%
UT10	Utilities	Potential diversion of mains gas at East Harlow	Unknown	Unknown	Unknown
UT15	Utilities	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex	£20,868	10.43%	10.43%
FL1	Flood Defence	Measures to ensure the protection of the functional flood plain and restriction of surface water run-off into Pincey Brook to no more than existing rates	Unknown	Unknown	Unknown
Total			£32,175,919		

Figure 4 Phasing of key infrastructure at East Harlow (Epping Forest District)

Ref	Intervention	2018-2023					2023-2028					2028-2033					
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33
	Units	0					250					500					
TR2	Mayfield Farm access to East Harlow, including a single junction upgrade and link-road to the site																
TR3	Sheering Way access to East Harlow, including a single junction upgrade and link-road to the site																
TR9	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing																
TR20	Second Stort Crossing																
TR28	Sustainable Transport Corridors and Town Centre Transport Hub																
ED1	Approx. 64 early years places to meet the needs of new residents at East Harlow (Epping portion)																
ED13	New 2FE (2.1ha site) primary school, including early years provision, at East Harlow (Epping portion)																
ED21	New 8FE (10ha site) secondary school at East Harlow																
ES1	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services																
ES2	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area																

Ref	Intervention	2018-2023						2023-2028					2028-2033				
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33
	Units	0						250					500				
CF1	Approx. 1,675sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in East Harlow (both portions), including provision for community halls, youth facilities, other public / community service space																
CF9	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)																
SF1	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios																
UT10	Potential diversion of mains gas at East Harlow																
UT15	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex																
FL1	Measures to ensure the protection of the functional flood plain and restriction of surface water run-off into Pincey Brook to no more than existing rates																

5.3.5 East Harlow (Harlow District)

Table 19 Infrastructure requirements for East Harlow (Harlow District)

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
TR4	Transport	Nursery site (east of Gilden Way) access to East Harlow, including a single junction upgrade and link-road to the site	£7,000,000	100.00%	100.00%
TR9	Transport	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing	£1,470,017	14.85%	14.70%
TR20	Transport	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severance mitigation measures at Terlings Park	£14,043,751	15.13%	15.13%
TR28	Transport	Sustainable Transport Corridors and Town Centre Transport Hub	£19,500,164	15.13%	12.41%
TR33	Transport	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links	£1,072,721	14.66%	14.66%
ED6	Education	Approx. 349 additional places in Old Harlow ward	£4,503,692	99.54%	80.18%
ED13	Education	New 2FE (2.1ha site) primary school, including early years provision, at East Harlow (Epping portion)	£2,896,605	40.50%	38.72%
ED15	Education	New 3FE (3ha site) primary school, including early years provision, at East Harlow (Harlow portion)	£10,727,080	100.00%	94.10%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
ED21	Education	New 8FE (10ha site) secondary school at East Harlow	£13,982,870	62.19%	54.28%
ED26	Education	SEN provision	£1,617,190	14.70%	14.70%
HE3	Healthcare	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care	£6,614,791	14.70%	14.70%
ES1	Emergency Services	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services	£453,805	15.13%	7.56%
ES2	Emergency Services	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area	£1,890,854	15.13%	7.56%
CF1	Community Facilities	Approx. 1,675sqm of new / additional / improved (multi-purpose) community space (and facilities) to meet the needs of new residents in East Harlow (both portions), including provision for community halls, youth facilities, other public / community service space	£2,887,300	77.61%	77.61%
CF5	Community Facilities	One youth facility	£744,100	100.00%	100.00%
CF9	Community Facilities	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)	£1,265,999	36.17%	36.17%
CF10	Community Facilities	Contribution towards on site or off site public art	£260,000	77.61%	77.61%
CF11	Community Facilities	Upgrades to sculpture trail leading to Harlow Town Station	£11,026	14.70%	14.70%
CF12	Community Facilities	Playhouse Square development	£73,509	14.70%	14.70%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
OS2	Open Space	Approx. 12.45ha. amenity greenspace at East Harlow (Harlow portion)	£1,743,000	100.00%	100.00%
OS9	Open Space	Approx. 14.00ha. public parks and gardens at East Harlow (Harlow portion)	£4,200,000	100.00%	100.00%
OS16	Open Space	Approx. 15.56ha. of natural space at East Harlow (Harlow portion)	£778,000	100.00%	100.00%
OS23	Open Space	Approx. 1.87ha. Local Equipped Area for Play (LEAP) at East Harlow (Harlow portion)	£1,374,450	100.00%	100.00%
OS24	Open Space	Approx 2.49ha. Neighbourhood Equipped Area for Play (NEAP) at East Harlow (Harlow portion)	£3,294,270	100.00%	100.00%
OS32	Open Space	Approx 1.56ha. allotments at East Harlow (Harlow portion)	£39,000	100.00%	100.00%
SF1	Sports and leisure	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios	£3,622,927	36.17%	36.17%
UT10	Utilities	Potential diversion of mains gas at East Harlow	Unknown	Unknown	Unknown
UT15	Utilities	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex	£72,343	36.17%	36.17%
Total			£106,139,464		

Figure 5 Phasing of key infrastructure at East Harlow (Harlow District)

Ref	Intervention	2018-2023						2023-2028						2028-2033					
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33		
	Units	750						1150						700					
TR4	Nursery site (east of Gilden Way) access to East Harlow, including a single junction upgrade and link-road to the site																		
TR9	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing																		
TR20	Second Stort Crossing																		
TR28	Sustainable Transport Corridors and Town Centre Transport Hub																		
ED6	Approx. 349 additional places in Old Harlow ward																		
ED13	New 2FE (2.1ha site) primary school, including early years provision, at East Harlow (Epping portion)																		
ED15	New 3FE (3ha site) primary school, including early years provision, at East Harlow (Harlow portion)																		
ED21	New 8FE (10ha site) secondary school at East Harlow																		
ES1	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services																		
ES2	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area																		

Ref	Intervention	2018-2023					2023-2028					2028-2033					
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33
	Units	750					1150					700					
CF1	Approx. 1,675sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in East Harlow (both portions), including provision for community halls, youth facilities, other public / community service space																
CF5	One youth facility																
CF9	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)																
SF1	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios																
UT10	Potential diversion of mains gas at East Harlow																
UT15	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex																

5.3.6 Latton Priory

Table 20 Infrastructure requirements for Latton Priory

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
TR5	Transport	Minor upgrades and improvements to M11 Junction 7 to provide access to Latton Priory and B1393	£3,500,000	70.00%	70.00%
TR6	Transport	Link road and B1393 junction from Latton Priory to M11 Junction 7	£5,000,000	100.00%	100.00%
TR9	Transport	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing	£593,661	6.00%	5.94%
TR20	Transport	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severance mitigation measures at Terlings Park	£5,671,515	6.11%	6.11%
TR28	Transport	Sustainable Transport Corridors and Town Centre Transport Hub	£7,875,066	6.11%	5.01%
TR33	Transport	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links	£433,214	5.92%	5.92%
ED2	Education	Approx. 79 early years places to meet the needs of new residents at Latton Priory	£1,324,682	100.00%	100.00%
ED16	Education	New 2FE (2.1ha site) primary school, including early years provision, at Latton Priory	£5,501,873	82.34%	73.54%
ED22	Education	New 8FE (10ha site) secondary school at Latton Priory	£5,646,928	24.07%	21.92%
ED26	Education	SEN provision	£653,096	5.94%	5.94%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
HE3	Healthcare	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care	£2,671,358	5.94%	5.94%
ES1	Emergency Services	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services	£183,267	6.11%	3.05%
ES2	Emergency Services	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area	£763,614	6.11%	3.05%
CF2	Community Facilities	Approx. 500sqm of new / additional / improved (multi-purpose) community space (and facilities) to meet the needs of new residents in Latton Priory, including provision for community halls, youth facilities, other public / community service space	£1,110,500	100.00%	100.00%
CF9	Community Facilities	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)	£511,269	14.61%	14.61%
CF10	Community Facilities	Contribution towards on site or off site public art	£105,000	5.94%	5.94%
CF11	Community Facilities	Upgrades to sculpture trail leading to Harlow Town Station	£4,453	5.94%	5.94%
CF12	Community Facilities	Playhouse Square development	£29,686	5.94%	5.94%
OS3	Open Space	Approx. 1.48ha. amenity greenspace at Latton Priory	£207,200	100.00%	100.00%
OS10	Open Space	Approx. 1.97ha. public parks and gardens at Latton Priory	£591,000	100.00%	100.00%
OS17	Open Space	Approx. 4.44ha. of natural space at Latton Priory	£222,000	100.00%	100.00%
OS25	Open Space	Approx. 0.62ha. provision for children and young people at Latton Priory	£820,260	100.00%	100.00%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
OS33	Open Space	Approx. 0.49ha. allotments at Latton Priory	£12,250	100.00%	100.00%
SF1	Sports and Leisure	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios	£1,463,105	14.61%	14.61%
UT15	Utilities	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex	£29,215	14.61%	14.61%
Total			£44,924,212		

Figure 6 Phasing of key infrastructure at Latton Priory

Ref	Intervention	2018-2023						2023-2028					2028-2033				
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33
	Units	50						500					500				
TR5	Minor upgrades and improvements to M11 Junction 7 to provide access to Latton Priory and B1393																
TR6	Link road and B1393 junction from Latton Priory to M11 Junction 7																
TR9	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing																
TR20	Second Stort Crossing																
TR28	Sustainable Transport Corridors and Town Centre Transport Hub																
ED2	Approx. 79 early years places to meet the needs of new residents at Latton Priory																
ED16	New 2FE (2.1ha site) primary school, including early years provision, at Latton Priory																
ED22	New 8FE (10ha site) secondary school at Latton Priory																
ES1	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services																
ES2	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area																

Ref	Intervention	2018-2023						2023-2028					2028-2033				
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33
	Units	50						500					500				
CF2	Approx. 500sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in Latton Priory, including provision for community halls, youth facilities, other public / community service space																
CF9	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)																
SF1	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios																
UT15	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex																

5.3.7 West Sumners

Table 21 Infrastructure requirements for West Sumners

Ref	Infrastructure type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
TR5	Transport	Minor upgrades and improvements to M11 Junction 7 to provide access to Latton Priory and B1393	£377,456	7.55%	7.55%
TR8	Transport	Enhancements to Water Lane / A1169 roundabout; A1025 / Abercrombie Way signals; and traffic calming along the A1169	£4,529,467	37.75%	37.75%
TR9	Transport	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing	£456,271	4.61%	4.56%
TR16	Transport	Cycling and walking improvements to A1025 Second Avenue / Manston / Tripton junction; cycling and walking improvements to the A1025 Second Avenue / Howard Way improvements / pedestrian crossings; and public transport and general capacity improvements	£2,666,487	38.09%	38.09%
TR20	Transport	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severance mitigation measures at Terlings Park	£4,358,964	4.70%	4.70%
TR28	Transport	Sustainable Transport Corridors and Town Centre Transport Hub	£6,052,551	4.70%	3.85%
TR33	Transport	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links	£332,956	4.55%	4.55%
ED3	Education	Approx. 158 early years places to meet the needs of new residents at Water Lane Area	£1,000,017	37.75%	37.75%

Ref	Infrastructure type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
ED16	Education	New 2FE (2.1ha site) primary school, including early years provision, at Latton Priory	£1,180,021	17.66%	15.77%
ED17	Education	New 3FE (2.5ha site) primary school, including early years provision, at Water Lane Area	£3,048,562	30.42%	26.74%
ED22	Education	New 8FE (10ha site) secondary school at Latton Priory	£4,340,068	18.50%	16.85%
ED26	Education	SEN provision	£501,951	4.56%	4.56%
HE3	Healthcare	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care	£2,053,129	4.56%	4.56%
ES1	Emergency Services	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services	£140,854	4.70%	2.35%
ES2	Emergency Services	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area	£586,892	4.70%	2.35%
CF3	Community Facilities	Approx. 1,000sqm of new / additional / improved (multi-purpose) community space (and facilities) to meet the needs of new residents in Water Lane area, including provision for community halls, youth facilities, other public / community service space	£838,329	37.75%	37.75%
CF9	Community Facilities	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)	£392,947	11.23%	11.23%
CF10	Community Facilities	Contribution towards on site or off site public art	£80,700	4.56%	4.56%
CF11	Community Facilities	Upgrades to sculpture trail leading to Harlow Town Station	£3,422	4.56%	4.56%

Ref	Infrastructure type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
CF12	Community Facilities	Playhouse Square development	£22,816	4.56%	4.56%
OS4	Open Space	Approx. 2.91ha. amenity greenspace at Water Lane Area	£153,775	37.75%	37.75%
OS11	Open Space	Approx. 3.88ha. public parks and gardens at Water Lane Area	£439,358	37.75%	37.75%
OS18	Open Space	Approx. 8.74ha. of natural space at Water Lane Area	£164,948	37.75%	37.75%
OS26	Open Space	Approx. 1.21ha. provision for children and young people at Water Lane Area	£604,242	37.75%	37.75%
OS34	Open Space	Approx 0.97ha. allotments at Water Lane Area	£9,153	37.75%	37.75%
SF1	Sports and Leisure	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios	£1,124,501	11.23%	11.23%
UT7	Utilities	33kV overhead lines may require diverting for masterplanning of Water Lane Area	Unknown	Unknown	Unknown
UT15	Utilities	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex	£22,454	11.23%	11.23%
Total			£35,482,291		

Figure 7 Phasing of key infrastructure at West Sumners

Ref	Intervention	2018-2023					2023-2028					2028-2033					
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33
	Units (Water Lane Area sites assumed to be phased at same rate)	38					384					384					
TR5	Minor upgrades and improvements to M11 Junction 7 to provide access to Latton Priory and B1393																
TR8	Enhancements to Water Lane / A1169 roundabout; A1025 / Abercrombie Way signals; and traffic calming along the A1169																
TR9	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing																
TR16	Cycling and walking improvements to A1025 Second Avenue / Manston / Tripton junction; cycling and walking improvements to the A1025 Second Avenue / Howard Way improvements / pedestrian crossings; and public transport and general capacity improvements																
TR20	Second Stort Crossing																
TR28	Sustainable Transport Corridors and Town Centre Transport Hub																
ED3	Approx. 158 early years places to meet the needs of new residents at Water Lane Area																
ED16	New 2FE (2.1ha site) primary school, including early years provision, at Latton Priory																
ED17	New 3FE (2.5ha site) primary school, including early years provision, at Water Lane Area																

Ref	Intervention	2018-2023					2023-2028					2028-2033					
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33
	Units (Water Lane Area sites assumed to be phased at same rate)	38					384					384					
ED22	New 8FE (10ha site) secondary school at Latton Priory																
ES1	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services																
ES2	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area																
CF3	Approx. 1,000sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in Water Lane area, including provision for community halls, youth facilities, other public / community service space																
CF9	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)																
SF1	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios																
UT7	33kV overhead lines may require diverting for masterplanning of Water Lane Area																
UT15	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex																

5.3.8 West of Katherine's

Table 22 Infrastructure requirements for West of Katherine's

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
TR5	Transport	Minor upgrades and improvements to M11 Junction 7 to provide access to Latton Priory and B1393	£622,544	12.45%	12.45%
TR8	Transport	Enhancements to Water Lane / A1169 roundabout; A1025 / Abercrombie Way signals; and traffic calming along the A1169	£7,470,533	62.25%	62.25%
TR9	Transport	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing	£752,536	7.60%	7.53%
TR16	Transport	Cycling and walking improvements to A1025 Second Avenue / Manston / Tripton junction; cycling and walking improvements to the A1025 Second Avenue / Howard Way improvements / pedestrian crossings; and public transport and general capacity improvements	£4,333,513	61.91%	61.91%
TR20	Transport	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severance mitigation measures at Terlings Park	£7,189,320	7.74%	7.74%
TR28	Transport	Sustainable Transport Corridors and Town Centre Transport Hub	£9,982,584	7.74%	6.35%
TR33	Transport	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links	£549,151	7.50%	7.50%
ED3	Education	Approx. 158 early years places to meet the needs of new residents at Water Lane Area	£1,649,347	62.25%	62.25%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
ED17	Education	New 3FE (2.5ha site) primary school, including early years provision, at Water Lane Area	£6,974,279	69.58%	61.18%
ED22	Education	New 8FE (10ha site) secondary school at Latton Priory	£7,158,154	30.51%	27.78%
ED26	Education	SEN provision	£827,877	7.53%	7.53%
HE3	Healthcare	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care	£3,386,264	7.53%	7.53%
ES1	Emergency Services	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services	£232,313	7.74%	3.87%
ES2	Emergency Services	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area	£967,972	7.74%	3.87%
CF3	Community Facilities	Approx. 1,000sqm of new / additional / improved (multi-purpose) community space (and facilities) to meet the needs of new residents in Water Lane area, including provision for community halls, youth facilities, other public / community service space	£1,382,671	62.25%	62.25%
CF9	Community Facilities	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)	£648,094	18.52%	18.52%
CF10	Community Facilities	Contribution towards on site or off site public art	£133,100	62.25%	62.25%
CF11	Community Facilities	Upgrades to sculpture trail leading to Harlow Town Station	£5,645	7.53%	7.53%
CF12	Community Facilities	Playhouse Square development	£37,631	7.53%	7.53%

Ref	Infrastructure Type	Intervention	Cost Apportioned to Site	Proportion of Developer Contribution Element	Proportion of Total Cost
OS4	Open Space	Approx. 2.91ha. amenity greenspace at Water Lane Area	£253,625	62.25%	62.25%
OS11	Open Space	Approx. 3.88ha. public parks and gardens at Water Lane Area	£724,642	62.25%	62.25%
OS18	Open Space	Approx. 8.74ha. of natural space at Water Lane Area	£272,052	62.25%	62.25%
OS26	Open Space	Approx. 1.21ha. provision for children and young people at Water Lane Area	£996,588	62.25%	62.25%
OS34	Open Space	Approx 0.97ha. allotments at Water Lane Area	£15,097	62.25%	62.25%
SF1	Sports and Leisure	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios	£1,854,660	18.52%	18.52%
UT7	Utilities	33kV overhead lines may require diverting for masterplanning of Water Lane Area	Unknown	Unknown	Unknown
UT15	Utilities	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex	£37,034	18.52%	18.52%
Total			£58,457,226		

Figure 8 Phasing of key infrastructure at West of Katherine's

Ref	Intervention	2018-2023						2023-2028					2028-2033					
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33	
	Units (Water Lane Area sites assumed to be phased at same rate)	63						634					634					
TR5	Minor upgrades and improvements to M11 Junction 7 to provide access to Latton Priory and B1393																	
TR8	Enhancements to Water Lane / A1169 roundabout; A1025 / Abercrombie Way signals; and traffic calming along the A1169																	
TR9	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing																	
TR16	Cycling and walking improvements to A1025 Second Avenue / Manston / Tripton junction; cycling and walking improvements to the A1025 Second Avenue / Howard Way improvements / pedestrian crossings; and public transport and general capacity improvements																	
TR20	Second Stort Crossing																	
TR28	Sustainable Transport Corridors and Town Centre Transport Hub																	
ED3	Approx. 158 early years places to meet the needs of new residents at Water Lane Area																	
ED17	New 3FE (2.5ha site) primary school, including early years provision, at Water Lane Area																	
ED22	New 8FE (10ha site) secondary school at Latton Priory																	

Ref	Intervention	2018-2023						2023-2028					2028-2033				
		'18	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	'33
	Units (Water Lane Area sites assumed to be phased at same rate)	63						634					634				
ES1	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services																
ES2	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area																
CF3	Approx. 1,000sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in Water Lane area, including provision for community halls, youth facilities, other public / community service space																
CF9	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)																
SF1	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios																
UT7	33kV overhead lines may require diverting for masterplanning of Water Lane Area																
UT15	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex																

5.4 Funding Gap

Table 23 Summary of funding gap

Topic	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Items Not Included in Funding Gap
Transport	£698,452,278	£61,450,000	£375,752,278	£61,250,000	- Hertford Bypass (TR25) (£175,000,000) – unclear to what extent developer contributions from Garden Town will be required; given contributions towards Amwell junction (TR18), likely to be zero. - Transport mitigation measures relating to Princess Alexandra Hospital relocation (TR27) (£25,000,000) – expected to form part of the overall cost package of the relocation.
Education	£311,853,088	£1,092,459	£289,810,921	£13,468,708	New 2FE primary school at Newhall Phases 2/3 (ED14) (£7,481,000) – no decision on the delivery of this school has been made.
Healthcare	£577,571,311	£170,000,000	£44,993,300	£32,578,011	Relocation of Princess Alexandra Hospital (HE1) – costs likely to be met through a variety of sources; remaining funding gap is not considered to be for the Garden Town to meet.
Emergency Services	£31,000,000	£0	£15,500,000	£15,500,000	
Community Facilities	£23,820,956	£0	£23,820,956	£0	
Open Space	£45,821,730	£0	£43,396,730	£2,425,000	
Sports and Leisure	£21,031,680	£0	£21,031,680	£0	

Topic	Cost	Identified Funding	Apportioned Costs	Remaining Funding Gap (After Developer Contributions)	Items Not Included in Funding Gap
Utilities	£44,700,000	£0	£1,862,067	£5,037,933	- New primary substation to serve Gilston (UT8) (£29,000,000) – abnormal cost to be reflected in land value. - Various electricity upgrades (UT3-UT6) (£8,800,000 total) – network reinforcements expected to be funded as a combination of the provider and developers via a connection and infrastructure charge (part of normal development cost); additional costs beyond this expected to be met by the provider.
Flood Defence	£12,000,000	£341,482	£440,000	£11,218,518	
Total	£1,766,251,043	£232,883,941	£816,607,932	£141,478,170	

Section 6

Alternative Collection Methods

6 Alternative Collection and Funding Methods

Section 4.8 of the IDP sets out the collection methods currently available to support infrastructure delivery. A number of alternative arrangements which could be available to support the delivery of the Garden Town have also been considered:

- CIL Charging Schedule(s)
- Strategic Infrastructure Tariff
- Other Tariff Mechanisms
- Framework Agreements
- Planning Freedoms
- Developer Forward Funding
- Tax Increment Financing

All these methods would require additional work to take them forward. They should continue to be considered by Harlow and Gilston Garden Town and progressed where appropriate, particularly in relation to any work on a joint Planning Obligations SPD (see Section 3.2).

6.1 CIL Charging Schedules

6.1.1 District-Level CIL

CIL is intended to provide infrastructure to support the development of an area, rather than making individual planning applications acceptable in planning terms. (Some site-specific infrastructure or impact mitigation may still be necessary for a development to be granted planning permission.)

Charging authorities must set out their CIL rates in a Charging Schedule, which must be evidenced (with guidance given in the PPG), consulted on and examined, before being adopted. Charging authorities should set a rate which does not threaten viability. They should draw on the infrastructure planning evidence that underpins their development strategy, striking an appropriate balance between funding necessary infrastructure and the potential impact on deliverability.

In accordance with Regulation 123 of the CIL Regulations 2010 (as amended), a Regulation 123 infrastructure list sets out a list of those projects or types of infrastructure that it intends to fund (or may fund) through CIL (and, by omission, what is expected through planning obligations). A Regulation 123 infrastructure list will be produced as part of any progression of a CIL Charging Schedule and will be updated periodically once CIL is in place locally.

The benefits of introducing CIL are that the current pooling restrictions on Section 106 Agreements do not apply, and that the Regulation 123 list can be changed by

the charging authority without the need for examination, and so can be reviewed as the infrastructure needs change. CIL can be used to fund a wide range of infrastructure, and is arguably more flexible than other forms of developer contributions. CIL is also not subject to the same time restrictions on when it must be spent. However, the process for producing, examining and adopting (and updating) a CIL Charging Schedule requires time and resources, and there is evidence that it can be difficult to recoup sufficient funds through this method.

CIL is intended to provide infrastructure to support the development of an area, rather than making individual planning applications acceptable in planning terms. If a CIL Charging Schedule was in place in one or more of the three Districts, Section 106 would still be required to fund infrastructure when it is specifically required to facilitate development of the site (e.g. works necessary for access and/or public transport on or adjacent to the site). It is important that the local use of CIL and planning obligations do not overlap. The CIL Regulations restrict the use of local planning obligations to ensure that individual developments are not charged for the same items twice. Currently, where a local planning authority has indicated that it intends to fund an item of infrastructure through CIL, it cannot also seek money through Section 106 for the same thing. However, in December 2018 the Government consulted on proposals which included allowing local authorities to use both CIL and Section 106 to fund the same item of infrastructure³¹.

6.1.2 Garden Town CIL

As there are three charging authorities (Harlow, East Hertfordshire and Epping Forest Districts) and three 'relevant Plans'³² (their respective Local Plans), each District would need to pursue its own Charging Schedule. However, it would be possible to develop an overarching evidence base and to ensure consistency of approach across the Garden Town. It may also be possible to hold a joint Independent Examination.

The Regulations allow for differential rates to be set by geography or scale of development, on the basis of viability (but not as a means to deliver policy objectives). This means that Epping Forest and East Hertfordshire Districts could have Charging Schedules which treat their Garden Town elements differently from growth across the rest of their Districts.

6.2 Strategic Infrastructure Tariff

Following the approach adopted for the Mayoral CIL used to fund Crossrail, the Government has proposed allowing Combined Authorities to introduce a Strategic Infrastructure Tariff to fund specific infrastructure projects. It would operate alongside local developer contributions (i.e. CIL and Section 106 Agreements),

³¹ Ministry of Housing, Communities and Local Government, *Reforming developer contributions: Technical consultation on draft regulations* (2018)

³² The PPG states that Charging Schedules must be consistent with and support the implementation of up-to-date relevant Plans, i.e. Local Plans (Paragraph: 011 Reference ID: 25-011-20140612).

and would aim to facilitate cross-border co-operation in the provision of major infrastructure.

The Government consulted on this proposal in March 2018³³, and responded to comments in October 2018³⁴. In response to suggestions that these powers should be made available to other charging authorities, the Government confirmed they will bring forward proposals for Combined Authorities and joint committees (where they have strategic planning powers) to charge the tariff, and will review options for giving other groups the power to levy a Tariff. At the time of writing, these powers are not yet in place.

As the Harlow and Gilston Garden Town does not currently have a joint planning committee, the option to progress a Strategic Infrastructure Tariff is not available. However, it might be something which could be progressed through a ‘planning freedom’ (see Section 6.5).

6.3 Other Tariff Mechanism

The Sustainable Transport Corridors (STC) network will result in benefits across the whole Garden Town including for unallocated development such as changes in use or intensification of development and development allocations that might yet be identified in future Plan reviews, these include non-residential development. At this stage however, the IDP has apportioned the delivery of the STC solely on the basis of the strategic scale growth consisting of the new neighbourhoods and village allocations and the proposed redevelopment of the Princess Alexandra Hospital site. In order to ensure the Sustainable Transport Corridors are delivered as soon as possible and that the network is designed to achieve maximum benefit to the sustainable growth of the Garden Town, it may also be appropriate to seek contributions from the other planned smaller scale developments, ‘windfall’ development and non-residential development, as well as future allocations. In order to do this, it is likely that a further mechanism will need to be established across the Garden Town for calculating and seeking contributions to support the implementation and potential future enhancements of the Sustainable Transport Corridors network. The authorities will consider incorporating this into a joint Planning Obligations SPD (see Section 3.2).

Current restrictions on planning obligations have limited the ability of authorities to take into account a financial contribution for the funding or provision of an infrastructure project where five or more separate planning obligations have already been sought for the funding or provision of that project from other sources. As set out in Section 2.1.3, the Government has indicated its intention to

³³ Ministry of Housing, Communities and Local Government, *Supporting housing delivery through developer contributions: Reforming developer contributions to affordable housing and infrastructure* (2018) (Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/691182/Developer_Contributions_Consultation.pdf)

³⁴ Ministry of Housing, Communities and Local Government, *Government response to supporting housing delivery through developer contributions: A summary of consultation responses and the Government’s view on the way forward* (2018) (Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/752183/Developer_Contributions_Government_Response.pdf)

end the restrictions on pooling and therefore the expectation is that this will not represent a barrier to collecting contributions in the future.

6.4 Framework Agreements

Framework Agreements represent an alternative way of entering into a single over-arching Section 106 Agreement to ensure funding for infrastructure needed to support development. Rather than individual and independent Section 106 Agreements that are negotiated over time, a Framework Agreement allows for a comprehensive funding and delivery strategy across multiple sites. The Agreement maximises funding for infrastructure and reduces the risk and uncertainty around the items included within the package.

The Framework Agreement relates to the use of land within the developable area, and is signed up to by land owners/developers. The purpose is to manage the payment of Section 106 contributions towards the delivery of infrastructure in a comprehensive and coordinated way. The Agreement is supported by an independently verified viability assessment.

The Framework Agreement does not require the payment of contributions or the delivery of infrastructure. Partners instead enter into ‘site-specific agreements’ if the Council resolve to grant planning permission for the proposed schemes. These site-specific agreements set out the obligations to contribute towards and/or deliver infrastructure of an agreed amount and at agreed times. The infrastructure needs will have been previously determined through evidence base documents (such as an IDP or a Framework Plan) which indicates what supporting infrastructure is required and where it is needed.

When planning permissions are granted on specific sites, the signed site-specific Section 106 Agreements will reiterate the cooperation agreements set out in the Framework Agreement and activate payment provision. The Framework Agreement therefore is a useful way of establishing a mechanism for the collection and management of contributions towards an agreed infrastructure package over a wider strategic development area.

An example of a Framework Agreement has been successfully implemented by South Gloucestershire Council. Developers have entered into a single overarching agreement for Cribbs/Patchway New Neighbourhood for the infrastructure required for the development to proceed across three individual planning applications. Framework Agreements require multiple landowners/developers to agree to the approach and provisions in a co-ordinated manner which will be difficult to achieve for the Garden Town where the respective Local Plans are at different stages of examination and adoption, and where different promoters/developers are working to different delivery trajectories.

6.5 Planning Freedoms

Section 154 of the Housing and Planning Act 2016 allows for ‘planning freedoms’: the right for local authorities to request alterations to the planning system to support housing delivery. If conditions are met, the Secretary of State

may allow a planning freedoms scheme that disapplies or modifies specified planning provisions to facilitate an increase in the amount of housing.

For the request to be considered, the Secretary of State must be satisfied that: there is a need for a significant increase in housing in the area; the modifications will contribute to such an increase; and adequate consultation has been carried out. It is up to the local authority or authorities to propose the type of planning autonomy they may require.

One freedom which may be of assistance to the delivery of the Garden Town in the future is to progress a Strategic Infrastructure Tariff without being a Combined Authority or having a joint planning committee (see Section 6.2).

6.6 Developer-Led or Authority-Led Forward Funding

In order to deliver infrastructure early, innovative approaches to delivery will be considered including for an authority or a single developer or consortium to take a lead in forward-funding the delivery of an item of strategic infrastructure. For example, in the absence of external funding, the Gilston Area applicants have publicly indicated the intention to seek to forward-fund elements of the River Stort Crossings if necessary.

Where such items of infrastructure are considered to be of a strategic nature which would require an apportionment of costs, it will be necessary to agree a mechanism to ensure that contributions are still recovered from all relevant and appropriate sources of contribution to ensure both that the infrastructure is delivered in its final intended form and that the delivery has been achieved through an equitable approach that does not unnecessarily undermine another development's viability, constrain the ability to deliver other infrastructure, unreasonably inflate landowner or developer profit or inadvertently represent state aid.

When negotiating planning obligations for specific development sites, if any developer-led forward-funding is deemed necessary and appropriate the approach will be to ensure that contributions from other developers to the relevant item of infrastructure are still received. The recovery of forward-funding by the developer, where feasible, will principally be expected to be through the off-setting of future contributions that would otherwise have been due at relevant stages of the development and at a point in time by which the funding recovered from other development sources could be reasonably anticipated. Developers may also, or instead, wish to agree landowner collaboration agreements with other contributing parties. Where necessary, the collecting authorities may wish to consider the use of other contribution mechanisms such as CIL (Section 6.1) or Strategic Infrastructure Tariffs (Section 6.2) as a means to help ensure certainty of future delivery from all contributing developments.

Similarly, the above mechanisms might be considered by the collecting authorities where an authority or statutory body considers it to be necessary or advantageous to forward-fund infrastructure themselves.

6.7 Tax Increment Financing

Tax Increment Financing (TIF) allows local authorities to borrow money for infrastructure projects against the anticipated increase in tax receipts resulting from the infrastructure. TIFs take the form of increasing the proportion of business rates that are retained by local authorities, which in turn expands the authorities' borrowing capacity. TIFs can be 'open' (which lets councils invest and take on the risks alone), or can have stronger Government controls that guarantees revenue.

Appendix A

Infrastructure Delivery Schedule

A1 Infrastructure Delivery Schedule

The full Infrastructure Delivery Schedule is provided in the following pages, broken down by topic:

- Transport
- Education
- Health and Social Care
- Emergency Services
- Community Facilities
- Open Space
- Sports and Leisure
- Utilities
- Flood Defence

Printing Notes

The Infrastructure Delivery Schedule has been formatted to extend over two pages. To best read the Schedule, Appendix A should be printed as A3 Landscape, with the flip on the short edge.

TRANSPORT

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Highways											
TR1	M11 Junction 7A: widening of Gilden Way (B183) from London Road roundabout to Marsh Lane to create three lane road; new road to the east replacing part of the existing road, linking the improved Gilden Way (B183) to the M11 via a new Sheering road roundabout; new stretch of road from the roundabout northwards to reconnect to Sheering Road south of Pincey Brook; from the new Sheering Road roundabout, the link will continue in a north easterly direction to a second roundabout located south of Pincey Brook two new roundabouts on either side of the M11 and connected by a new bridge over the M11; slip roads on and off the M11 for both north-bound and South-bound traffic	N/A	Highways England / ECC	Highways England - RIS1	£50,000,000	Essex County Council	£50,000,000	£0	£0	Fully funded - no additional contributions required	£0
TR2	Mayfield Farm access to East Harlow, including a single junction upgrade and link-road to the site	Critical	Developers	Developer contributions (S278)	£4,000,000	Essex County Council	£0	£4,000,000	£4,000,000	Developers to meet full cost	£0
TR3	Sheering Way access to East Harlow, including a single junction upgrade and link-road to the site	Critical	Developers	Developer contributions (S278)	£2,000,000	Essex County Council	£0	£2,000,000	£2,000,000	Developers to meet full cost	£0
TR4	Nursery site (east of Gilden Way) access to East Harlow, including a single junction upgrade and link-road to the site	Critical	Developers	Developer contributions (S278)	£7,000,000	Essex County Council	£0	£7,000,000	£7,000,000	Developers to meet full cost	£0
TR5	Minor upgrades and improvements to M11 Junction 7 to provide access to Latton Priory and B1393	Critical	Developer / ECC	Developer contributions (S278 / S106)	£5,000,000	Essex County Council - of the cost, approximately £3m is related specifically to the delivery of Latton Priory and the remainder is related to the wider delivery of growth in the area (including Latton Priory)	£0	£5,000,000	£5,000,000	Assumes 100% of costs met through developer contributions - however, Essex County Council are also exploring opportunities for other sources of funding	£0
TR6	Link road and B1393 junction from Latton Priory to M11 Junction 7	Critical	Developer	Developer contributions (S278)	£5,000,000	Essex County Council (lower end estimate; costs may be higher following detailed design)	£0	£5,000,000	£5,000,000	Assumes 100% of costs met through developer contributions	£0
TR7	Improvements to M11 Junction 7	Essential	Highways England / ECC	Highways England - RIS	£29,000,000	Essex County Council	£0	£29,000,000	£0		£29,000,000
TR8	Enhancements to Water Lane / A1169 roundabout; A1025 / Abercrombie Way signals; and traffic calming along the A1169	Critical	Developers	Developer contributions (S278)	£12,000,000	Essex County Council	£0	£12,000,000	£12,000,000	Assumes 100% of costs met through developer contributions	£0
TR9	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing	Required	ECC	Developer contributions (S106)	£10,000,000	Essex County Council (costs updated to reflect likely Town Centre AAP interventions)	£100,000	£9,900,000	£9,900,000	Assumes 100% of remaining costs met through developer contributions	£0
TR10	Gilden Way / Harlowbury development primary site access	N/A	ECC	Developer contributions (S106)	£800,000	Harlow IDP (2018)	£800,000	£0	£0	Fully funded - no additional contributions required	£0
TR11	Gilden Way / Harlowbury development secondary site access	N/A	ECC	Developer contributions (S106)	£200,000	Harlow IDP (2018)	£200,000	£0	£0	Fully funded - no additional contributions required	£0
TR12	Gilden Way / (B183) Mulberry Green for Harlowbury	N/A	ECC	Developer contributions (S106)	£100,000	Harlow IDP (2018)	£100,000	£0	£0	Fully funded - no additional contributions required	£0
TR13	A414 / Edinburgh Way / Cambridge Road (A1184) / Station Road, including junction improvements and road dualling	N/A	ECC	Growing Places Fund	£10,000,000	Harlow IDP (2018)	£10,000,000	£0	£0	Fully funded - no additional contributions required	£0
TR14	Closure of Old Road through traffic at rail bridge adjust A1184 / Old Road signals	Essential	ECC	Developer contributions (S106)	£250,000	Harlow IDP (2018)	£250,000	£0	£0	Fully funded - no additional contributions required	£0
TR15	New Junction from River Way (Templefields (EZ)) onto Cambridge Road	Essential	ECC	Developer contributions (S106)	£4,000,000	Essex County Council	£0	£4,000,000	£0	Cost to be met by EZ	£4,000,000
TR16	Cycling and walking improvements to A1025 Second Avenue / Manston / Tripton junction; cycling and walking improvements to the A1025 Second Avenue / Howard Way improvements / pedestrian crossings; and public transport and general capacity improvements	Essential	ECC	Developer contributions (S106)	£7,000,000	Essex County Council	£0	£7,000,000	£7,000,000	Currently tests 100% of costs met through developer contributions. Funding may also be available through other sources e.g. Walking Infrastructure Programme bids	£0
TR17	A414 Edinburgh Way / Howard Way improvement scheme	Essential	ECC	Developer contributions (S106)	£7,000,000	Essex County Council	£0	£7,000,000	£7,000,000		£0
TR18	Amwell Roundabout upgrades and 'throughabout'	Critical	HCC	Developer contributions (S106) / Grant	£4,200,000	East Herts IDP (2017)	£0	£4,200,000	£4,200,000	Assumes 100% of costs met through developer contributions - however, contributions from other sites and other sources of funding may be available	£0

TRANSPORT

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1-6)	Gilston (Village 7)	Non-Strategic Sites (Total)
Highways																
TR1	M11 Junction 7A: widening of Gilden Way (B183) from London Road roundabout to Marsh Lane to create three lane road; new road to the east replacing part of the existing road, linking the improved Gilden Way (B183) to the M11 via a new Sheering road roundabout; new stretch of road from the roundabout northwards to reconnect to Sheering Road south of Pincey Brook; from the new Sheering Road roundabout, the link will continue in a north easterly direction to a second roundabout located south of Pincey Brook two new roundabouts on either side of the M11 and connected by a new bridge over the M11; slip roads on and off the M11 for both north-bound and South-bound traffic							The project is scoped and fully costed, and a planning application has been approved.								
TR2	Mayfield Farm access to East Harlow, including a single junction upgrade and link-road to the site								£4,000,000							
TR3	Sheering Way access to East Harlow, including a single junction upgrade and link-road to the site								£2,000,000							
TR4	Nursery site (east of Gilden Way) access to East Harlow, including a single junction upgrade and link-road to the site									£7,000,000						
TR5	Minor upgrades and improvements to M11 Junction 7 to provide access to Latton Priory and B1393							ECC are currently exploring additional funding sources to contribute to infrastructure delivery.			£3,500,000	£377,456	£622,544			£500,000
TR6	Link road and B1393 junction from Latton Priory to M11 Junction 7										£5,000,000					
TR7	Improvements to M11 Junction 7							Project scoped and fully costed. If funding is not available from Road Investment Strategy 2 the cost will need to be borne by developers.								
TR8	Enhancements to Water Lane / A1169 roundabout; A1025 / Abercrombie Way signals; and traffic calming along the A1169											£4,529,467	£7,470,533			
TR9	Velizy / Second Avenue works including signalled crossing and walking and cycling at grade crossing								£424,043	£1,470,017	£593,661	£456,271	£752,536	£4,805,825	£848,087	£549,560
TR10	Gilden Way / Harlowbury development primary site access															
TR11	Gilden Way / Harlowbury development secondary site access															
TR12	Gilden Way / (B183) Mulberry Green for Harlowbury															
TR13	A414 / Edinburgh Way / Cambridge Road (A1184) / Station Road, including junction improvements and road dualling															
TR14	Closure of Old Road through traffic at rail bridge adjust A1184 / Old Road signals															
TR15	New Junction from River Way (Templefields (EZ)) onto Cambridge Road							Scheme is not ECC programme but is considered key to the deveopment of the EZ on Templefields.								
TR16	Cycling and walking improvements to A1025 Second Avenue / Manston / Tripton junction; cycling and walking improvements to the A1025 Second Avenue / Howard Way improvements / pedestrian crossings; and public transport and general capacity improvements											£2,666,487	£4,333,513			
TR17	A414 Edinburgh Way / Howard Way improvement scheme							Contributions may also be sort from sites in the vicinity.						£5,950,000	£1,050,000	
TR18	Amwell Roundabout upgrades and 'throughabout'							There is the potential to make this junction a 'throughabout' with priority given to traffic using the A414, but this is subject to further transport modelling. This scheme is related to Hertford bypass proposals which would reroute the A414 and connect with the A10 east of the town.						£3,570,000	£630,000	

TRANSPORT

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
TR19	Central access to Gilston (Village 1) including Eastwick junction improvements with bus priority, provision of new walking/cycling bridge over A414, widening of 5th Avenue to create sustainable transport corridor including works to the bridges, and improved access to Harlow Town Station from the north	Critical	Developer / HCC	HIF (claw back to be recycled) / Developer contributions (S106 or S278)	£36,200,000	Hertfordshire County Council	£0	£36,200,000	£36,200,000	Developers to meet full cost (additional funding from Network Rail may be available for upgrades to the station building and new entrance)	£0
TR20	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severence mitigation measures at Terlings Park	Critical	Developer / HCC	Developer contributions (S278)	£92,840,000	Hertfordshire County Council	£0	£92,840,000	£92,840,000	Developers to meet full cost	£0
TR21	Access to Gilston Area Village 2	Critical			£2,159,000	Hertfordshire County Council	£0	£2,159,000	£2,159,000	Developers to meet full cost	£0
TR22	Access to Gilston Area Village 1 (north of Eastwick junction) and creation of Sustainable Transport link within Village 1	Critical			£13,240,000	Hertfordshire County Council	£0	£13,240,000	£13,240,000	Developers to meet full cost	£0
TR23	Western access (village 7) to Gilston at A414/Church Lane	Critical	Developer / HCC	Developer contributions (S278)	£1,535,000	Hertfordshire County Council	£0	£1,535,000	£1,535,000	Developers to meet full cost	£0
TR24	Sustainable link between Gilston Village 7 and Gilston Villages 1-6	Essential	Developer / HCC	Developer contributions (S278)	£10,350,000	Hertfordshire County Council	£0	£10,350,000	£10,350,000	Developers to meet full cost	£0
TR25	Hertford Bypass	Required	HCC		£175,000,000	Hertfordshire County Council (upper end estimate)	£0	£175,000,000	Unknown	Unclear to what extent developer contributions from Garden Town will be required	Unknown
TR26	Harlow Northern Bypass	Unknown	HCC / ECC	Developer contributions (S106)	Unknown		£0	Unknown	Unknown	Unclear to what extent developer contributions from Garden Town will be required	Unknown
PAH Relocation-Related Highways											
TR27	Hospital relocation to East Harlow - transport mitigation measures including M11 Junction 7A capacity works	TBC	NHS Princess Alexandra Hospital Trust	Developer contributions (S106)/grant/NHS Princess Alexandra Hospital Trust	£25,000,000	Essex County Council estimate the cost to be £25,000,000 - £50,000,000 - note, this is a high level allowance only	£0	£25,000,000	£0	PAH relocation-related costs have not been apportioned and would instead form part of the overall cost package for the relocation	£0

TRANSPORT

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Summers)	Water Lane Area (Katherine's)	Gilston (Villages 1-6)	Gilston (Village 7)	Non-Strategic Sites (Total)
TR19	Central access to Gilston (Village 1) including Eastwick junction improvements with bus priority, provision of new walking/cycling bridge over A414, widening of 5th Avenue to create sustainable transport corridor including works to the bridges, and improved access to Harlow Town Station from the north							Works to the Central Stort Crossing required as part of the access strategy for Gilston. Access to station likely to require Network Rail negotiation. It has been identified that the existing Railway Bridge of the Fifth Avenue River Stort Crossing will require replacement at some point in the future, the replacement of this structure is not required in order to deliver the access to the Gilston Area but due to the age, condition and design of that structure it would therefore be considered a strategic intervention. The cost does not include this intervention.						£30,770,000	£5,430,000	
TR20	Second Stort Crossing including realignment of the Eastwick Road and new junction allowing access to Terlings Park and Pye Corner, Pye Corner bypass including junction between north-south section and east-west section, the remainder of the Eastern Crossing including River Way Bridge, and severence mitigation measures at Terlings Park								£4,051,082	£14,043,751	£5,671,515	£4,358,964	£7,189,320	£45,912,264	£8,102,164	£3,510,938
TR21	Access to Gilston Area Village 2													£2,159,000		
TR22	Access to Gilston Area Village 1 (north of Eastwick junction) and creation of Sustainable Transport link within Village 1													£13,240,000		
TR23	Western access (village 7) to Gilston at A414/Church Lane														£1,535,000	
TR24	Sustainable link between Gilston Village 7 and Gilston Villages 1-6							Sustainable transport measures that include walking and cycling and enhanced passenger transport services. To be considered at the detailed design stage through a site masterplan.						£8,797,500	£1,552,500	
TR25	Hertford Bypass							A414 can support planned growth identified within the first seven years up to 2024. Beyond that date a strategic solution, potentially in the form of a Hertford bypass will be required to deliver future growth in the Hertford and Ware area. The County Council is currently preparing a 2050 Transport Vision which will inform the Local Transport Plan 4. A strategic scheme in Hertford will be identified as part of this work.								
TR26	Harlow Northern Bypass							Potential northern bypass linking the A414 to the north of the River Stort to help ease congestion, and improve connectivity. A northern bypass is not currently required to enable growth and delivery, but in the longer term may be required to improve connectivity and reduce congestion north of Harlow.								
PAH Relocation-Related Highways																
TR27	Hospital relocation to East Harlow - transport mitigation measures including M11 Junction 7A capacity works															

TRANSPORT

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Public and Active Transport											
TR28	Sustainable Transport Corridors and Town Centre Transport Hub	Essential	ECC / HCC	HIF (grant and claw back to be recycled) / Developer contributions (S106)	£157,161,083	Sustainable Transport Corridors Study. The costs are reflective of the stage of the works, and will be further refined as more detail on the Sustainable Transport Corridors becomes available. Cost excludes bus road across Central Stort Crossing, to avoid double counting with TR19 and TR24.	£0	£157,161,083	£128,911,083	Assumes 100% of costs (excluding some of the costs relating to town centre) met through developer contributions - however, contributions from other sites and other sources of funding (including HIF) may be available. Contributions from wider regeneration of town centre expected to some town centre upgrades.	£28,250,000
TR29	Enhanced bus services along Edinburgh Way via new EZ access	Required	Operators / ECC	Operators / ECC	Unknown		£0	Unknown	Unknown		Unknown
TR30	Southern Way gap between Bishopsfield and Parnall Road	Required	ECC / Developers	Developer contributions (S106) / Grant	Unknown		£0	Unknown	Unknown		Unknown
TR31	Off-road cycle and walking network from Village 7 to Roydon	Required	Developers	Developers	£600,000	East Herts IDP (2017) - assumes equal split between Roydon and Pinnacles links	£0	£600,000	£600,000	Assumes 100% of costs met through developer contributions	£0
TR32	Off-road cycle and walking network from Village 6 to Pinnacles	Required	Developers	Developers	£600,000	East Herts IDP (2017) - assumes equal split between Roydon and Pinnacles links	£0	£600,000	£600,000	Assumes 100% of costs met through developer contributions	£0
TR33	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links	Required	ECC / HCC	Developer contributions (S106)	£7,317,195	Essex County Council	£0	£7,317,195	£7,317,195	Assumes 100% of costs met through developer contributions	Unknown
TR34	Pump-priming of new bus services in Gilston Area	Required	Operators	Developer contributions (S106)	£18,900,000	Hertfordshire County Council	£0	£18,900,000	£18,900,000	Developers to meet full cost	£0
TR35	Travel Plan measures/monitoring	Required	ECC / HCC / Operators	Developer contributions (S106)	Unknown		£0	Unknown	Unknown		Unknown
TR36	Passenger transport infrastructure and services	Required	ECC / HCC / Operators	Developer contributions (S106)	Unknown		£0	Unknown	Unknown		Unknown

TRANSPORT

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
Public and Active Transport																
TR28	Sustainable Transport Corridors and Town Centre Transport Hub							Costs included in Sustainable Transport Corridors Study makes an allowance for revenue support (pump priming).	£5,625,047	£19,500,164	£7,875,066	£6,052,551	£9,982,584	£63,750,536	£11,250,095	£4,875,041
TR29	Enhanced bus services along Edinburgh Way via new EZ access															
TR30	Southern Way gap between Bishopsfield and Parnall Road															
TR31	Off-road cycle and walking network from Village 7 to Roydon														£600,000	
TR32	Off-road cycle and walking network from Village 6 to Pinnacles													£600,000		
TR33	Public and active transport support, including; revenue funding for Garden Town Active Travel Plan coordinator(s); travel vouchers; and ongoing stewardship of active transport links								£309,439	£1,072,721	£433,214	£332,956	£549,151	£3,527,602	£618,878	£473,235
TR34	Pump-priming of new bus services in Gilston Area													£16,065,000	£2,835,000	
TR35	Travel Plan measures/monitoring															
TR36	Passenger transport infrastructure and services															

EDUCATION

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Early Years											
ED1	Approx. 64 early years places to meet the needs of new residents at East Harlow (Epping portion)	Essential	ECC / Operators / Developers	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£1,073,160	Reviewed by Arup	£0	£1,073,160	£1,073,160	Assumed that developer contributions will meet full costs	£0
ED2	Approx. 79 early years places to meet the needs of new residents at Latton Priory	Essential	ECC / Operators / Developers	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£1,324,682	Reviewed by Arup	£0	£1,324,682	£1,324,682	Assumed that developer contributions will meet full costs	£0
ED3	Approx. 158 early years places to meet the needs of new residents at Water Lane Area	Essential	ECC / Operators / Developers	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£2,649,364	Reviewed by Arup	£0	£2,649,364	£2,649,364	Assumed that developer contributions will meet full costs	£0
ED4	Childcare facility (approx. 1650sqm) at Gilston Villages 1-6	Essential	HCC / Operators / Developers	On-site provision (developer to build and then lease)	£4,024,350	Reviewed by Arup - based on baseline of 7sqm per place	£0	£4,024,350	£4,024,350	Assumed that developer contributions will meet full costs	£0
ED5	Childcare facility (approx. 275sqm) at Gilston Village 7	Essential	HCC / Operators / Developers	On-site provision (developer to build and then lease)	£670,725	Reviewed by Arup - based on baseline of 7sqm per place	£0	£670,725	£670,725	Assumed that developer contributions will meet full costs	£0
ED6	Approx. 349 additional places in Old Harlow ward	Essential	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£5,616,937	Reviewed by Arup	£1,092,459	£4,524,478	£4,524,478	Assumed that developer contributions will meet full costs	£0
ED7	Approx. 50 additional places in Little Parndon and Hare Street ward	Essential	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£804,719	Reviewed by Arup	£0	£804,719	£804,719	Assumed that developer contributions will meet full costs	£0
ED8	Approx. 38 additional places in Todd Brook ward	Essential	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£611,586	Reviewed by Arup	£0	£611,586	£37,232	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions	£574,354
ED9	Approx. 23 additional places in Bush Fair ward	Essential	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£370,171	Reviewed by Arup	£0	£370,171	£105,968	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions	£264,203
ED10	Approx. 8 additional places in Sumners and Kingsmoor ward	Essential	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£128,755	Reviewed by Arup	£0	£128,755	£83,056	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions	£45,699
ED11	Approx. 2 additional places in Church Langley ward	Essential	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£32,189	Reviewed by Arup	£0	£32,189	£0	No proposed allocations fall within this ward	£32,189
ED12	Approx. 1 additional place in Harlow Common ward	Essential	ECC / Operators	Developer contributions (S106) / DfE / Operators / ECC / (Working Parents Allowance)	£16,094	Reviewed by Arup	£0	£16,094	£16,094	Assumed that developer contributions will meet full costs	£0

EDUCATION

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
Early Years																
ED1	Approx. 64 early years places to meet the needs of new residents at East Harlow (Epping portion)								£1,073,160							
ED2	Approx. 79 early years places to meet the needs of new residents at Latton Priory										£1,324,682					
ED3	Approx. 158 early years places to meet the needs of new residents at Water Lane Area											£1,000,017	£1,649,347			
ED4	Childcare facility (approx. 1650sqm) at Gilston Villages 1-6													£4,024,350		
ED5	Childcare facility (approx. 275sqm) at Gilston Village 7														£670,725	
ED6	Approx. 349 additional places in Old Harlow ward									£4,503,692						£20,786
ED7	Approx. 50 additional places in Little Parndon and Hare Street ward															£804,719
ED8	Approx. 38 additional places in Todd Brook ward															£37,232
ED9	Approx. 23 additional places in Bush Fair ward															£105,968
ED10	Approx. 8 additional places in Sumners and Kingsmoor ward															£83,056
ED11	Approx. 2 additional places in Church Langley ward							No proposed allocations fall within this ward.								
ED12	Approx. 1 additional place in Harlow Common ward															£16,094

EDUCATION

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Primary											
ED13	New 2FE (2.1ha site) primary school, including early years provision, at East Harlow (Epping portion)	Essential	ECC / Academy Trusts / Developers	Developer contributions (S106)	£7,481,000	Essex County Council (revised 2018 costs)	£0	£7,481,000	£7,151,387	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions - note, pupil yield dependent on housing mix etc.	£329,613
ED14	New 2FE primary school at Newhall Phases 2/3 (2.25ha site requirement), including early years provision, to support a combination of growth at Newhall 2/3 and wider Harlow growth	Required	ECC	Developer contributions (S106)	£7,481,000	Essex County Council (revised 2018 costs)	Unknown	Unknown	Unknown	See notes	Unknown
ED15	New 3FE (3ha site) primary school, including early years provision, at East Harlow (Harlow portion)	Essential	ECC	Developer contributions (S106)	£11,400,000	Essex County Council (revised 2018 costs)	£0	£11,400,000	£10,727,080	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions - note, pupil yield dependent on housing mix etc.	£672,920
ED16	New 2FE (2.1ha site) primary school, including early years provision, at Latton Priory	Essential	ECC / Academy Trusts / Developers	Developer contributions (S106)	£7,481,000	Essex County Council (revised 2018 costs)	£0	£7,481,000	£6,681,893	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions - note, pupil yield dependent on housing mix etc.	£799,107
ED17	New 3FE (2.5ha site) primary school, including early years provision, at Water Lane Area	Essential	ECC / Academy Trusts / Developers	Developer contributions (S106)	£11,400,000	Essex County Council (revised 2018 costs)	£0	£11,400,000	£10,022,840	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions - note, pupil yield dependent on housing mix etc.	£1,377,160
ED18	Requirement of 17FE of primary education, with each school including early years provision	Essential	HCC / Academy Trusts / Developers	Developer contributions (S106)	£74,071,820	Hertfordshire County Council (revised 2018 costs - see notes)	£0	£74,071,820	£74,071,820	Assumed that developer contributions will meet full costs	£0
ED19	Additional safeguarded provision at Gilston (additional 3FE across primary schools)	Essential	HCC / Academy Trusts / Developers	Developer contributions (S106)	£11,450,464	Hertfordshire County Council (revised 2018 costs - see notes)	£0	£11,450,464	£11,450,464	Assumed that developer contributions will meet full costs	£0
ED20	6FE of expansions to existing primary schools within Harlow	Essential	ECC / Academy Trusts / Developers	Developer contributions (S106)	£7,689,000	Harlow IDP (2018); uprated to 2018 costs using information from Essex County Council	£0	£7,689,000	£3,897,050	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions - note, pupil yield dependent on housing mix etc.	£3,791,950
Secondary											
ED21	New 8FE (10ha site) secondary school at East Harlow	Essential	ECC / Academy Trusts / Developers	Developer contributions (S106)	£25,763,000	Essex County Council (revised 2018 costs)	£0	£25,763,000	£22,485,531	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions - note, pupil yield dependent on housing mix etc.	£3,277,469
ED22	New 8FE (10ha site) secondary school at Latton Priory	Essential	ECC / Academy Trusts / Developers	Developer contributions (S106)	£25,763,000	Essex County Council (revised 2018 costs)	£0	£25,763,000	£23,458,954	Estimated contribution based on Essex County Council's Guide to Infrastructure Contributions - note, pupil yield dependent on housing mix etc.	£2,304,046
ED23	8FE secondary school at Gilston	Essential	HCC / Academy Trusts / Developers	Developer contributions (S106)	£38,303,512	Hertfordshire County Council (revised 2018 costs - see notes)	£0	£38,303,512	£38,303,512	Assumed that developer contributions will meet full costs	£0
ED24	9FE secondary school at Gilston	Essential	HCC / Academy Trusts / Developers	Developer contributions (S106)	£42,539,274	Hertfordshire County Council (revised 2018 costs - see notes)	£0	£42,539,274	£42,539,274	Assumed that developer contributions will meet full costs	£0
ED25	Additional safeguarded provision at Gilston (additional 3FE across the two secondary schools)	Essential	HCC / Academy Trusts / Developers	Developer contributions (S106)	£12,707,287	Hertfordshire County Council (revised 2018 costs - see notes)	£0	£12,707,287	£12,707,287	Assumed that developer contributions will meet full costs	£0

EDUCATION

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
Primary																
ED13	New 2FE (2.1ha site) primary school, including early years provision, at East Harlow (Epping portion)							Cost provided by ECC. Phasing estimated based on expected delivery of housing and may be further refined. Land will also be required; overall costs (including land) to be shared equitably and proportionally across relevant sites. Assumption that school may be delivered in phases.	£3,929,909	£2,896,605						£324,872
ED14	New 2FE primary school at Newhall Phases 2/3 (2.25ha site requirement), including early years provision, to support a combination of growth at Newhall 2/3 and wider Harlow growth							There is a possibility that there may be a need for further contributions from other allocations. No decision has been made on the delivery of this school as the trigger has not been reached.								
ED15	New 3FE (3ha site) primary school, including early years provision, at East Harlow (Harlow portion)							Cost provided by ECC. Phasing estimated based on expected delivery of housing and may be further refined. Land will also be required; overall costs (including land) to be shared equitably and proportionally across relevant sites. Assumption that school may be delivered in phases. Some expected contributions from Gilden Way development.		£10,727,080						
ED16	New 2FE (2.1ha site) primary school, including early years provision, at Latton Priory							Cost provided by ECC. Phasing estimated based on expected delivery of housing and may be further refined. Land will also be required; overall costs (including land) to be shared equitably and proportionally across relevant sites. Assumption that school may be delivered in phases.			£5,501,873	£1,180,021				
ED17	New 3FE (2.5ha site) primary school, including early years provision, at Water Lane Area							Cost provided by ECC. Phasing estimated based on expected delivery of housing and may be further refined. Land will also be required; overall costs (including land) to be shared equitably and proportionally across relevant sites. Assumption that school may be delivered in phases.				£3,048,562	£6,974,279			
ED18	Requirement of 17FE of primary education, with each school including early years provision							Hertfordshire County Council costs provided as Q3 2017 (£70,537,291.20) - indexed using BCIS. 3FE schools have a 2.95ha site size requirement and 2FE schools have a 2.25ha site size requirement.						£62,961,047	£11,110,773	
ED19	Additional safeguarded provision at Gilston (additional 3FE across primary schools)							Given the size and length of build-out of Gilston there is a need to safeguard provision for up to 20FE of primary education. Cost is the difference between the indexed costs provided by Hertfordshire County Council.						£9,732,895	£1,717,570	
ED20	6FE of expansions to existing primary schools within Harlow							Hertfordshire County Council costs provided as Q3 2017 (£83,355,053) - indexed using BCIS.								£3,897,050
Secondary																
ED21	New 8FE (10ha site) secondary school at East Harlow							Cost provided by ECC. Phasing estimated based on expected delivery of housing and may be further refined. Land will also be required; overall costs (including land) to be shared equitably and proportionally across relevant sites. Assumption that school may be delivered in phases. Some expected contributions from Gilden Way development.	£4,033,520	£13,982,870						£4,469,141
ED22	New 8FE (10ha site) secondary school at Latton Priory							Cost provided by ECC. Phasing estimated based on expected delivery of housing and may be further refined. Land will also be required; overall costs (including land) to be shared equitably and proportionally across relevant sites. Assumption that school may be delivered in phases.			£5,646,928	£4,340,068	£7,158,154			£6,313,804
ED23	8FE secondary school at Gilston							Hertfordshire County Council costs provided as Q3 2017 (£37,332,857.28) - indexed using BCIS.						£32,557,985	£5,745,527	
ED24	9FE secondary school at Gilston							Hertfordshire County Council costs provided as Q3 2017 (£41,461,280.64) - indexed using BCIS.						£36,158,383	£6,380,891	
ED25	Additional safeguarded provision at Gilston (additional 3FE across the two secondary schools)							Given the size and length of build-out of Gilston there is a need to safeguard provision for up to 20FE of secondary education. Cost is the difference between the indexed costs provided by Hertfordshire County Council.						£10,801,194	£1,906,093	

EDUCATION

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Other											
ED26	SEN provision	Essential	ECC / HCC / Academy Trusts / Developers	Developer contributions (S106) / DfE / Basic Needs Allowance / ECC / HCC	£11,000,000	Essex County Council		£11,000,000	£11,000,000	Assumed that developer contributions will meet full costs	£0
ED27	Post 16 education provision (details to be confirmed)	Essential	ECC	ESFA, DfE	Unknown		Unknown	Unknown	£0		Unknown
ED28	Contribution to employment and training to support Harlow Skills Strategy	Required	HDC / EFDC / EHDC / ECC / HCC / Providers	Developer contributions (S106)	Unknown		Unknown	Unknown	£0		Unknown

EDUCATION

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
Other																
ED26	SEN provision							Requirements likely to be: expansion of existing special school by 24 places; development of 75 place special school (via free school application); and development of 8 place provision for children with social, emotional and mental health needs in a mainstream primary school. Not all of these places may be additional to the mainstream requirements; however, given the small impact no adjustment has been made to the mainstream requirements.	£466,497	£1,617,190	£653,096	£501,951	£827,877	£5,286,966	£932,994	£713,429
ED27	Post 16 education provision (details to be confirmed)															
ED28	Contribution to employment and training to support Harlow Skills Strategy															

HEALTH

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
HE1	Relocation of Princess Alexandra Hospital	Essential	NHS England / NHS PAH Trust	Department for Health and Social Care / NHS England / NHS Princess Alexandra Hospital Trust / NHS West Essex CCG / Private Financing	£500,000,000	NHS PAH Trust Estimate - indicative figure only	£170,000,000	£330,000,000	£0	Contribution to acute care forms part of HE3.	£0
HE2	New or extended dentists across the Garden Town	Essential	NHS England / Operators / Developers	NHS England / Operators / Developer Contributions (S106)	Privately delivered		£0	N/A	£0		N/A
HE3	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care	Essential	NHS England / Developers	Developer Contributions (S106)	£44,993,300	NHS Strategic Estates Planning Service	£0	£44,993,300	£44,993,300		£0
HE4	Two new pharmacies within Harlow	Essential		Private sector	Privately delivered		£0	N/A	£0		N/A
HE5	Around 147 extra care beds across the whole Garden Town	Essential		ECC / NHS / Developers / Operators	£5,747,685	Reviewed by Arup	£0	£5,747,685	£0	Adult social care services are mostly funded privately, although the counties may subsidise a number of bed spaces. It is not clear if contributions would be required from developers.	£5,747,685
HE6	Around 264 nursing care beds across the whole Garden Town	Essential		ECC / NHS / Developers / Operators	£11,894,164	Reviewed by Arup	£0	£11,894,164	£0	Adult social care services are mostly funded privately, although the counties may subsidise a number of bed spaces. It is not clear if contributions would be required from developers.	£11,894,164
HE7	Around 382 residential care beds across the whole Garden Town	Essential		ECC / NHS / Developers / Operators	£14,936,162	Reviewed by Arup	£0	£14,936,162	£0	Adult social care services are mostly funded privately, although the counties may subsidise a number of bed spaces. It is not clear if contributions would be required from developers.	£14,936,162

HEALTH

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Summers)	Water Lane Area (Katherine's)	Gilston (Villages 1-6)	Gilston (Village 7)	Non-Strategic Sites (Total)
HE1	Relocation of Princess Alexandra Hospital							Costs likely to be met through a mixture of central government funding (currently estimated to be around £170m although not confirmed), debt funded and capital receipts - developer contributions will also be sought but the level and geographical extent is not currently known. Contribution to acute care forms part of HE3.								
HE2	New or extended dentists across the Garden Town							This might involve co-location with other health provision e.g. GPs and pharmacies or provision by private organisations. Dentists commonly operate as private businesses and so the nature and location of new provision is market driven.								
HE3	Contribution to healthcare to serve new development, covering primary healthcare, mental healthcare, community healthcare and acute care								£1,908,113	£6,614,791	£2,671,358	£2,053,129	£3,386,264	£21,625,278	£3,816,226	£2,918,141
HE4	Two new pharmacies within Harlow															
HE5	Around 147 extra care beds across the whole Garden Town							This has been calculated through the benchmark of 25 extra care beds per 1,000 people 75+. Extra care housing: schemes/ properties are included where care (registered personal care is available on site 24/7.								
HE6	Around 264 nursing care beds across the whole Garden Town							This has been calculated through the benchmark of 45 nursing care beds per 1,000 people 75+. Nursing care: Where a care home is registered to provide nursing care, all beds are allocated to nursing care, although in practice not all residents may be in need of or receiving nursing care.								
HE7	Around 382 residential care beds across the whole Garden Town							This has been calculated through the benchmark of 65 residential care beds per 1,000 people 75+. Residential care: Where a care home is registered to provide residential (personal) care only, all beds are allocated to residential care.								

EMERGENCY SERVICES

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
ES1	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services	Essential	Essex Police / Hertfordshire Constabulary / East of England Ambulance Service NHS Trust / Essex County Fire and Rescue Service / Hertfordshire Fire and Rescue Service	Essex Police / Hertfordshire Constabulary / East of England Ambulance Service NHS Trust / Essex County Fire and Rescue Service / Hertfordshire Fire and Rescue Service / Developers	£6,000,000	Hertfordshire Constabulary / Hertfordshire Fire and Rescue Service	£0	£6,000,000	£3,000,000	Assumed that 50% of costs to be met through other sources	£3,000,000
ES2	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area	Essential	Essex Police / Hertfordshire Constabulary	Essex Police / Hertfordshire Constabulary / Developers	£25,000,000	Hertfordshire Constabulary	£0	£25,000,000	£12,500,000	Assumed that 50% of costs to be met through other sources	£12,500,000

EMERGENCY SERVICES

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
ES1	Emergency services hub (approx. 0.7ha site), including Police, Fire and Rescue and Ambulance Services							As part of developing/reviewing the accommodation requirements of the respective organisations, there is an aspiration to reduce the combined site/accommodation requirements through efficiencies that would be gained by working collaboratively, e.g. through shared messing, locker rooms, toilet facilities etc. Note, the location of the new facility is not yet known and so land costs are not included in the cost estimate.	£130,905	£453,805	£183,267	£140,854	£232,313	£1,483,593	£261,811	£113,451
ES2	Joint police custody facility (approx. 1.2ha site) to service Garden Town and development and adjoining area							Due to the nature of custody this facility does not need to be co-located with the police station and therefore is probably better suited to an industrial estate location, assuming that there are good transport links/access roads. Note, the location of the new facility is not yet known and so land costs are not included in the cost estimate.	£545,439	£1,890,854	£763,614	£586,892	£967,972	£6,181,638	£1,090,877	£472,714

COMMUNITY FACILITIES

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
CF1	Approx. 1,675sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in East Harlow (both portions), including provision for community halls, youth facilities, other public / community service space	Required	EFDC / HDC / ECC / Developers	Developer contributions (S106) / Grant funding	£3,720,175	Essex County Council	£0	£3,720,175	£3,720,175	Tests 100% of costs met through developer contributions - there may also be opportunities for other sources of funding	£0
CF2	Approx. 500sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in Latton Priory, including provision for community halls, youth facilities, other public / community service space	Required	EFDC / ECC / Developers	Developer contributions (S106) / Grant funding	£1,110,500	Essex County Council	£0	£1,110,500	£1,110,500	Tests 100% of costs met through developer contributions - there may also be opportunities for other sources of funding	£0
CF3	Approx. 1,000sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in Water Lane area, including provision for community halls, youth facilities, other public / community service space	Required	EFDC / ECC / Developers	Developer contributions (S106) / Grant funding	£2,221,000	Essex County Council	£0	£2,221,000	£2,221,000	Tests 100% of costs met through developer contributions - there may also be opportunities for other sources of funding	£0
CF4	Approx. 230sqm of additional community space in Harlow (excluding East Harlow)	Required	HDC / ECC / Developers	Developer contributions (S106) / Grant funding	£510,830	Reviewed by Arup	£0	£510,830	£510,830	Tests 100% of costs met through developer contributions - there may also be opportunities for other sources of funding	£0
CF5	One youth facility	Required	HDC / ECC / Developers	Developer contributions (S106) / Grant funding	£744,100	Reviewed by Arup - costs based on 350sqm assumption	£0	£744,100	£744,100	Tests 100% of costs met through developer contributions - there may also be opportunities for other sources of funding	£0
CF6	Approx. 3,120sqm of community space to serve Gilston	Required	EHDC / HCC / Developers	Developer contributions (S106)	£6,929,520	Reviewed by Arup	£0	£6,929,520	£6,929,520	Tests 100% of costs met through developer contributions - there may also be opportunities for other sources of funding	£0
CF7	Youth provision at Gilston, associated with community space	Required	EHDC / HCC / Developers	Developer contributions (S106)	£490,455	Hertfordshire County Council (revised 2018 costs)	£0	£490,455	£490,455	Tests 100% of costs met through developer contributions	£0
CF8	Increased / improved capacity and library provision to serve Gilston area, provided within Harlow (by ECC), , with a reserve position of increased capacity and provision in Hertfordshire	Required	EHDC / HCC / HDC / ECC / Developers	Developer contributions (S106)	£2,250,876	Hertfordshire County Council and Essex County Council (revised 2018 costs)	£0	£2,250,876	£2,250,876	Tests 100% of costs met through developer contributions	£0
CF9	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)	Required	EHDC / HCC / HDC / ECC / Developers	Developer contributions (S106)	£3,500,000	Essex County Council (revised 2018 costs)	£0	£3,500,000	£3,500,000	Tests 100% of costs met through developer contributions	£0
CF10	Contribution towards on site or off site public art	Required	HDC / EFDC / EHDC / Developers	Developer contributions (S106)	£1,768,500	Harlow and Gilston Garden Town	£0	£1,768,500	£1,768,500	Tests 100% of costs met through developer contributions	£0
CF11	Upgrades to sculpture trail leading to Harlow Town Station	Required	HDC	Developer contributions (S106)	£75,000	Harlow and Gilston Garden Town	£0	£75,000	£75,000	Tests 100% of costs met through developer contributions	£0
CF12	Playhouse Square development	Required	HDC	Developer contributions (S106)	£500,000	Harlow and Gilston Garden Town	£0	£500,000	£500,000	Tests 100% of costs met through developer contributions	£0
CF13	Revenue costs for community facilities and services	Required	HDC / EFDC / EHDC / ECC / HCC / Providers	Developer contributions (S106)	Unknown		£0	Unknown	Unknown		Unknown

COMMUNITY FACILITIES

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Summers)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
CF1	Approx. 1,675sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in East Harlow (both portions), including provision for community halls, youth facilities, other public / community service space							Modelled community facility space (combined flexible youth services and community hall requirement), required to support the demand created from the strategic site. Site(s) location not yet identified - to be identified as part of single, combined masterplanning. Newly arising need only, on both portions of the site, with provision approached in a single, consistent way. Land will also be required; overall costs (including land) to be shared equitably and proportionally across relevant sites.	£832,875	£2,887,300						
CF2	Approx. 500sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in Latton Priory, including provision for community halls, youth facilities, other public / community service space							Modelled community facility space (combined flexible youth services and community hall requirement), required to support the demand created from the strategic site. Site(s) location not yet identified - to be identified as part of masterplanning. Land will also be required; overall costs (including land) to be shared equitably and proportionally across relevant sites.			£1,110,500					
CF3	Approx. 1,000sqm of new / additional / improved (multi-purpose) community space (& facilities) to meet the needs of new residents in Water Lane area, including provision for community halls, youth facilities, other public / community service space							Modelled community facility space (combined flexible youth services and community hall requirement), required to support the demand created from the strategic site. Site(s) location not yet identified - to be identified as part of masterplanning. Land will also be required; overall costs (including land) to be shared equitably and proportionally across relevant sites.				£838,329	£1,382,671			
CF4	Approx. 230sqm of additional community space in Harlow (excluding East Harlow)							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.								£510,830
CF5	One youth facility									£744,100						
CF6	Approx. 3,120sqm of community space to serve Gilston													£5,890,092	£1,039,428	
CF7	Youth provision at Gilston, associated with community space							Hertfordshire County Council costs indexed using PUBSEC 175 indices provided by the County.						£416,887.06	£73,568.30	
CF8	Increased / improved capacity and library provision to serve Gilston area, provided within Harlow (by ECC)							Essex County Council and Hertfordshire County Council preference (in principle) is for library provision to serve the Gilston area by increasing capacity / provision at existing library service provided within Harlow Library / libraries. Hertfordshire County Council costs indexed using PUBSEC indexes provided by the County. Figures allow for possibility that combined provision not delivered within Harlow and instead by HCC within Herts. Allowance may be necessary for external building / space related town centre improvements. Specific proposals will be developed.						£1,913,244	£337,631	
CF9	Increased / improved capacity and library provision to serve Garden Town growth within Harlow and Epping Forest districts, provided within Harlow (by ECC)							Essex County Council overall library service currently under review and public consultation. Details of likely form of future provision (for Harlow area) will need to be defined further in mid 2019 but for present time it is anticipated that reconfigured / upgraded provision / capacity at existing library service within Harlow Library area service will be required. Allowance may be necessary for external building / space related town centre improvements may be necessary for external building / space related town centre improvements.	£365,192	£1,265,999	£511,269	£392,947	£648,094			£316,500
CF10	Contribution towards on site or off site public art								£75,000	£260,000	£105,000	£80,700	£133,100	£850,000	£150,000	£114,700
CF11	Upgrades to sculpture trail leading to Harlow Town Station								£3,181	£11,026	£4,453	£3,422	£5,645	£36,047	£6,361	£4,864
CF12	Playhouse Square development							Proposal to develop Playhouse Square as an arts destination, increasing pedestrian traffic from the Water Gardens and into the Harvey Centre, moving some of the Museum collection to be on show in this destination, providing a creative hub, and increasing signage to the Gibbered Gallery.	£21,204	£73,509	£29,686	£22,816	£37,631	£240,317	£42,409	£32,429
CF13	Revenue costs for community facilities and services															

COMMUNITY FACILITIES

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
CF14	Delivery of Town Centre AAP, including town centre management	Required	HDC	Developer contributions (S106)	Unknown		£0	Unknown	Unknown		Unknown

COMMUNITY FACILITIES

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Summers)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
CF14	Delivery of Town Centre AAP, including town centre management							Harlow District Council are producing an Area Action Plan to cover Harlow Town Centre, which will include improvement projects. It is likely that developer contributions towards transport and public realm improvement will be sought - however, the level of contributions required is not yet known. Topics likely to include: movement and connectivity; infrastructure and digital connectivity; high quality public realm; enhancing cultural and community offer; town centre management; and parking schemes.								

OPEN SPACE

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Amenity Greenspace											
OS1	Approx. 1.05ha. amenity greenspace at East Harlow (Epping Forest portion)	Required	EFDC / Developers	Developer contributions (S106)	£147,000	Reviewed by Arup	£0	£147,000	£147,000	Assumes 100% of costs met through developers	£0
OS2	Approx. 12.45ha. amenity greenspace at East Harlow (Harlow portion)	Required	HDC / Developers	Developer contributions (S106)	£1,743,000	Reviewed by Arup	£0	£1,743,000	£1,743,000	Assumes 100% of costs met through developers	£0
OS3	Approx. 1.48ha. amenity greenspace at Latton Priory	Required	EFDC / Developers	Developer contributions (S106)	£207,200	Reviewed by Arup	£0	£207,200	£207,200	Assumes 100% of costs met through developers	£0
OS4	Approx. 2.91ha. amenity greenspace at Water Lane Area	Required	EFDC / Developers	Developer contributions (S106)	£407,400	Reviewed by Arup	£0	£407,400	£407,400	Assumes 100% of costs met through developers	£0
OS5	Approx. 11.42ha. of amenity greenspace at Gilston Villages 1-6	Required	EHDC / Developers	Developer contributions (S106)	£1,598,800	Reviewed by Arup	£0	£1,598,800	£1,598,800	Assumes 100% of costs met through developers	£0
OS6	Approx. 2.02ha. of amenity greenspace at Gilston Village 7	Required	EHDC / Developers	Developer contributions (S106)	£282,800	Reviewed by Arup	£0	£282,800	£282,800	Assumes 100% of costs met through developers	£0
OS7	Approx 5.49ha. amenity greenspace across other sites (excluding East Harlow) within Harlow	Required	HDC / Developers	Developer contributions (S106)	£768,600	Reviewed by Arup	£0	£768,600	£768,600	Assumes 100% of costs met through developers	£0
Public Parks and Gardens											
OS8	Approx. 1.40ha. public parks and gardens at East Harlow (Epping Forest portion)	Required	EFDC / Developers	Developer contributions (S106) / Grant funding	£420,000	Reviewed by Arup	£0	£420,000	£420,000	Assumes 100% of costs met through developers	£0
OS9	Approx. 14.00ha. public parks and gardens at East Harlow (Harlow portion)	Required	HDC / Developers	Developer contributions (S106)	£4,200,000	Reviewed by Arup	£0	£4,200,000	£4,200,000	Assumes 100% of costs met through developers	£0
OS10	Approx. 1.97ha. public parks and gardens at Latton Priory	Required	EFDC / Developers	Developer contributions (S106) / Grant funding	£591,000	Reviewed by Arup	£0	£591,000	£591,000	Assumes 100% of costs met through developers	£0
OS11	Approx. 3.88ha. public parks and gardens at Water Lane Area	Required	EFDC / Developers	Developer contributions (S106) / Grant funding	£1,164,000	Reviewed by Arup	£0	£1,164,000	£1,164,000	Assumes 100% of costs met through developers	£0
OS12	Approx. 15.23ha. of amenity greenspace (including parks and gardens) at Gilston Villages 1-6	Required	EHDC / Developers	Developer contributions (S106)	£4,569,000	Reviewed by Arup	£0	£4,569,000	£4,569,000	Assumes 100% of costs met through developers	£0
OS13	Approx. 2.69ha of amenity greenspace (including parks and gardens) at Gilston Village 7	Required	EHDC / Developers	Developer contributions (S106)	£807,000	Reviewed by Arup	£0	£807,000	£807,000	Assumes 100% of costs met through developers	£0
OS14	Approx 6.18ha. public parks and gardens across other sites (excluding East Harlow) within Harlow	Required	HDC / Developers	Developer contributions (S106)	£1,854,000	Reviewed by Arup	£0	£1,854,000	£1,854,000	Assumes 100% of costs met through developers	£0
Natural and Semi-Natural Open Space											
OS15	Approx. 3.15ha. of natural space at East Harlow (Epping Forest portion)	Required	EFDC / Developers	Developer contributions (S106)	£157,500	Reviewed by Arup	£0	£157,500	£157,500	Assumes 100% of costs met through developers	£0
OS16	Approx. 15.56ha. of natural space at East Harlow (Harlow portion)	Required	HDC / Developers	Developer contributions (S106)	£778,000	Reviewed by Arup	£0	£778,000	£778,000	Assumes 100% of costs met through developers	£0
OS17	Approx. 4.44ha. of natural space at Latton Priory	Required	EFDC / Developers	Developer contributions (S106)	£222,000	Reviewed by Arup	£0	£222,000	£222,000	Assumes 100% of costs met through developers	£0
OS18	Approx. 8.74ha. of natural space at Water Lane Area	Required	EFDC / Developers	Developer contributions (S106)	£437,000	Reviewed by Arup	£0	£437,000	£437,000	Assumes 100% of costs met through developers	£0
OS19	Approx. 60.93ha. of natural and semi-natural greenspace at Gilston Villages 1-6	Required	EHDC / Developers	Developer contributions (S106)	£3,046,500	Reviewed by Arup	£0	£3,046,500	£3,046,500	Assumes 100% of costs met through developers	£0
OS20	Approx. 10.75ha. of natural and semi-natural greenspace at Gilston Village 7	Required	EHDC / Developers	Developer contributions (S106)	£537,500	Reviewed by Arup	£0	£537,500	£537,500	Assumes 100% of costs met through developers	£0
OS21	Approx 6.86ha. natural space across other sites (excluding East Harlow) within Harlow	Required	HDC / Developers	Developer contributions (S106)	£343,000	Reviewed by Arup	£0	£343,000	£343,000	Assumes 100% of costs met through developers	£0

OPEN SPACE

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Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
Amenity Greenspace																
OS1	Approx. 1.05ha. amenity greenspace at East Harlow (Epping Forest portion)								£147,000							
OS2	Approx. 12.45ha. amenity greenspace at East Harlow (Harlow portion)							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units. Open space at East Harlow to include delivery in the form of a green wedge.		£1,743,000						
OS3	Approx. 1.48ha. amenity greenspace at Latton Priory										£207,200					
OS4	Approx. 2.91ha. amenity greenspace at Water Lane Area											£153,775	£253,625			
OS5	Approx. 11.42ha. of amenity greenspace at Gilston Villages 1-6							Emerging masterplan for Gilston includes open space beyond the East Herts standards. For the purposes of the IDP the East Herts standards have been applied.						£1,598,800		
OS6	Approx. 2.02ha. of amenity greenspace at Gilston Village 7							Emerging masterplan for Gilston includes open space beyond the East Herts standards. For the purposes of the IDP the East Herts standards have been applied.							£282,800	
OS7	Approx 5.49ha. amenity greenspace across other sites (excluding East Harlow) within Harlow							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.								£768,600
Public Parks and Gardens																
OS8	Approx. 1.40ha. public parks and gardens at East Harlow (Epping Forest portion)								£420,000							
OS9	Approx. 14.00ha. public parks and gardens at East Harlow (Harlow portion)							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units. Open space at East Harlow to include delivery in the form of a green wedge.		£4,200,000						
OS10	Approx. 1.97ha. public parks and gardens at Latton Priory										£591,000					
OS11	Approx. 3.88ha. public parks and gardens at Water Lane Area											£439,358	£724,642			
OS12	Approx. 15.23ha. of amenity greenspace (including parks and gardens) at Gilston Villages 1-6							Emerging masterplan for Gilston includes open space beyond the East Herts standards. For the purposes of the IDP the East Herts standards have been applied.						£4,569,000		
OS13	Approx. 2.69ha of amenity greenspace (including parks and gardens) at Gilston Village 7							Emerging masterplan for Gilston includes open space beyond the East Herts standards. For the purposes of the IDP the East Herts standards have been applied.							£807,000	
OS14	Approx 6.18ha. public parks and gardens across other sites (excluding East Harlow) within Harlow							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.								£1,854,000
Natural and Semi-Natural Open Space																
OS15	Approx. 3.15ha. of natural space at East Harlow (Epping Forest portion)								£157,500							
OS16	Approx. 15.56ha. of natural space at East Harlow (Harlow portion)							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units. Open space at East Harlow to include delivery in the form of a green wedge.		£778,000						
OS17	Approx. 4.44ha. of natural space at Latton Priory										£222,000					
OS18	Approx. 8.74ha. of natural space at Water Lane Area											£164,948	£272,052			
OS19	Approx. 60.93ha. of natural and semi-natural greenspace at Gilston Villages 1-6							Emerging masterplan for Gilston includes open space beyond the East Herts standards. For the purposes of the IDP the East Herts standards have been applied.						£3,046,500		
OS20	Approx. 10.75ha. of natural and semi-natural greenspace at Gilston Village 7							Emerging masterplan for Gilston includes open space beyond the East Herts standards. For the purposes of the IDP the East Herts standards have been applied.							£537,500	
OS21	Approx 6.86ha. natural space across other sites (excluding East Harlow) within Harlow							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.								£343,000

OPEN SPACE

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Children's Play											
OS22	Approx. 0.44ha. provision for children and young people at East Harlow (Epping Forest portion)	Required	EFDC / Developers	Developer contributions (S106)	£582,120	Reviewed by Arup	£0	£582,120	£582,120	Assumes 100% of costs met through developers	£0
OS23	Approx. 1.87ha. Local Equipped Area for Play (LEAP) at East Harlow (Harlow portion)	Required	HDC / Developers	Developer contributions (S106)	£1,374,450	Reviewed by Arup	£0	£1,374,450	£1,374,450	Assumes 100% of costs met through developers	£0
OS24	Approx 2.49ha. Neighbourhood Equipped Area for Play (NEAP) at East Harlow (Harlow portion)	Required	HDC / Developers	Developer contributions (S106)	£3,294,270	Reviewed by Arup	£0	£3,294,270	£3,294,270	Assumes 100% of costs met through developers	£0
OS25	Approx. 0.62ha. provision for children and young people at Latton Priory	Required	EFDC / Developers	Developer contributions (S106)	£820,260	Reviewed by Arup	£0	£820,260	£820,260	Assumes 100% of costs met through developers	£0
OS26	Approx. 1.21ha. provision for children and young people at Water Lane Area	Required	EFDC / Developers	Developer contributions (S106)	£1,600,830	Reviewed by Arup	£0	£1,600,830	£1,600,830	Assumes 100% of costs met through developers	£0
OS27	Approx. 4.76ha. of children's play facilities at Gilston Villages 1-6	Required	EHDC / Developers	Developer contributions (S106)	£3,498,600	Reviewed by Arup	£0	£3,498,600	£3,498,600	Assumes 100% of costs met through developers	£0
OS28	Approx. 0.84ha. of children's play facilities at Gilston Village 7	Required	EHDC / Developers	Developer contributions (S106)	£617,400	Reviewed by Arup	£0	£617,400	£617,400	Assumes 100% of costs met through developers	£0
OS29	Approx. 0.82ha. Local Equipped Area for Play (LEAP) across Harlow (excluding East Harlow)	Required	HDC / Developers	Developer contributions (S106)	£602,700	Reviewed by Arup	£0	£602,700	£602,700	Assumes 100% of costs met through developers	£0
OS30	Approx. 1.10ha. Neighbourhood Equipped Area for Play (NEAP) across Harlow (excluding East Harlow)	Required	HDC / Developers	Developer contributions (S106)	£1,455,300	Reviewed by Arup	£0	£1,455,300	£1,455,300	Assumes 100% of costs met through developers	£0
Allotments											
OS31	Approx 0.35ha. allotments at East Harlow (Epping Forest portion)	Required	EFDC / Developers	Developer contributions (S106)	£8,750	Reviewed by Arup	£0	£8,750	£8,750	Assumes 100% of costs met through developers	£0
OS32	Approx 1.56ha. allotments at East Harlow (Harlow portion)	Required	HDC / Developers	Developer contributions (S106)	£39,000	Reviewed by Arup	£0	£39,000	£39,000	Assumes 100% of costs met through developers	£0
OS33	Approx 0.49ha. allotments at Latton Priory	Required	EFDC / Developers	Developer contributions (S106)	£12,250	Reviewed by Arup	£0	£12,250	£12,250	Assumes 100% of costs met through developers	£0
OS34	Approx 0.97ha. allotments at Water Lane Area	Required	EFDC / Developers	Developer contributions (S106)	£24,250	Reviewed by Arup	£0	£24,250	£24,250	Assumes 100% of costs met through developers	£0
OS35	Approx. 5.71ha. allotments at Gilston Villages 1-6	Required	EHDC / Developers	Developer contributions (S106)	£142,750	Reviewed by Arup	£0	£142,750	£142,750	Assumes 100% of costs met through developers	£0
OS36	Approx. 1.01ha. allotments at Gilston Village 7	Required	EHDC / Developers	Developer contributions (S106)	£25,250	Reviewed by Arup	£0	£25,250	£25,250	Assumes 100% of costs met through developers	£0
OS37	Approx 0.69ha. allotments across other sites (excluding East Harlow) within Harlow	Required	HDC / Developers	Developer contributions (S106)	£17,250	Reviewed by Arup	£0	£17,250	£17,250	Assumes 100% of costs met through developers	£0

OPEN SPACE

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Summers)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
Children's Play																
OS22	Approx. 0.44ha. provision for children and young people at East Harlow (Epping Forest portion)								£582,120							
OS23	Approx. 1.87ha. Local Equipped Area for Play (LEAP) at East Harlow (Harlow portion)							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.		£1,374,450						
OS24	Approx 2.49ha. Neighbourhood Equipped Area for Play (NEAP) at East Harlow (Harlow portion)							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.		£3,294,270						
OS25	Approx. 0.62ha. provision for children and young people at Latton Priory										£820,260					
OS26	Approx. 1.21ha. provision for children and young people at Water Lane Area											£604,242	£996,588			
OS27	Approx. 4.76ha. of children's play facilities at Gilston Villages 1-6							This includes provision for open space for teenagers, as from the East Herts Open Space Assessment						£3,498,600		
OS28	Approx. 0.84ha. of children's play facilities at Gilston Village 7							This includes provision for open space for teenagers, as from the East Herts Open Space Assessment							£617,400	
OS29	Approx. 0.82ha. Local Equipped Area for Play (LEAP) across Harlow (excluding East Harlow)							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.								£602,700
OS30	Approx. 1.10ha. Neighbourhood Equipped Area for Play (NEAP) across Harlow (excluding East Harlow)							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.								£1,455,300
Allotments																
OS31	Approx 0.35ha. allotments at East Harlow (Epping Forest portion)								£8,750							
OS32	Approx 1.56ha. allotments at East Harlow (Harlow portion)							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.		£39,000						
OS33	Approx 0.49ha. allotments at Latton Priory										£12,250					
OS34	Approx 0.97ha. allotments at Water Lane Area											£9,153	£15,097			
OS35	Approx. 5.71ha. allotments at Gilston Villages 1-6													£142,750		
OS36	Approx. 1.01ha. allotments at Gilston Village 7														£25,250	
OS37	Approx 0.69ha. allotments across other sites (excluding East Harlow) within Harlow							Harlow IDP (2018) reports total requirement - for the purposes of the Garden Town IDP this total requirement has been broken down proportionately by number of units.								£17,250

OPEN SPACE

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Other											
OS38	Upgrades at Harlow Town Park to reflect anticipated increased use	Required	HDC	Developer contributions (S106)	Unknown		£0	Unknown	Unknown		Unknown
OS39	Contribution towards Epping Forest Suitable Alternative Natural Green Space (SANGS)	Essential	EFDC / Developers	Developer contributions (S106)	£2,250,000	Reviewed by Arup - based on an assumed 30ha. SANGS (see notes), with an enhanced natural and semi-natural open space specification	£0	£2,250,000	£0	See notes	£2,250,000
OS40	Air quality monitoring	Essential	EFDC / Developers	Developer contributions (S106)	£175,000	Epping Forest District Council (indicative costs to 2033 only)	£0	£175,000	£0	See notes	£175,000
OS41	Off-site green infrastructure at Stort Valley	Required	EHDC	Developer contributions (S106)	£5,000,000	East Herts IDP	£0	£5,000,000	£5,000,000		£0
OS42	Ongoing stewardship and governance	Required	TBC	TBC	Unknown		£0	Unknown	Unknown		Unknown

OPEN SPACE

Ref	Intervention	2018 - 2043						Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1-6)	Gilston (Village 7)	Non-Strategic Sites (Total)
		2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +									
Other																
OS38	Upgrades at Harlow Town Park to reflect anticipated increased use															
OS39	Contribution towards Epping Forest Suitable Alternative Natural Green Space (SANGS)							The current Zone of Influence for the Epping Forest Special Area of Conservation (SAC) extends to 6.2km from its boundary. However, this will be subject to review from time to time. It is therefore necessary to 'future-proof' the Garden Town communities which lie partially within or within close proximity to, the current Zone of Influence. In order to achieve this an appropriate level of SANGS should be provided on the relevant sites. A strategic approach will need to be taken to maximise the opportunities that exist to provide sufficient space to accommodate the necessary attributes to attract new residents, and some existing residents, to use that space. In particular there is a need to provide a level and form of SANGS that will be used by dog-walkers who make up nearly 50% of the visitors to Epping Forest. The minimum size of SANGS which is considered to be workable in terms of providing some opportunity to attract visitors, as advised by Natural England, is 8ha. However, the size of site required to accommodate regular dog walkers is 30ha. This is necessary to provide sufficient size to accommodate a circular walking route of some 2.2km. The number of SANGS required is not yet determined. Costs are not currently attributed to specific sites. Given the current uncertainties in relation to the scale of SANGS to be provided on individual sites within the Garden Town, there is a need to develop a strategic approach which both maximises the opportunities which are available and ensures an equitable approach.								
OS40	Air quality monitoring							Costs are not currently attributed to specific sites - to be updated once mitigation strategy has been finalised.								
OS41	Off-site green infrastructure at Stort Valley													£4,250,000	£750,000	
OS42	Ongoing stewardship and governance															

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SPORTS AND LEISURE

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost Source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
SF1	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios	Required	HDC / EFDC / EHDC / ECC / HCC / Providers	Developer contributions (S106) / Grant funding	£10,016,000	Reviewed by Arup	£0	£10,016,000	£10,016,000	Tests 100% of costs met through developer contributions - there may also be opportunities for other sources of funding	£0
SF2	New affordable community leisure centre within Gilston, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 170 station fitness suite; playing pitches; and two studios	Required	EHDC / HCC / Providers	Developer contributions (S106) / Grant funding	£11,015,680	Reviewed by Arup	£0	£11,015,680	£11,015,680	Tests 100% of costs met through developer contributions - there may also be opportunities for other sources of funding	£0

SPORTS AND LEISURE

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
SF1	New affordable community leisure centre within Harlow, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 100-150 station fitness suite; and two studios							Site to be determined. Costs are based on Sports England standard costs; actual costs will be site-specific and may be higher.	£1,045,075	£3,622,927	£1,463,105	£1,124,501	£1,854,660			£905,732
SF2	New affordable community leisure centre within Gilston, comprising: six-lane 25m pool plus teaching pool; four court sports hall; 170 station fitness suite; playing pitches; and two studios							To be delivered alongside a secondary school within Gilston. Costs are based on Sports England standard costs; actual costs will be site-specific and may be higher.						£9,363,328	£1,652,352	

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UTILITIES

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Water											
UT1	Network reinforcement works to provide potable water	Critical	Affinity Water	Providers / Developers (Charge)	Unknown		£0	Unknown	£0		£0
UT2	Early implementation of waste water network upgrades at Latton Priory	Critical	Thames Water	Providers / Developers (Charge)	Unknown		£0	Unknown	£0		£0
Electricity											
UT3	New Harlow 33/11kV Primary sub-station	Critical	UKPN / Developers	Providers / Developers (Charge)	£900,000	Harlow IDP	£0	£900,000	£0		£0
UT4	South Harlow 33/11kV Primary sub-station & 11kV interconnection	Critical	UKPN / Developers	Providers / Developers (Charge)	£1,100,000	Harlow IDP	£0	£1,100,000	£0		£0
UT5	Rye House/Harlow West 132kV Tower Line	Critical	UKPN / Developers	Providers / Developers (Charge)	£5,400,000	Harlow IDP	£0	£5,400,000	£0		£0
UT6	Replacement of 33kV switchgear at Harlow West substation	Critical	UKPN / Developers	Providers / Developers (Charge)	£1,400,000	Harlow IDP	£0	£1,400,000	£0		£0
UT7	33kV overhead lines may require diverting for masterplanning of Water Lane Area	Required	UKPN / Developers	Providers / Developers (Charge)	Site dependent		£0	N/A	N/A		N/A
UT8	New primary substation to serve Gilston	Critical	Utility Provider	Providers / Developer (Contribution / Charge)	£29,000,000	East Herts IDP	£0	£0	£0	Abnormal cost reflected in land value - refer to Harlow and Gilston Garden Town Strategic Viability Assessment	£0
Gas											
UT9	Gas infrastructure to enable growth	Essential	Providers / Developers	Providers / Developers (Charge)	N/A (strategic upgrades met by providers; on site connections part of normal development costs)		£0	N/A	£0		£0
UT10	Potential diversion of mains gas at East Harlow	Required	Cadent Gas	UKPN / Developer agreement	Masterplan dependent		£0	N/A	£0		£0
Telecommunications											
UT11	Telecommunications infrastructure to enable growth	Essential	Providers / Developers	Providers / Developers (Charge)	N/A (strategic upgrades met by providers; on site connections part of normal development costs)		£0	N/A	£0		£0
UT12	Measures to support implementation of the Garden Town Digital Strategy	Required	Providers / Developers	Providers / Developers	Unknown		£0	Unknown	Unknown		Unknown
UT13	Ongoing broadband and communication upgrades, as required by technological change	Required	Providers	Providers	N/A (met by providers)		£0	N/A	£0		£0

UTILITIES

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Summers)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
Water																
UT1	Network reinforcement works to provide potable water							Network reinforcements expected to be funded as a combination of the provider and developers via a connection and infrastructure charge (part of normal development cost). Additional contributions beyond this are not envisioned and so have not been apportioned.								
UT2	Early implementation of waste water network upgrades at Latton Priory							Network reinforcements expected to be funded as a combination of the provider and developers via a connection and infrastructure charge (part of normal development cost). Additional contributions beyond this are not envisioned and so have not been apportioned.								
Electricity																
UT3	New Harlow 33/11kV Primary sub-station							Network reinforcements expected to be funded as a combination of the provider and developers via a connection and infrastructure charge (part of normal development cost). Additional contributions beyond this are not envisioned and so have not been apportioned.								
UT4	South Harlow 33/11kV Primary sub-station & 11kV interconnection							Network reinforcements expected to be funded as a combination of the provider and developers via a connection and infrastructure charge (part of normal development cost). Additional contributions beyond this are not envisioned and so have not been apportioned.								
UT5	Rye House/Harlow West 132kV Tower Line							Network reinforcements expected to be funded as a combination of the provider and developers via a connection and infrastructure charge (part of normal development cost). Additional contributions beyond this are not envisioned and so have not been apportioned.								
UT6	Replacement of 33kV switchgear at Harlow West substation							Network reinforcements expected to be funded as a combination of the provider and developers via a connection and infrastructure charge (part of normal development cost). Additional contributions beyond this are not envisioned and so have not been apportioned.								
UT7	33kV overhead lines may require diverting for masterplanning of Water Lane Area							Overhead lines will require an easement along them, which may affect the masterplanning of the site. Potential to divert these to optimise the site.				Unknown	Unknown			
UT8	New primary substation to serve Gilston							Expectation that development will meet the full cost of new substation at Gilston.								
Gas																
UT9	Gas infrastructure to enable growth															
UT10	Potential diversion of mains gas at East Harlow							Potential diversion of gas mains. Alternative is to retain in position and design the site around an easement along the pipes. The potential easement / diversion will be dependent on the type of main the options for these sites should be considered on a site-by site basis, in consultation with Cadent Gas.	Unknown	Unknown						
Telecommunications																
UT11	Telecommunications infrastructure to enable growth							The additional demand of these developments would require some reinforcement of the water supply network, although no significant constraints to the provision of this infrastructure have been identified.								
UT12	Measures to support implementation of the Garden Town Digital Strategy							A wider Garden Town Digital Strategy is being prepared; exact interventions still to be confirmed.								
UT13	Ongoing broadband and communication upgrades, as required by technological change															

UTILITIES

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
Waste											
UT14	Household Waste Recycling Centre to serve Gilston	Required	Developer / HCC	Developers / Grant	£6,700,000	Hertfordshire County Council	£0	£6,700,000	£1,662,067	Hertfordshire County Council - based on anticipated Gilston use	£5,037,933
UT15	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex	Required	Developer / ECC	Developers / Grant	£200,000	Essex County Council	£0	£200,000	£200,000	Essex County Council	£0

UTILITIES

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Summers)	Water Lane Area (Katherine's)	Gilston (Villages 1- 6)	Gilston (Village 7)	Non-Strategic Sites (Total)
Waste																
UT14	Household Waste Recycling Centre to serve Gilston							HCC's current position - specific proposals will be developed. Costs indexed by Hertfordshire County Council using September 2018 RPI.						£1,412,757	£249,310	
UT15	Increased household waste recycling capacity and / or facility upgrades in order to serve additional demand in Essex							Housing growth is anticipated to generate additional waste into the Harlow Recycling Centre for Household Waste (RCHW) of c.3500-4000 tpa; an uplift on the current throughput of between 26%-30%. To accommodate waste input increases of this nature it will be necessary to redesign the existing site to provide greater waste handling capacity, improved traffic flows, more on site queuing and to provide a service operation which reduces onsite unloading time thereby improving capacity. Based on similar site redesign and upgrades within Essex it would be anticipated that the capital cost of delivering such an upgrade at the Harlow RCHW would be in the region of £160-200k.	£20,868	£72,343	£29,215	£22,454	£37,034			£18,086

FLOOD DEFENCE

Ref	Intervention	Priority	Delivery Partners	Potential Funding Source	Cost	Cost source	Identified Funding	Funding Gap	Cost to be Apportioned	Rationale	Remaining Funding Gap
FL1	Measures to ensure the protection of the functional flood plain and restriction of surface water run-off into Pincey Brook to no more than existing rates	Critical	Environment Agency / EFDC / ECC / Developers	Developer Funded	Unknown		£0	Unknown	£0		Unknown
FL2	Strategic surface water flood risk interventions: West Passmores swale and upstream attenuation and flood resilience; Harlow Brays Grove sustainable drainage; Harlow Kingsmoor sustainable drainage; and Summers Area river flood alleviation scheme	Critical	Environment Agency / Developers	Environment Agency / Developer Contribution	£12,000,000	Harlow DC IDP (2018)	£341,482	£11,658,518	£440,000	Essex LLFA Floods Team has confirmed that only one scheme (Harlow Kingsmoor) is directly related to a development. The remainder of the funding is expected to be available from other sources e.g. Environment Agency. Tests 100% of Harlow Kingsmoor met through developer contributions - in reality this may not be the case	£11,218,518
FL3	On-site SuDS delivered as part of developments	Essential	Developers	Developer Funded	N/A (part of normal development costs)		£0	N/A	£0		N/A

FLOOD DEFENCE

Ref	Intervention	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Notes	East of Harlow (North)	East of Harlow (South)	Latton Priory	Water Lane Area (Sumners)	Water Lane Area (Katherine's)	Gilston (Villages 1-6)	Gilston (Village 7)	Non-Strategic Sites (Total)
FL1	Measures to ensure the protection of the functional flood plain and restriction of surface water run-off into Pincey Brook to no more than existing rates							Flood protection should be considered as part of strategic masterplanning to ensure development is directed towards flood zone 1, and any necessary mitigation measures are incorporated into the design of the scheme. Further consultation will be required with the Environment Agency and EFDC Drainage Team.	Unknown							
FL2	Strategic surface water flood risk interventions: West Passmores swale and upstream attenuation and flood resilience; Harlow Brays Grove sustainable drainage; Harlow Kingsmoor sustainable drainage; and Sumners Area river flood alleviation scheme															£440,000
FL3	On-site SuDS delivered as part of developments															

Appendix B

Harlow and Gilston Garden Town Delivery Trajectory

B1 Harlow and Gilston Garden Town Delivery Trajectory

For the purposes of the IDP, the delivery trajectory from each of the District's Local Plans (at the time of production of the IDP) has been reflected – as set out in Table B1. It is acknowledged that this delivery trajectory may be amended as the Garden Town comes forward and opportunities to accelerate delivery are explored.

Table B1 Harlow and Gilston Garden Town delivery trajectory

Site	Trajectory Source	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Total
Gilston (Villages 1-6 and Village 7) ³⁵	East Herts Authority Monitoring Report 2017-2018 (2018)	50	1,500	1,500	1,500	1,500	3,950	10,000
East Harlow (North)	Epping Forest District Housing Implementation Strategy Update (2019)	0	250	500	0	0	0	750
East Harlow (South)	Pre-Submission Publication Harlow Local Development Plan (2018)	750	1,150	700	0	0	0	2,600
Latton Priory	Epping Forest District Housing Implementation Strategy Update (2019)	50	500	500	0	0	0	1,050
Water Lane Area (West Sumners and West of Katherine's) ³⁶	Epping Forest District Housing Implementation Strategy Update (2019)	100	1,000	1,000	0	0	0	2,100³⁷

³⁵ Early phasing of Gilston differs slightly between Figure B1 and the figures used in the Strategic Viability Assessment but the impact is considered to be minimal. For the purposes of the IDP it has been assumed that Gilston Villages 1-6 and Gilston Village 7 deliver at the same speed until Village 7 is built out. The sub-phasing of Gilston will be agreed in due course.

³⁶ For the purposes of the IDP it has been assumed that West Sumners and West of Katherine's will deliver proportionately to their respective allocations. The sub-phasing of Water Lane Area will be agreed in due course.

³⁷ The Water Lane Area allocation is stated to be 2,100 homes in the Submission Version Epping Forest District Local Plan. West Sumners is taken to be sites SR-0068-N (indicative capacity 691 homes) and SR-0107 (indicative capacity 116 homes). West of Katherine's is taken to be sites SR-0964-Z (indicative capacity 1,149 homes), SR-

Site	Trajectory Source	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +	Total
Other	Pre-Submission Publication Harlow Local Development Plan (2018)	206	121	820	0	0	0	1,147
	Total	1,323	4,354	5,020	1,500	1,500	3,950	17,647³⁸

0424 (indicative capacity 118 homes), SR-0039 (indicative capacity 43 homes) and SR-0038 (indicative capacity 21 homes). These total 2,138 which is slightly higher than the 2,100 stated. This explains the difference in units between Table B1 and Table 1 in Section 4.1.

³⁸ See above comment.

Appendix C

Risk Allowance

C1 Risk Allowance

C1.1 Transport

Table C1 Risk allowance – transport

	East of Harlow (North)	East of Harlow (South)	Latton Priory	West Sumners	West of Katherine's	Gilston Villages 1-6	Gilston Village 7
Total	£16,409,612	£43,086,653	£23,073,456	£18,774,151	£30,900,181	£199,147,727	£34,451,723
Risk Allowance	£2,471,706	£5,808,580	£3,480,388	£2,883,037	£4,742,172	£19,653,793	£3,566,412
	15.06%	13.48%	15.08%	15.36%	15.35%	9.87%	10.35%
Revised Total	£18,881,318	£48,895,234	£26,553,844	£21,657,189	£35,642,353	£218,801,519	£38,018,135

- Costs received from Hertfordshire County Council in respect of some highways interventions (included in HIF bid submission) include an element of contingency and so an additional risk allowance has not been applied.
- 20% risk allowance applied to all other items.

C1.2 Education

Table C2 Risk allowance – education

	East of Harlow (North)	East of Harlow (South)	Latton Priory	West Sumners	West of Katherine's	Gilston Villages 1-6	Gilston Village 7
Total	£9,503,086	£33,727,437	£13,126,579	£10,070,618	£16,609,656	£161,522,820	£28,464,573
Risk Allowance	£214,632	£900,738	£264,936	£200,003	£329,869	£804,870	£134,145
	2.26%	2.67%	2.02%	1.99%	1.99%	0.50%	0.47%
Revised Total	£9,717,718	£34,628,175	£13,391,515	£10,270,621	£16,939,526	£162,327,690	£28,598,718

- Costs received from Essex County Council and Hertfordshire County Council in respect of mainstream and SEND school places include an element of contingency and so an additional risk allowance has not been applied.
- 20% risk allowance applied to all other items.

C1.3 Health

Table C3 Risk allowance – health

	East of Harlow (North)	East of Harlow (South)	Latton Priory	West Sumners	West of Katherine's	Gilston Villages 1-6	Gilston Village 7
Total	£1,908,113	£6,614,791	£2,671,358	£2,053,129	£3,386,264	£21,625,278	£3,816,226
Risk Allowance	£381,623	£1,322,958	£534,272	£410,626	£677,253	£4,325,056	£763,245
	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Revised Total	£2,289,735	£7,937,749	£3,205,630	£2,463,755	£4,063,517	£25,950,334	£4,579,471

- 20% risk allowance applied to all items.

C1.4 Emergency Services

Table C4 Risk allowance – emergency services

	East of Harlow (North)	East of Harlow (South)	Latton Priory	West Sumners	West of Katherine's	Gilston Villages 1-6	Gilston Village 7
Total	£676,344	£2,344,659	£946,882	£727,746	£1,200,285	£7,665,232	£1,352,688
Risk Allowance	£135,269	£468,932	£189,376	£145,549	£240,057	£1,533,046	£270,538
	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Revised Total	£811,613	£2,813,591	£1,136,258	£873,295	£1,440,342	£9,198,278	£1,623,226

- 20% risk allowance applied to all items.

C1.5 Community Facilities

Table C5 Risk allowance – community facilities

	East of Harlow (North)	East of Harlow (South)	Latton Priory	West Sumners	West of Katherine's	Gilston Villages 1-6	Gilston Village 7
Total	£1,297,452	£5,241,934	£1,760,908	£1,338,214	£2,207,141	£9,346,587	£1,649,398
Risk Allowance	£259,490	£1,048,387	£352,182	£267,643	£441,428	£1,869,317	£329,880
	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Revised Total	£1,556,942	£6,290,321	£2,113,089	£1,605,856	£2,648,569	£11,215,905	£1,979,277

- 20% risk allowance applied to all items.

C1.6 Open Space

Table C6 Risk allowance – open space

	East of Harlow (North)	East of Harlow (South)	Latton Priory	West Sumners	West of Katherine's	Gilston Villages 1-6	Gilston Village 7
Total	£1,315,370	£11,428,720	£1,852,710	£1,371,477	£2,262,003	£17,105,650	£3,019,950
Risk Allowance	£263,074	£2,285,744	£370,542	£274,295	£452,401	£3,421,130	£603,990
	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Revised Total	£1,578,444	£13,714,464	£2,223,252	£1,645,773	£2,714,403	£20,526,780	£3,623,940

- 20% risk allowance applied to all items.

C1.7 Sports and Leisure

Table C7 Risk allowance – sports and leisure

	East of Harlow (North)	East of Harlow (South)	Latton Priory	West Sumners	West of Katherine's	Gilston Villages 1-6	Gilston Village 7
Total	£1,045,075	£3,622,927	£1,463,105	£1,124,501	£1,854,660	£9,363,328	£1,652,352
Risk Allowance	£209,015	£724,585	£292,621	£224,900	£370,932	£1,872,666	£330,470
	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Revised Total	£1,254,090	£4,347,513	£1,755,726	£1,349,401	£2,225,592	£11,235,994	£1,982,822

- 20% risk allowance applied to all items.

C1.8 Utilities

Table C8 Risk allowance – utilities

	East of Harlow (North)	East of Harlow (South)	Latton Priory	West Sumners	West of Katherine's	Gilston Villages 1-6	Gilston Village 7
Total	£20,868	£72,343	£29,215	£22,454	£37,034	£1,412,757	£249,310
Risk Allowance	£4,174	£14,469	£5,843	£4,491	£7,407	£282,551	£49,862
	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Revised Total	£25,042	£86,811	£35,058	£26,945	£44,441	£1,695,308	£299,172

- 20% risk allowance applied to all items.

C1.9 Flood Protection

Table C9 Risk allowance – flood protection

	East of Harlow (North)	East of Harlow (South)	Latton Priory	West Sumners	West of Katherine's	Gilston Villages 1-6	Gilston Village 7
Total	£0	£0	£0	£0	£0	£0	£0
Risk Allowance	£0	£0	£0	£0	£0	£0	£0
	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Revised Total	£0	£0	£0	£0	£0	£0	£0



Harlow and Gilston Garden Town

Strategic Viability Assessment

April 2019



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1. Introduction

Scope

- 1.1 Harlow Council (HC), East Hertfordshire District Council (EHDC), Epping Forest District Council (EFDC), Hertfordshire County Council (HCC) and Essex County Council (ECC) ('the Councils') are working together, to bring forward the Harlow and Gilston Garden Town. The Councils are delivering this growth in partnership with other stakeholders including the Hertfordshire LEP (HLEP), South East LEP and site promoters.
- 1.2 This Viability Assessment was been commissioned to assess the deliverability of the key sites that make up Harlow and Gilston Garden Town, in the summer of 2018 in parallel to the updating of the Garden Town Infrastructure Delivery Plan (IDP). The Garden Town forms part of the London – Stansted – Cambridge Corridor (LSCC), which is one of the fastest growing economic regions in England.
- 1.3 Approximately 16,000 new homes are planned for the Garden Town within the Local Plan period 2011-2033 with over 7,000 beyond the plan-period. The sites include both the Harlow urban area and four new Garden Communities:
 - a. **East of Harlow** located in Harlow and Epping Forest. Total estimated number of dwellings – 3,350.
 - b. **Latton Priory** located in Epping Forest. Total estimated number of dwellings – 1,050.
 - c. **Water Lane Area** located in Epping Forest. Total estimated number of dwellings – 2,500.
 - d. **Gilston Area** located in East Hertfordshire. Total estimated number of dwellings – 10,000 (of which at least 7,050 will be delivered in the plan-period).
- 1.4 HDH Planning & Development Ltd and Arup have been appointed to provide a high-level viability assessment for each of the four new Garden Communities in order to determine the level of developer contributions that may be sought, whilst allowing delivery of the sites to remain viable.
- 1.5 This assessment sets out the methodology and the key assumptions adopted. This will allow the Councils to continue to engage with stakeholders, to ensure that the Garden Town is deliverable.
- 1.6 This Viability Assessment has been informed by a consultation process with landowners, agents, and developers. A series of consultation meetings were held during August and September 2018 with representatives of the main developers, development site landowners, their agents and housing providers. The meetings were used to set out the methodology, to test the assumptions, and to clarify the contextual background. A further round of consultation meetings were held in mid-February 2019. Whilst the purpose of these was principally to

discuss the strategic infrastructure and mitigation costs (as established by ARUP), further comments were made with regard to viability.

- 1.7 Over several years before the preparation of this report, various Government announcements were made about changes to the planning processes. The initial iteration of this report was prepared after the Ministry of Housing Communities and Local Government (MHCLG) updated the National Planning Policy Framework, (2018 NPPF), and published new Planning Practice Guidance (PPG) in July 2018. In February 2019 the NPPF was further updated (2019 NPPF). This early opportunity is taken to note that the methodology used in this report is consistent with the 2019 NPPF and the updated PPG.
- 1.8 An important element of this assessment is to test the ability of the Garden Town sites to bear the costs of the strategic infrastructure and mitigation. Outside this report, the Councils (assisted by ARUP) are updating the Infrastructure Delivery Plan(s) (IDP). The information from the IDP updates is used in this assessment.

Report Structure

- 1.9 This report follows the following format:

- Chapter 2** The reasons for, and approach to viability testing, including a short review of the requirements of the CIL Regulations, NPPF and PPG.
- Chapter 3** The methodology used.
- Chapter 4** An assessment of the housing market, including market and affordable housing with the purpose of establishing the worth of different types of housing (size and tenure) in different areas.
- Chapter 5** An assessment of the non-residential markets with the purpose of establishing the worth of different types of commercial uses.
- Chapter 6** An assessment of the costs of land to be used when assessing viability.
- Chapter 7** The cost and general development assumptions to be used in the development appraisals.
- Chapter 8** A summary of the various policy requirements and constraints that influence the type of development that come forward.
- Chapter 9** A summary of the range of modelled sites used for the financial development appraisals.
- Chapter 10** The results of the appraisals and consideration of residential development.
- Chapter 11** The appraisals and consideration of non-residential development.
- Chapter 12** This chapter is written as a non-technical summary that brings the report together and also sets out the conclusions in relation to the deliverability of development.

Project Team

- 1.10 This project is led by HDH Planning & Development Ltd, with Arup acting as the principal sub-contractor providing cost consultancy expertise.

HDH Planning and Development Ltd (HDH)

- 1.11 HDH is a specialist planning consultancy providing evidence to support planning and housing authorities. The firm's main areas of expertise are:
- a. District wide and site-specific viability analysis.
 - b. Community Infrastructure Levy testing.
 - c. Strategic Housing Market Assessments.

Arup

- 1.12 Arup is an independent firm of designers, planners, engineers, consultants and technical specialists offering a broad range of professional services across the UK and internationally.

General Caveat

- 1.13 Some of the conclusions and recommendations contained in this report are based upon information provided by others (including the Councils and consultees) and upon the assumption that all relevant information has been provided by those parties from whom it has been requested. Information obtained from third parties has not been independently verified by HDH Planning & Development Ltd or Arup, unless otherwise stated in the report. The conclusions and recommendations contained in this report are concerned with policy requirement, guidance and regulations which may be subject to change. They reflect a Chartered Surveyor's perspective and do not reflect or constitute legal advice.
- 1.14 No part of this report constitutes a valuation and the report should not be relied on in that regard.

Metric or imperial

- 1.15 The property industry uses both imperial and metric data – often working out costings in metric (£/m²) and values in imperial (£/acre and £/sqft). This is confusing so metric measurements are used throughout this report. The following conversion rates may assist readers.

1m	=	3.28ft (3' and 3.37")	1ft	=	0.30m
1m ²	=	10.76 sqft	1sqft	=	0.0929m ²
1ha	=	2.471acres	1acre	=	0.405ha.

- 1.16 A useful broad rule of thumb to convert m² to sqft is simply to add a final zero.

Compliance

1.17 HDH Planning & Development Ltd is a firm regulated by the Royal Institution of Chartered Surveyors. As a firm regulated by the RICS it is necessary to have regard to RICS Professional Standards and Guidance. For the purpose of this assessment there are two principle pieces of relevant guidance being the *Draft Financial viability in planning: conduct and reporting RICS professional statement, England (October 2018)* and *Financial Viability in planning (1st edition), RICS guidance note 2012*.

1.18 Reference is made to *Financial Viability in planning (1st edition), RICS guidance note 2012*, although it is important to note that this Guidance is subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (July 2018) so relatively little weight is given to this¹. *Draft Financial viability in planning: conduct and reporting RICS professional statement, England (October 2018)* is in draft form at the time of this report however this opportunity is taken (in the spirit of the draft) to confirm as follows:

Objectivity, impartiality, and reasonableness statement

1.19 HDH confirms that in preparing this report the firm has acted with objectivity, impartially and without interference. It is important to note that HDH is appointed by the Councils and followed a collaborative approach involving the Councils, developers, landowners and other interested parties. There has not been agreement on all points by all parties, it has therefore been necessary to make a judgment where making assumptions.

Instructions, absence of conflicts of interest, basis of fees

1.20 The scope under which this project is undertaken is included in **Appendix 1** of this report.

1.21 HDH confirms it has no conflicts of interest (or perceived conflicts of interest) in undertaking this project. HDH confirms that in preparing this report, no performance-related or contingent fees have been agreed.

Transparency of information

1.22 The presumption is that a viability assessment should be published in full. HDH confirms that this report has been prepared on this basis.

Non-technical summaries

1.23 HDH confirms that a non-technical summary (being Chapter 12 of this report) has been provided.

¹ As set out at 1.1 in the *Draft Financial viability in planning: conduct and reporting, RICS professional statement, England*.

Value Engineering

- 1.24 The draft Professional Statement includes the following text:

*Members **must** also consider if the advice they are giving represents the most effective and efficient way to deliver optimum development performance of the scheme being tested. This is sometimes referred to as 'value engineering' and will involve quantity surveyors, agents and other professionals. LPAs and their advisers need to be confident that the FVA fully reflects the way the development would actually be carried out. If this is not the case, then it should be stated and explained.*

*It follows that members **must** include a statement that these matters have been given full consideration in the FVA. Corresponding statements **must**, where appropriate, be included in other professional and specialist inputs to the FVA.*

- 1.25 The draft RICS Guidance is not consistent with the PPG in this regard. The PPG sets out that:

In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.

PPG 10-010-20180724

- 1.26 This is a high-level viability assessment considering the delivery of the Harlow Garden Town. HDH's instructions specifically do NOT include a review of the proposals, rather the instructions are to provide viability advice for others to consider.

2. Viability Testing

- 2.1 Viability testing is an important part of the planning process. The requirement to assess viability forms part of the National Planning Policy Framework (NPPF), and is a requirement of the CIL Regulations. In each case the requirement is slightly different, but they have much in common.
- 2.2 Over several years, in the run up to this report, various national consultations have been carried out with regard to different aspects of the plan-making process. These have included references to, and sections on, viability. The NPPF and the viability sections of the Planning Practice Guidance (PPG) were updated in July 2018 replacing the earlier documents. The NPPF was further updated in February 2019, although the changes in this iteration do not directly impact on the requirements to consider viability.

National Planning Policy Framework (February 2019)

- 2.3 As in the 2012 NPPF, viability remains a core area of the plan-making process. The 2019 NPPF does not include detail on the viability process, rather stresses the importance of viability.
- 2.4 The main change is a shift of viability testing from the development management stage to the plan-making stage.

Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.

2019 NPPF, Paragraph 57

- 2.5 Careful consideration has been made to the updated PPG in this assessment (see below).
- 2.6 The effectiveness of plans was important under the 2012 NPPF, but a greater emphasis is put on deliverability in the 2019 NPPF. The following, updated, definition is provided:

Deliverable: *To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*

- a) *sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*
- b) *where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield*

register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

2019 NPPF Glossary

- 2.7 Under the heading *Identifying land for homes*, the importance of viability is highlighted:

Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Planning policies should identify a supply of:

- a) specific, deliverable sites for years one to five of the plan period³²; and*
- b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.*

2019 NPPF, Paragraph 67

- 2.8 Under the heading *Making effective use of land*, viability forms part of ensuring land is suitable for development:

Local planning authorities, and other plan-making bodies, should take a proactive role in identifying and helping to bring forward land that may be suitable for meeting development needs, including suitable sites on brownfield registers or held in public ownership, using the full range of powers available to them. This should include identifying opportunities to facilitate land assembly, supported where necessary by compulsory purchase powers, where this can help to bring more land forward for meeting development needs and/or secure better development outcomes.

2019 NPPF, Paragraph 119

- 2.9 The 2019 NPPF does not include technical guidance on undertaking viability work. This is included within the PPG that was also updated in July 2018.

Planning Practice Guidance (July 2018)

- 2.10 The viability sections of the PPG (section 10) have been completely rewritten, although the changes provide clarity and confirm best practice, rather than prescribe a new approach or methodology. The updated PPG includes 4 main sections:

1 - Viability and plan making

- 2.11 The overall requirement is that:

...policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106...

PPG 10-001-20180724

- 2.12 This assessment takes a proportionate approach, building on the Councils' existing evidence², and considers all the local and national policies³ that will apply to new development.

It is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. Drafting of plan policies should be iterative and informed by engagement with developers, landowners, and infrastructure and affordable housing providers.

PPG 10-002-20180724

- 2.13 Consultation forms an important part of this assessment. A series of meetings were held with the site promoters in August and September 2018 and a further round of meetings was held in mid-February 2019.

Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the decision making stage.

PPG 10-002-20180724

- 2.14 The delivery of affordable housing has been tested against a range of levels of developer contributions as assessed under the Councils' Infrastructure Delivery Plan (IDP).

It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant.

PPG 10-002-20180724

- 2.15 In this assessment the Councils have specifically engaged with the promoters of the key sites.

Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable. Plan makers can use site typologies to determine viability at the plan making stage. Assessment of samples of sites may be helpful to support evidence. In some circumstances more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies.

PPG 10-003-20180724

- 2.16 This assessment is looking at the key Garden Town sites so is based on these, rather than on typologies⁴.

Average costs and values can be used to make assumptions about how the viability of each type of site would be affected by all relevant policies. Comparing data from existing case study

² As set out in Chapter 3.

³ As set out in Chapter 7.

⁴ The PPG provides further detail at 10-004:

A typology approach is where sites are grouped by shared characteristics such as location, whether brownfield or greenfield, size of site and current and proposed use or type of development. The characteristics used to group sites should reflect the nature of sites and type of development proposed for allocation in the plan.

sites will help ensure assumptions of costs and values are realistic and broadly accurate. In using market evidence it is important to disregard outliers.

PPG 10-004-20180724

- 2.17 This assessment draws on a wide range of data sources. Outliers have been disregarded.

It is important to consider the specific circumstances of strategic sites. Plan makers can undertake site specific viability assessment for sites that are critical to delivering the strategic priorities of the plan. This could include, for example, large sites, sites that provide a significant proportion of planned supply, sites that enable or unlock other development sites or sites within priority regeneration areas. Information from other evidence informing the plan (such as Strategic Housing Land Availability Assessments) can help inform viability assessment for strategic sites.

PPG 10-005-20180724

- 2.18 The key Garden Town sites are considered individually against the best estimate of their strategic infrastructure and mitigation requirements.

Plan makers should engage with landowners, developers, and infrastructure and affordable housing providers to secure evidence on costs and values to inform viability assessment at the plan making stage.

It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.

PPG 10-006-20180724

- 2.19 As set out above and through this report, consultation has formed part of the preparation of this assessment. This assessment specifically considers the total cumulative cost of all relevant policies.

2 - Viability and decision taking

- 2.20 It is beyond the scope of this assessment to consider viability in decision making. It is however important to note that this assessment will form the starting point for future development management consideration of viability across the Garden Town.

3 - Standardised inputs to viability assessment

- 2.21 The general principles of viability testing are set out under paragraph PPG 10-010-20180724.

Viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return.

This National Planning Guidance sets out the government's recommended approach to viability assessment for planning. The approach supports accountability for communities by enabling them to understand the key inputs to and outcomes of viability assessment.

Any viability assessment should be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers.

Any viability assessment should follow the government's recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available. Improving transparency of data associated with viability assessment will, over time, improve the data available for future assessment as well as provide more accountability regarding how viability informs decision making.

In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.

PPG 10-010-20180724

- 2.22 This assessment sets out the approach, methodology and assumptions used. These have been subject to consultation and have drawn on a range of data sources. Ultimately, the Councils will use this report to inform the discussions (in terms of amount and timing) they have with the site promoters concerning the delivery of the strategic infrastructure and mitigation measures required.

Gross development value is an assessment of the value of development. For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered. For commercial development broad assessment of value in line with industry practice may be necessary.

For broad area-wide or site typology assessment at the plan making stage, average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data. For housing, historic information about delivery rates can be informative.

PPG 10-011-20180724

- 2.23 The residential values have been established through data from the Land Registry and other sources. These have been averaged as suggested. Non-residential values have been derived through consideration of capitalised rents as well as sales.

- 2.24 Paragraph 10-012-20180724 lists a range of costs to be taken into account.

- *build costs based on appropriate data, for example that of the Building Cost Information Service*
- *abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value*
- *site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value*
- *the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value*
- *general finance costs including those incurred through loans*
- *professional, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value*
- *explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return*

2.25 All these costs are taken into account.

2.26 The PPG then sets out how land values should be considered, confirming the use of the Existing Use Value Plus (EUV+) approach.

To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. This approach is often called 'existing use value plus' (EUV+).

PPG 10-013-20180724

2.27 Paragraph 10-014-20180724 of the PPG goes on to set out:

Benchmark land value should:

- be based upon existing use value*
- allow for a premium to landowners (including equity resulting from those building their own homes)*
- reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*
- be informed by market evidence including current uses, costs and values wherever possible. Where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*

In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.

2.28 The approach adopted in this assessment is to start with the EUV. The 'plus' element is informed by the price paid for policy compliant schemes to ensure an appropriate landowners' premium.

Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use together with the right to implement any development for which there are policy compliant extant planning consents, including realistic deemed consents, but without regard to alternative uses. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield. Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams' locally held evidence.

PPG 10-016-20180724

2.29 The EUV has been established in this way.

- 2.30 Finally, for the purpose of this assessment, the PPG sets out an approach to the developers' return

Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.

For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

PPG 10-018-20180724

- 2.31 As set out in Chapter 7 below, this approach is followed.

4 - Accountability

- 2.32 This is a new section in the PPG. It sets out new requirements on reporting. These set out how the Councils must report on and monitor developer contributions. It will be necessary for the Councils to do this.
- 2.33 In line with paragraph 10-020-20180724 of the PPG that says that '*practitioners should ensure that the findings of a viability assessment are presented clearly. An executive summary should be used to set out key findings of a viability assessment in a clear way*', Chapter 12 of this report is written as a standalone non-technical summary that brings the evidence together.

Community Infrastructure Levy Regulations and Guidance

- 2.34 The CIL Regulations are broad, so it is necessary to have regard to them and the CIL Guidance (which is contained within the PPG⁵) when considering the delivery of the development at the plan-making stage, well as when specifically considering CIL. In November 2015, the Government launched the CIL Review. This was a complete review of the Levy, the results of which⁶ were published with the Housing White Paper in February 2017. A range of recommendations were made, some of which are to be subject to further consultation.
- 2.35 More recently *Government response to supporting housing delivery through developer contributions, A summary of consultation responses and the Government's view on the way*

⁵ See section 25 of the PPG at <https://www.gov.uk/guidance/community-infrastructure-levy>

⁶ A Report by the CIL Review Team – A New Approach to Developer Contributions (October 2016) and The value, impact and delivery of the Community Infrastructure Levy, DCLG (February 2017).

forward, MHCLG (October 2018) was published⁷. This clarifies the direction of travel but does not include a timetable for changes. It will be necessary for the Councils to continue to monitor changes in this regard.

- 2.36 The CIL Regulations came into effect in April 2010 and have been subject to several subsequent amendments⁸. CIL Regulation 14 (as amended) sets out the core principle for setting CIL. At the time of this report the Government is consulting on further changes to the CIL Regulations. If implemented, these changes would not have a material impact on this assessment. It is necessary to consider these as they do impact on the wider development plan-making process, as well as the direct CIL setting process:

Setting rates

- (1) *In setting rates (including differential rates) in a charging schedule, a charging authority must strike an appropriate balance between—*
- (a) *the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and*
 - (b) *the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.*
- (2) *In setting rates ...*

- 2.37 Viability testing in the context of CIL is to assess the 'effects' on development. Ultimately the test that will be applied to CIL is as set out in the examination section of the PPG:

documents containing appropriate available evidence ... evidence has been provided that shows the proposed rate or rates would not threaten delivery of the relevant Plan as a whole ...

PPG 25-038-20140612

- 2.38 The financial impact of introducing CIL is an important factor, but the provision of infrastructure (or lack of it) will also have an impact on the ability of the Councils to meet their objectives through development and deliver their Development Plans.
- 2.39 The test that will be considered when setting CIL is set out in the CIL sections (Chapter 25) of the PPG:

⁷ <https://www.gov.uk/government/consultations/supporting-housing-delivery-through-developer-contributions>

⁸ **SI 2010 No. 948.** The Community Infrastructure Levy Regulations 2010 *Made 23rd March 2010, Coming into force 6th April 2010.* **SI 2011 No. 987.** The Community Infrastructure Levy (Amendment) Regulations 2011 *Made 28th March 2011, Coming into force 6th April 2011.* **SI 2011 No. 2918.** The Local Authorities (Contracting Out of Community Infrastructure Levy Functions) Order 2011. *Made 6th December 2011, Coming into force 7th December 2011.* **SI 2012 No. 2975.** The Community Infrastructure Levy (Amendment) Regulations 2012. *Made 28th November 2012, Coming into force 29th November 2012.* **SI 2013 No. 982.** The Community Infrastructure Levy (Amendment) Regulations 2013. *Made 24th April 2013, Coming into force 25th April 2013.* **SI 2014 No. 385.** The Community Infrastructure Levy (Amendment) Regulations 2013. *Made 24th February 2014, Coming into force 24th February 2014.* **SI 2015 No. 836.** COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES, The Community Infrastructure Levy (Amendment) Regulations 2015. *Made 20th March 2015.*

As set out in the National Planning Policy Framework in England (paragraphs 173 – 177), the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. The same principle applies in Wales.

PPG 25-009-20140612

- 2.40 The test is whether the sites and the scale of development identified in the Plans are subject to such a scale of obligations and policy burdens (when considered together) that their ability to be developed viably is threatened by CIL. This is somewhat more cautious than the approach set out in earlier guidance. In the March 2010 CIL Guidance, the test was whether the Plan was put at '*serious risk*', and in the December 2012 / April 2013 CIL Guidance, the test was whether CIL '*threatened the development plan as a whole*' – although it is important to note that the CIL Regulation 14 is clear that the purpose of the viability testing is to establish '*the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area*' rather than specific sites.
- 2.41 From April 2015, councils have been restricted in relation to pooling S106 contributions from more than five developments⁹ (where the obligation in the s106 agreement / undertaking is a reason for granting consent). This restriction encourages councils to adopt CIL. The Councils can still raise additional s106 funds for infrastructure, provided this infrastructure can be directly linked to the site-specific needs associated with the scheme in question, and that it is not for infrastructure specifically identified to be funded by CIL, through the Regulation 123 List¹⁰. Payments requested under the s106 regime must be (as set out in CIL Regulation 122):
- a. necessary to make the development acceptable in planning terms;
 - b. directly related to the development; and
 - c. fairly and reasonably related in scale and kind to the development.
- 2.42 The Government recently consulted on lifting the pooling restrictions and abolishing 123 lists¹¹.
- 2.43 It is important to note that the counting of the 'five or more sites' relates to the '*provision of that project, or type of infrastructure*' and is from the date of the CIL Regulations, being April 2010. The Councils will need to consider whether the threshold has already been exceeded for some items of infrastructure. In this regard *Government response to supporting housing delivery through developer contributions, A summary of consultation responses and the Government's view on the way forward, MHCLG (October 2018)* suggests that the pooling restrictions will be lifted.

⁹ CIL Regulations 123(3)

¹⁰ This is the list of the items on which the Council will spend CIL.

¹¹

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/767292/CIL_Amendment_Regulations_Consultation_Paper.pdf

Viability Guidance

- 2.44 There is no specific technical guidance on how to test the viability in the 2019 NPPF or the updated PPG, although the updated PPG includes a guidance in a number of specific areas and sets out the general principles. There are several sources of guidance and appeal decisions¹² that support the methodology HDH has developed and is used here. This assessment follows the *Viability Testing in Local Plans – Advice for planning practitioners* (LGA/HBF – Sir John Harman) June 2012¹³ (known as the **Harman Guidance**). This contains the following definition:

An individual development can be said to be viable if, after taking account of all costs, including central and local government policy and regulatory costs and the cost and availability of development finance, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered.

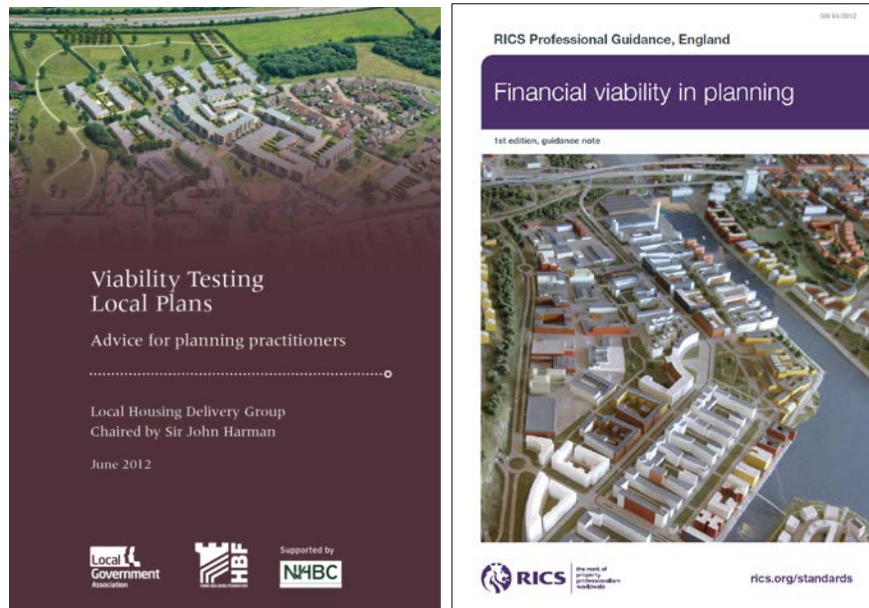
- 2.45 The planning appeal decisions, and the HCA good practice publication¹⁴ suggest that the most appropriate test of viability for planning policy purposes is to consider the Residual Value of schemes compared with the EUV, plus a premium. The premium over and above the EUV being set at a level to provide the landowner with the inducement to sell. The Harman Guidance and *Financial viability in planning, RICS guidance note, 1st edition* (GN 94/2012) which was published during August 2012 (known as the **RICS Guidance**) set out the principles of viability testing. Additionally, the Planning Advisory Service (PAS)¹⁵ provides viability guidance and manuals for local authorities.

¹² Barnet: APP/Q5300/ A/07/2043798/NWF, Bristol: APP/P0119/ A/08/2069226, Beckenham: APP/G5180/ A/08/2084559, Bishops Cleeve: APP/G1630/A/11/2146206 Burgess Farm: APP/U4230/A/11/2157433, CLAY FARM: APP/Q0505/A/09/2103599/NWF, Woodstock: APP/D3125/ A/09/2104658, Shinfield APP/X0360/ A/12/2179141, Oxenholme Road, APP/M0933/A/13/2193338, Former Territorial Army Centre, Parkhurst Road, Islington APP/V5570/W/16/3151698, Vannes: Court of Appeal 22 April 2010, [2010] EWHC 1092 (Admin) 2010 WL 1608437

¹³ Viability Testing in Local Plans has been endorsed by the Local Government Association and forms the basis of advice given by the, CLG funded, Planning Advisory Service (PAS).

¹⁴ Good Practice Guide. Homes and Communities Agency (July 2009).

¹⁵ PAS is funded directly by DCLG to provide consultancy and peer support, learning events and online resources to help local authorities understand and respond to planning reform. (Note: Much of the most recent advice has been co-authored by HDH).



- 2.46 There is considerable common ground between the 2012 RICS Guidance and the Harman Guidance, but they are not consistent. The RICS Guidance recommends against the 'current/EUV plus a margin' – which is the methodology recommended in the Harman Guidance.

One approach has been to exclusively adopt current use value (CUV) plus a margin or a variant of this, i.e. existing use value (EUV) plus a premium. The problem with this singular approach is that it does not reflect the workings of the market as land is not released at CUV or CUV plus a margin (EUV plus).....

Financial viability in planning, RICS guidance note, 1st edition (GN 94/2012)

- 2.47 The Harman Guidance advocates an approach based on Threshold Land Value (Threshold Land Value is equivalent to Benchmark Land Value as referred to in the updated PPG):

*Consideration of an appropriate **Threshold Land Value** needs to take account of the fact that future plan policy requirements will have an impact on land values and landowner expectations. Therefore, using a market value approach as the starting point carries the risk of building-in assumptions of current policy costs rather than helping to inform the potential for future policy. Reference to market values can still provide a useful 'sense check' on the threshold values that are being used in the model (making use of cost-effective sources of local information), but it is not recommended that these are used as the basis for the input to a model.*

We recommend that the Threshold Land Value is based on a premium over current use values and credible alternative use values (noting the exceptions below).

Viability Testing in Local Plans – Advice for planning practitioners. (June 2012)

- 2.48 As set out above, the PPG requires the use of the Existing Use Value Plus (EUV+) approach.

To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. This approach is often called 'existing use value plus' (EUV+).

PPG 10-013-20180724

2.49 The RICS Guidance dismisses a Threshold Land Value approach as follows:

Threshold land value. A term developed by the Homes and Communities Agency (HCA) being essentially a land value at or above that which it is assumed a landowner would be prepared to sell. It is not a recognised valuation definition or approach.

2.50 As set out at paragraph 1.1 of the *Draft Financial viability in planning: conduct and reporting, RICS professional statement, England* the RICS recognises that the RICS Guidance does not fit with 2019 NPPF and updated PPG so is subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (July 2018). Relatively little weight is given to the RICS Guidance in this regard at this stage.

2.51 In line with the updated PPG this assessment follows the EUV Plus (EUV+) methodology. The methodology is to compare the Residual Value generated by the viability appraisals, with the EUV plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the EUV is central to the assessment of viability. It must be set at a level to provide a return to the landowner. To inform the judgement as to whether the uplift is set at the appropriate level reference is made to the value of the land both with and without the benefit of planning.

2.52 This approach is in line with that recommended in the Harman Guidance (as endorsed by LGA, PAS) – and also broadly in line with the thrust of the RICS Guidance of having reference to market value.

3. Methodology

Viability Testing – Outline Methodology

- 3.1 This report follows the Harman Guidance, the 2019 NPPF and updated PPG. The promoters of the Garden Town sites have been consulted.
- 3.2 The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation is:

Gross Development Value
(The combined value of the complete development)

LESS

Cost of creating the asset, including a profit margin
(Construction + fees + finance charges)

=

RESIDUAL VALUE

- 3.3 The result of the calculation indicates a land value, the Residual Value. The Residual Value is the top limit of what a developer could offer for a site and still make a satisfactory return (i.e. profit).
- 3.4 It is well recognised in viability testing that the developer should be rewarded for taking the risks of development. The essential balance in viability testing is around the land value and whether or not land will come forward for development. The more policy requirements and developer contributions the planning authority asks for, the less the developer can afford to pay for the land. The purpose of this assessment is to quantify the costs of the Councils' various policies, including the strategic infrastructure and mitigation costs, on development and to assess their effect, and then to make a judgement as to whether or not land prices are squeezed to such an extent that, in the context of the 2019 NPPF, the development is threatened to such an extent that it is not delivered.
- 3.5 The land value is a difficult topic since a landowner is unlikely to be entirely frank about the price that would be acceptable, always seeking a higher one. This is one of the areas where an informed assumption has to be made about the 'premium': the margin above the EUV which would induce the landowner sell. Both the RICS Guidance and the PPG make it clear that, when considering land value, this must be done in the context of current and emerging policies.
- 3.6 It is important to note that this assessment is not trying to mirror any particular developer's business model – rather it is making a broad assessment of viability in the context of plan-making and the requirements of the 2019 NPPF (and updated PPG).

The meaning of Landowner Premium

- 3.7 The phrase 'landowner premium' is new in the updated PPG (July 2018). Under the 2012 NPPF and the superseded PPG the phrase 'competitive return' was used. The 2012 RICS Guidance includes the following definition:

Competitive returns - A term used in paragraph 173 of the NPPF and applied to 'a willing land owner and willing developer to enable development to be deliverable'. A 'Competitive Return' in the context of land and/or premises equates to the Site Value as defined by this guidance, i.e. the Market Value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. A 'Competitive Return' in the context of a developer bringing forward development should be in accordance with a 'market risk adjusted return' to the developer, as defined in this guidance, in viably delivering a project.

- 3.8 Whilst this is useful, it does not provide guidance as to the size of that return. The updated PPG says:

Benchmark land value should:

- be based upon existing use value
- allow for a premium to landowners (including equity resulting from those building their own homes)
- reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and
- be informed by market evidence including current uses, costs and values wherever possible. Where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.

PPG 10-014-20180724

- 3.9 There has been much discussion within the industry as to what may and may not be a landowner premium, as yet the term has not been given a firm definition through the appeal, planning examination or legal processes. 'Competitive return' was considered at the Shinfield Appeal (January 2013)¹⁶ and clarification was added in the Oxenholme Road Appeal (October 2013)¹⁷ where the inspector confirmed that the methodology set out in Shinfield was site specific and should only be given limited weight. More recently further clarification has been

¹⁶ APP/X0360/A/12/2179141 (Land at The Manor, Shinfield, Reading RG2 9BX)

¹⁷ APP/M0933/ A/13/ 2193338 (Land to the west of Oxenholme Road, Kendal, Cumbria)

provided in the Territorial Army Centre, Parkhurst Road, Islington Appeal¹⁸ (June 2017), which has subsequently been confirmed by the High Court¹⁹. This notes the importance of comparable data, but stresses the importance of the quality of the comparable. The level of return to the landowner is discussed and the approach taken in this assessment is set out in the later parts of Chapter 6 below.

Existing Available Evidence

- 3.10 The 2019 NPPF, the updated PPG, the CIL Regulations and CIL Guidance are clear that the assessment of the potential impact of CIL should, wherever possible, be based on existing available evidence rather than new evidence. The evidence that is available from the Councils has been reviewed:
- 3.11 Primarily, this is what has been prepared for the Councils to inform their separate Plans:
- a. *EHDC Plan Viability, Affordable Housing and CIL Study*. PBA, 1st October 2015.
 - b. *EFDC Stage 2: Update Assessment of the Viability of Affordable Housing, CIL and the Local Plan*. Dixon Searle, November 2017.
 - c. *Local Plan Viability Assessment, Affordable Housing and CIL Review*. BNP Paribas, March 2018.
- 3.12 These three studies have been prepared by different consultancies, however all are broadly consistent in their approach and assumptions. These have been used as the starting point for this assessment.
- 3.13 The Councils also hold evidence of what is being collected from developers under the s106 regime. This is being collected outside this assessment but will be drawn on by the Councils when considering the results.

Stakeholder Engagement

- 3.14 The PPG and the Harman Guidance require stakeholder engagement – particularly with members of the development industry. A series of informal consultation events were held in the autumn of 2018, and in February 2019, with the promoters of the four new Garden Communities.

¹⁸ APP/V5570/W/16/3151698 (Former Territorial Army Centre, Parkhurst Road, Islington, London, N7 0LP)

¹⁹ Parkhurst Road Limited v Secretary of State for Communities and Local Government and The Council of the London Borough of Islington [2018] EWHC 991 (Admin)

Table 3.1 Stakeholder Meetings (Viability)		
Workshop	Date	Purpose
Developer Forum	10 September 2018	Early engagement with developer to introduce them to the commission.
Face-to-face developer meetings	04 December 2018	To present the draft list of infrastructure requirements and seek feedback on apportionment methodology.
Face-to-face developer meetings	04 and 05 March 2019	To seek feedback on apportionment and viability.

Source: HDH 2019

3.15 In addition, Arup held a further meeting on 26th September to specifically discuss the Infrastructure requirements.

3.16 The initial consultation meetings were structured into three parts:

- a) A recap of viability testing in the context of the NPPF and the delivery of the Harlow and Gilston Garden Town sites.
- b) The main assumptions for the viability assessments were set out including development values, development costs, land prices, developers' and landowners' returns.
- c) The consultants and consultees talked through the main points.

3.17 A wide range of comments were made, some of which were more concerned with the process and wider evidence base (for example the IDPs). This assessment is only concerned with viability, the main viability points are summarised below:

- a. Generally, the methodology and approach is appropriate. Having said this one consultee²⁰ did set out some concerns around high level testing and suggested that there may be a need to undertake more detailed site-specific work later in the plan-making process. Such an approach would be normal and fully in accordance with the PPG²¹.

²⁰ Latton Priory

²¹ Paragraph 10-006-20180724 of the PPG says (selective quotation):

Plan makers should engage with landowners, developers, and infrastructure and affordable housing providers to secure evidence on costs and values to inform viability assessment at the plan making stage.

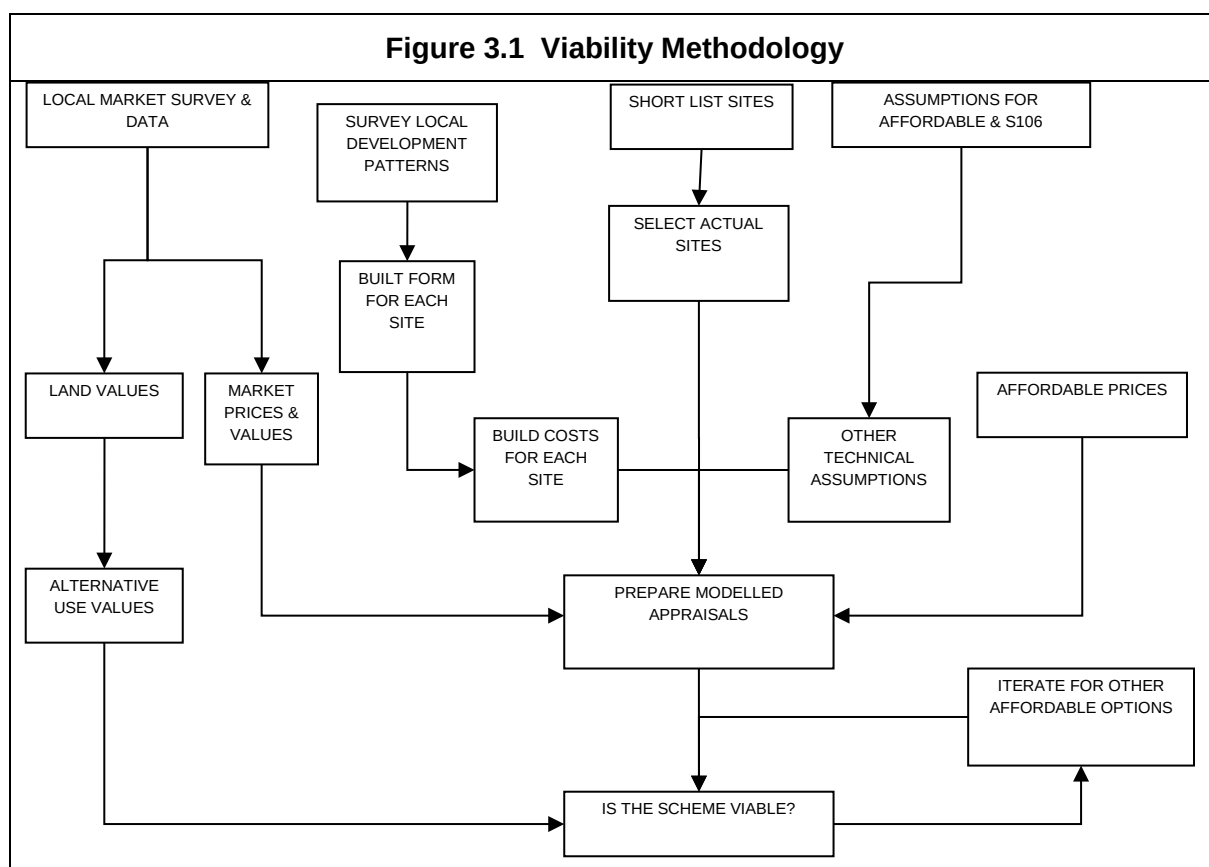
It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.

- b. There were concerns about the housing mix being based on the mix of housing recommended under the SHMA²².
 - c. There were concerns that the construction costs may be understated being based on BCIS Lower Quartile costs.
- 3.18 The second round of consultation meetings were primarily to discuss the detail of the emerging Garden Town IDP, but the developers were also provided with a draft copy of this report.
- 3.19 The comments of the consultees (from both rounds of consultation) are reflected through this report and the assumptions adjusted where appropriate. There was not agreement on all points although there was a broad consensus on most matters. Where there was disagreement, a judgement has been made and an explanation as to why the assumption used is set out.

Viability Process

- 3.20 The assessment of viability as required under the 2019 NPPF is not done using a set formula or calculation. It is a quantitative and qualitative process. The updated PPG requires that (at PPG 10-001-20180724) *'...policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106'*.
- 3.21 The basic viability methodology is summarised in the figure below. It involves preparing financial development appraisals for the Garden Town sites, and using these to assess whether the sites are viable. The sites were modelled based on discussions with Councils' officers and the developers, the existing available evidence supplied to us by the Councils, and on our own experience of development. Details of the site modelling are set out in Chapter 9 below.

²² West Essex and East Hertfordshire Strategic Housing Market Assessment (ORS, September 2015)



Source: HDH 2018

3.22 The sites include a range of uses, the main use being residential. The residential elements are as follows.

Table 3.2 Summary of Main Harlow and Gilston Garden Town Sites	
	Units
East of Harlow (North)	750
East of Harlow (South)	2,600
Latton Priory	1,050
Water Lane Area (Sumners)	807
Water Lane Area (Katherines)	1,331
Gilston (Villages 1-6)	8,500
Gilston (Village 7)	1,500

Source: HC, EHDC, EFDC (November 2018) – In some cases minimum numbers are specified.

3.23 The eventual planning applications may well be different. In this assessment it is necessary to test the sites in the context of the planning policies and wider evidence base.

3.24 The local housing and commercial markets were surveyed, in order to obtain sales values. Land values were assessed to calibrate the appraisals and to assess EUVs. Alongside this local development patterns were considered, in order to arrive at appropriate built form

assumptions. These in turn informed the appropriate build cost figures. A number of other technical assumptions²³ were required before appraisals could be produced.

- 3.25 The appraisal results are in the form of £/ha 'residual' land values, showing the maximum value a developer could pay for the site and still make an appropriate return. The Residual Value was compared to the EUV for each site. Only if the Residual Value exceeded the EUV, by a satisfactory margin (or premium), can the scheme be judged to be viable. The amount of margin is discussed in the later parts of Chapter 6 below.
- 3.26 The appraisals are based on the policies as summarised in Chapter 8 below, as they stood in October 2018. The policies, and ultimately the unadopted Local Plans may be subject to further changes. For appropriate sensitivity testing a range of options including different levels of affordable housing provision and different levels of developer contributions are tested.
- 3.27 A bespoke viability testing model designed and developed by HDH Planning & Development Ltd specifically for area wide viability testing as required by the NPPF and CIL Regulations²⁴ is used. The purpose of the viability model and testing is not to exactly mirror any particular business model used by those companies, organisations or people involved in property development. The purpose is to capture the generality and to provide high level advice to assist the Councils in assessing the deliverability of the Local Plans (and to set CIL).
- 3.28 Following the February 2019 round of consultation, a site promoter²⁵ commented that the *'Residual Land Value should be responsive to changes in values and costs, and it is therefore difficult to establish whether this has been calculated accurately'*. The implication of this is that the Residual Value is a figure that is an adjustable input. This is not the case, the Residual Value is the output of the model. The Residual Value will change as the inputs are altered so this opportunity is taken to confirm that it is responsive to changing inputs.
- 3.29 Comments were also made around the sensitivity of appraisals to changes in the assumptions (including cashflow assumptions). This is accepted, however in this assessment it is necessary to take a series of assumptions that are based on the available evidence and that are generally cautious, and use them to inform the plan-making process. In due course, more detailed information (for example on house types) may become available. The weight given to new information will depend on whether it is a requirement of policy compliance and/or simply a choice of the developer.

²³ As set out in Chapter 7 below.

²⁴ This Viability Model is used as the basis for the Planning Advisory Service (PAS) Viability Workshops. It is made available to Local Authorities, free of charge, by PAS and has been widely used by Councils across England (and, to a lesser extent, Wales).

²⁵ Gilston – Village 7.

4. Residential Market

- 4.1 This chapter sets out an assessment of the housing market, providing the basis for the assumptions on house prices to be used in the financial appraisals for the sites tested in the assessment. The assessment is concerned not just with the prices, but the differences across Harlow Garden Town area.
- 4.2 Although development schemes do have similarities, every scheme is unique, even schemes on neighbouring sites. Market conditions will broadly reflect a combination of national economic circumstances, and local supply and demand factors, however, even within a town there will be particular localities, and ultimately site-specific factors, that generate different values and costs.
- 4.3 The starting point for this part of this assessment is the Councils' existing available evidence. The following assumptions were used:

Table 4.1 Residential Values from Existing Viability Studies £/m²		
	Houses	Flats
East Hertfordshire - 2015		
Southern zone consisting of Ware, Hertford and western rural villages	£3,700	£3,864
Epping Forest - 2017		
Strategic sites East of Harlow generally	£4,000	
Harlow - 2018		
CM18, CM19, CM20 (WEST)	£3,750	
CM17 (East)	£4,000	

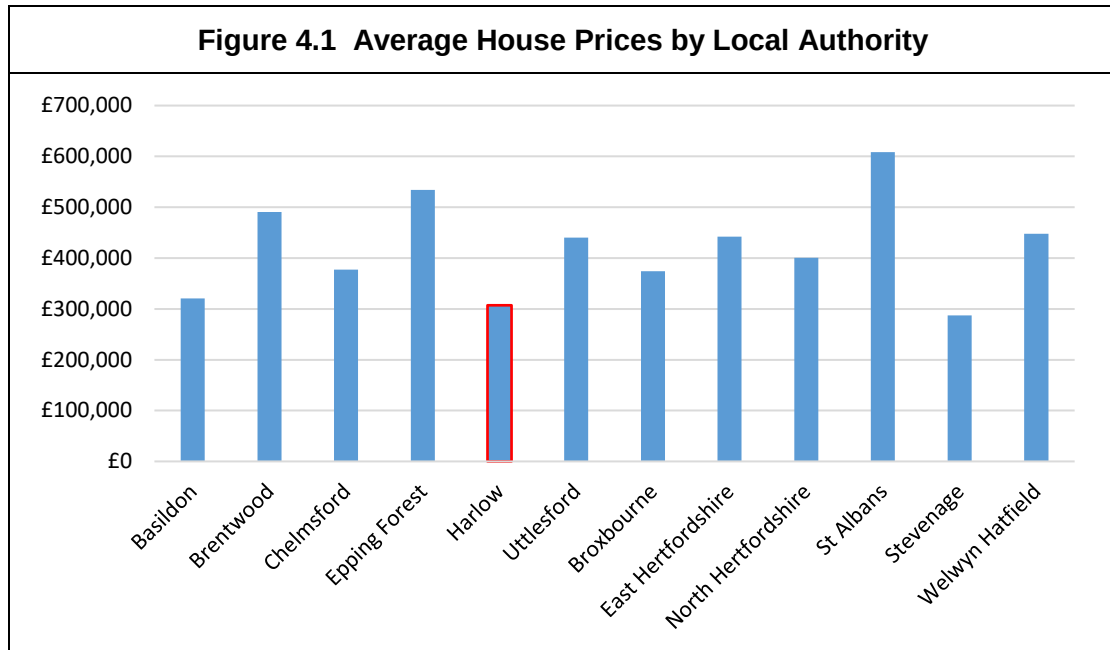
Source: EHDC Plan Viability, Affordable Housing and CIL Study. PBA, 1st October 2015. EFDC Stage 2: Update Assessment of the Viability of Affordable Housing, CIL and the Local Plan. Dixon Searle, November 2017. Local Plan Viability Assessment, Affordable Housing and CIL Review. BNP Paribas, March 2018.

- 4.4 These assumptions are reviewed. Generally, when reference is made to Harlow, reference is being made to the Harlow town housing market rather than the administrative area of Harlow Council.

Harlow and Gilston Garden Town Residential Market

- 4.5 Harlow is one of the original New Towns and is about 25 miles north of central-London. As a Local Authority area, Harlow has tightly drawn boundaries, hence the cross-boundary co-operation behind the Harlow and Gilston Garden Town.
- a. The location is highly desirable, being just half an hour by train from Liverpool Street and less than 15 miles from Stanstead Airport. As well as being an attractive commuting area for London it also lies within the Cambridge Travel to Work Area.

- b. Of the adjacent and nearby local authority areas, Harlow has the second lowest (after Stevenage) average house prices:



Source: HPSSA 12²⁶ – Data Release 20th June 2018

It is notable that both Harlow and Stevenage have lower values than the majority of the wider area, and a similar distance (in travelling time) from Central London. Both Harlow and Stevenage are first generation New Towns, being developed at the same time and to similar designs. As a town, Harlow's house prices have not risen in the same way as those in the older Garden Cities of Welwyn and Letchworth, or the market towns of Bishops Stortford, Chelmsford or the county town of Hertford.

These lower prices may be due to the housing choice and the current housing offer. Much of the town has been developed since the 1950s, and the range of house styles and types of development is typical of the second half of the 20th Century and is rather homogenous. To some extent the lower prices are a factor of the type, style and age of the houses in the town, rather than their location.

Whilst this will have an influence on wider prices, there is no reason to suggest that should well designed and modern homes, with a greater appeal, be developed in the town, that they should not achieve prices that are somewhat higher. This can be seen at Barratt Homes' new Gilden Park scheme to the northeast of the town.

²⁶

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/meanhousepriceforationalandsubnationalgeographiesquarterlyrollingyearhpssadataset12>

Of the adjacent and nearby Local Authority areas, Harlow has seen the largest increase in prices since the bottom of the market in 2019.

Table 4.2 Change in Average House Prices				
	April 2009	May 2018	Change	
Harlow	£144,496	£280,567	£136,071	94%
Basildon	£171,298	£305,099	£133,801	78%
Brentwood	£237,352	£413,792	£176,440	74%
Broxbourne	£203,897	£350,331	£146,434	72%
Chelmsford	£188,870	£335,754	£146,884	78%
East Herts	£228,593	£383,086	£154,493	68%
Epping Forest	£254,630	£464,020	£209,390	82%
St Albans	£277,074	£526,375	£249,301	90%
Stevenage	£162,181	£285,916	£123,735	76%
Uttlesford	£250,687	£383,134	£132,447	53%
Welwyn Hatfield	£217,392	£390,288	£172,896	80%

Source: Land Registry (July 2018)

It is not possible to attribute this change in values to a particular factor, but it is, at least in part, due to the regeneration of the town centre, the Enterprise Zone and the improved housing offer through new housing schemes.

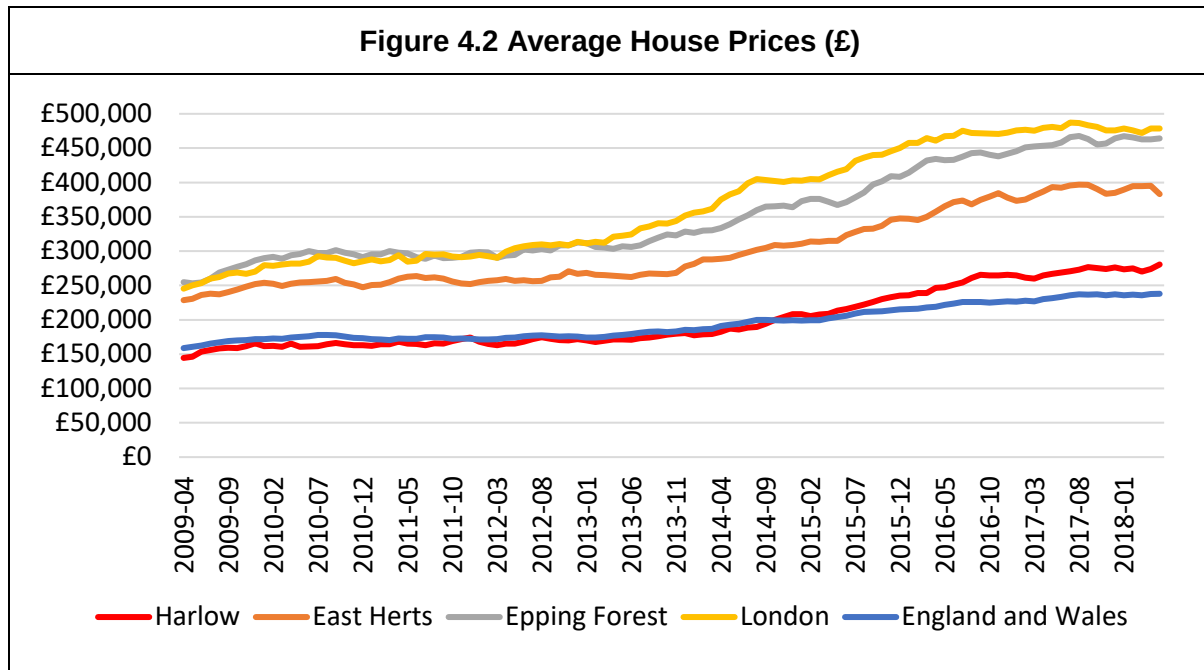
- c. The M11 motorway runs up the eastern side of Harlow, providing excellent links to Cambridge and the North, with the M25 linking to the wider Southeast. There is a good internal road network through the town.
- d. Harlow is becoming a centre for Life Science, MedTech and digital industries. Raytheon, GlaxoSmithKline and Nortel all have sites, and Public Health England recently acquired a significant site.
- e. The area is highly desirable with generally strong house prices and a vibrant property market.

- 4.6 Overall, the market is perceived to be strong and certainly desirable and aspirational to households seeking to move from London. Through conversations with local agents, the area is perceived to be an attractive place to develop, particularly with higher quality modern homes that are different to the existing stock.

National Trends and Harlow's relationship with the wider area

- 4.7 The housing market peaked late in 2007 and then fell considerably in the 2007/2008 recession that became known as the 'Credit Crunch'. Average house prices across England and Wales have recovered to their pre-recession peak; however, this is strongly influenced by London. Prices in London are now well in excess of the 2007/2008 peak. The same applies to prices in Harlow, which have also have increased more than in England and Wales.



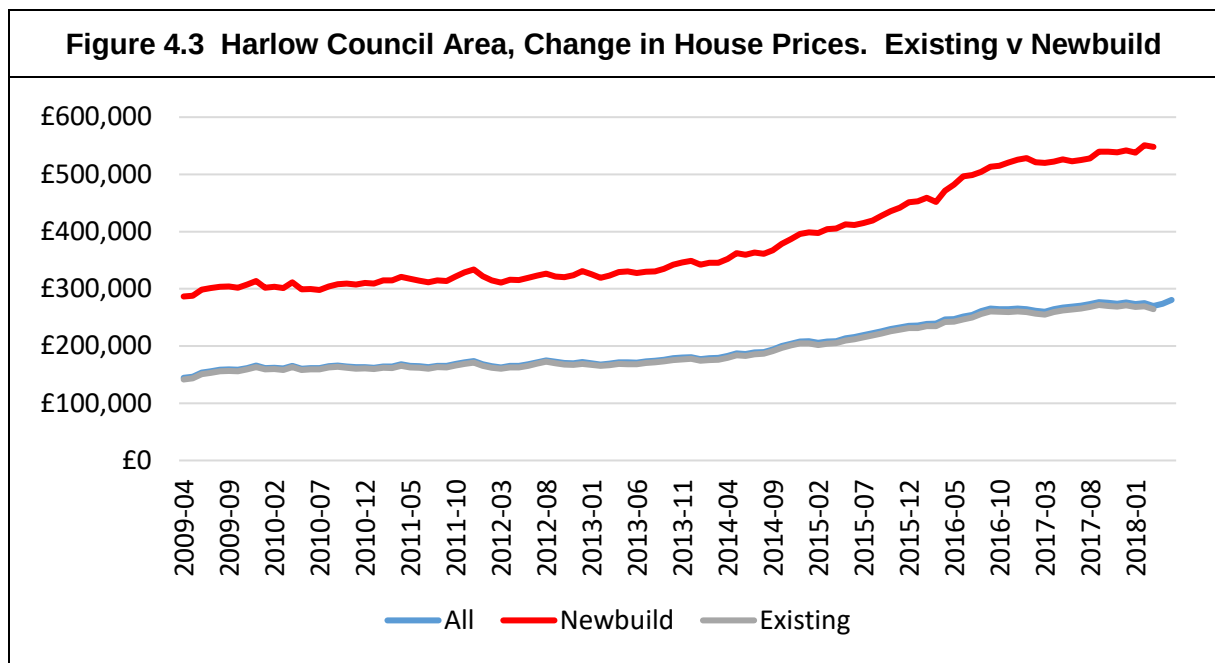


- 4.8 Up to the pre-recession peak of the market, the long-term rise in house prices had, at least in part, been enabled by the ready availability of credit to home buyers. Prior to the increase in prices, mortgages were largely funded by the banks and building societies through deposits taken from savers. During a process that became common in the 1990s, but took off in the early part of the 21st Century, many financial institutions changed their business model whereby, rather than lending money to mortgagees that they had collected through deposits, they entered into complex financial instruments and engineering through which, amongst other things, they borrowed money in the international money markets, to then lend on at a margin or profit. They also 'sold' portfolios of mortgages that they had granted. These portfolios also became the basis of complex financial instruments (mortgage backed securities and derivatives etc.).
- 4.9 During 2007 and 2008, it became clear that some financial institutions were unsustainable, as the flow of money for them to borrow was not certain. As a result, several failed and had to be rescued. This was an international problem that affected countries across the world – but most particularly in North America and Europe. In the United Kingdom, the high-profile institutions that were rescued included Royal Bank of Scotland, HBoS and Northern Rock. The ramifications of the recession were an immediate and significant fall in house prices, and a complete reassessment of mortgage lending with financial organisations becoming averse to taking risks, lending only to borrowers who had the least risk of default and those with large deposits.
- 4.10 It is important to note that, at the time of this report, the housing market is still actively supported by the Government through products and initiatives such as Help-to-Buy.

- 4.11 There is a degree of uncertainty in the housing market as reported by the RICS. This is, at least in part due to the uncertainties around the referendum to leave the European Union. The November 2018 RICS UK Residential Market Survey said:

The November 2018 RICS UK Residential Market Survey results are consistent with a weaker trend in sales market activity with headline indicators on both demand and supply edging further into negative territory. Furthermore, forward looking metrics suggest that momentum is likely to continue slipping in the coming three months, although a somewhat stable trend is expected to emerge further out.

- 4.12 When ranked across England and Wales, the average house price for the Harlow Council Area is 127th (out of 348) at just over £307,151²⁷. To set this in context, the Council at the middle of the rank (174 - Ryedale), has an average price of £258,761. It is relevant to note that Harlow's median price is lower than the mean at £280,000²⁸.
- 4.13 The figure above shows that prices have seen a significant recovery since the bottom of the market in mid-2009. A notable characteristic of the data is that the values of newbuild homes have increased substantially faster than that for existing homes:



Source: Land Registry (July 2018)

- 4.14 The Land Registry shows that the average price paid for newbuild homes (at £547,945) is more than double than the average price paid for existing homes (at £264,474). One consultee²⁹ suggested that this data is not helpful as it is not based on dwelling size. A second

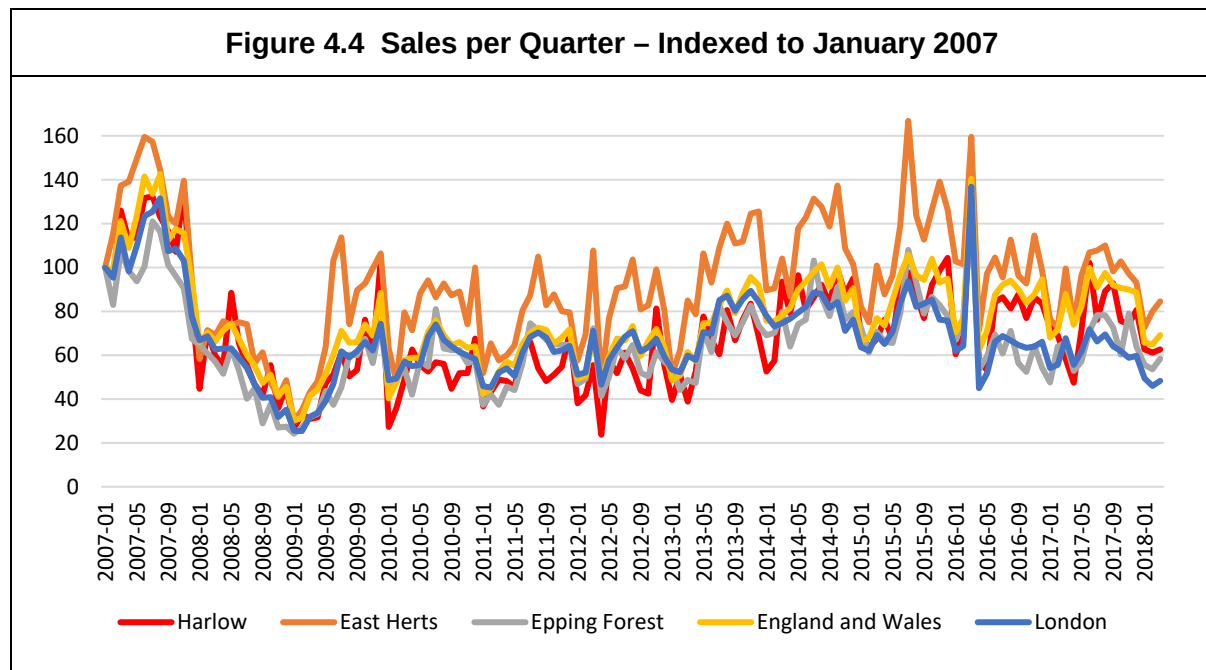
²⁷ HPSSA Dataset 12. Mean price paid for national and subnational geographies, quarterly rolling year.

²⁸ HPSSA Dataset 9. Median price paid for national and subnational geographies, quarterly rolling year.

²⁹ Water Lane, West Katherines

site promoter³⁰ suggested that as factors such as bedroom number, overall size, type, location, orientation, and other property specific characteristics were not explicit, this data was hard to understand. This is average price data for the Harlow Council administrative area as published by the Land Registry. It is useful as it shows the newbuild market is distinctly different to the market for existing homes. This data is not further disaggregated by the Land Registry so further detail cannot be extrapolated.

- 4.15 The rate of sales (i.e. sales per month) in the area is a little greater than the wider country, underlining the fact that the local market is an active market.



Source: Land Registry (July 2018)

- 4.16 This report is being completed as the United Kingdom prepares to leave the European Union. It is not yet possible to predict the impact of leaving the EU, beyond the fact that the UK and the UK economy is in a period of uncertainty. Negotiations around the details of the exit are underway but not concluded.
- 4.17 A range of views as to the impact on house prices have been expressed that cover nearly the whole spectrum of possibilities. There is clearly uncertainty in the market, and it is not for this assessment to try to predict how the market may change in the coming years, and whether or not there will be a further increase in house prices. Property agents Savills are predicting a 0% increase in the current year, 1% increase next year and a 15.3% increase over the next 5 years in the prime Outer Commute residential markets, with a 0.5% increase this year, 2.5%

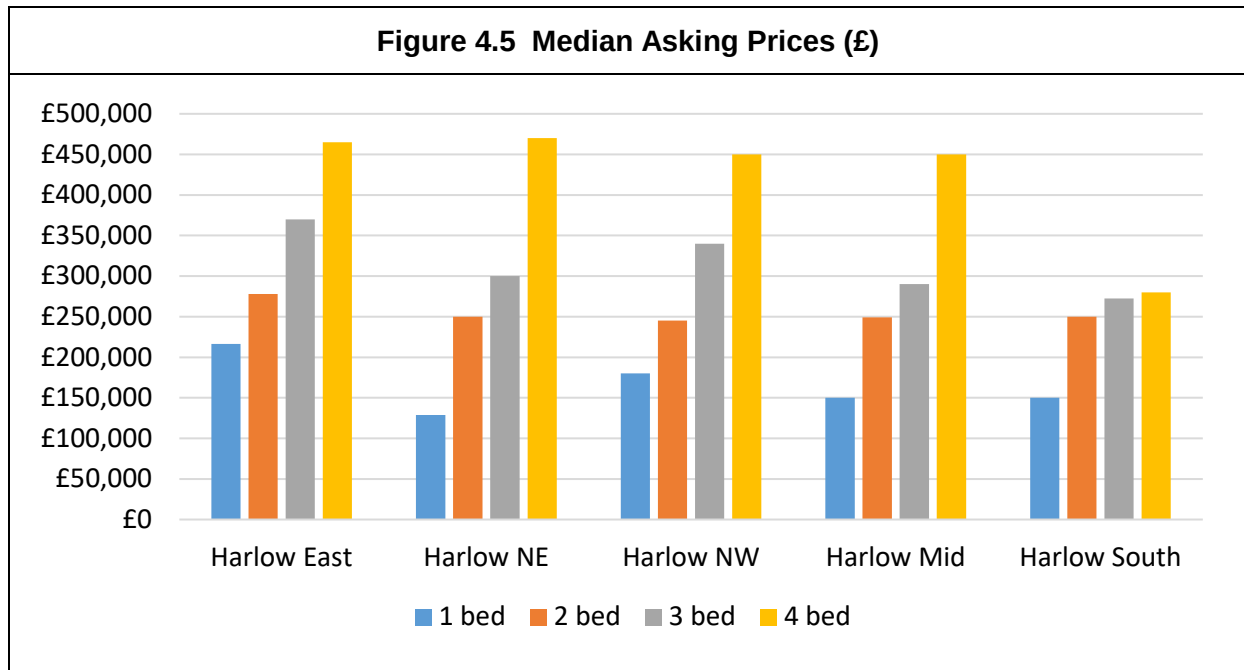
³⁰ Latton Priory

next year and 11.5% over the next 5 years in the mainstream South East residential markets³¹. These predictions are somewhat less than were being predicted before the Brexit referendum.

The Local Market

- 4.18 A survey of asking prices across the Harlow town area was carried out in July 2018. Through using online tools such as rightmove.co.uk and zoopla.co.uk, median asking prices were estimated.
- 4.19 Through the consultation process the derivation of price areas was questioned (on the grounds it was not fully explained rather than because it may have been wrong). As set out below, data has been collected based on postcode, based on administrative wards, and through looking at the wider area and nearby towns. Both prices paid and asking prices for new developments are considered.
- 4.20 For this report the data was initially collected based on the following geographical areas. These areas are separated by physical boundaries, (unlike wards) and are of different characters – for example they are made up of different types and age of housing development. There is no right or wrong way to approach the data collection, it is useful to consider a range of approaches.
- a. **Harlow East** – the area to the east of the A414
 - b. **Harlow North East** – the area to the north of the A1025, west of the A414 and east of the A1019.
 - c. **Harlow North West** – the area to the west of the A1019 and to the north of the A1025.
 - d. **Harlow Central** – the area to the south of the A1025, to the north of the A1169 and the west of the A414.
 - e. **Harlow South** – the area to the south of the A1169.

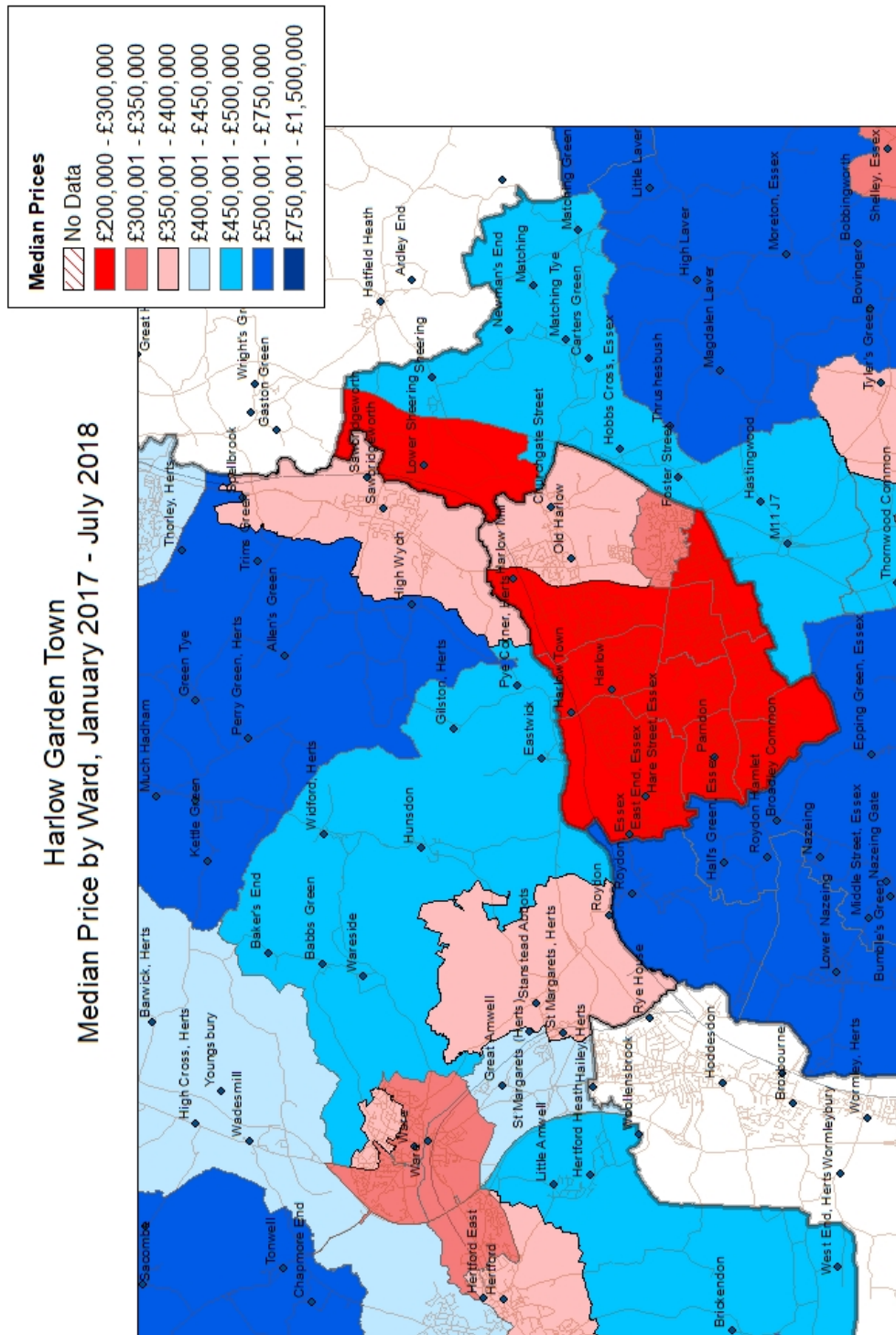
³¹ Residential Property Forecasts. Savills. Autumn 2018.



Source: Rightmove.com (July 2018)

- 4.21 As mentioned above, the derivation of these areas was questioned. These are based on the physical divisions (main roads) and nature of the housing estates and are a starting point for the assessment – rather than a conclusion of price areas. No alternative (or ‘better’) sub-areas were proposed.
- 4.22 The geographical differences in prices are illustrated in the following maps showing the median price by ward, the first being for all properties and the second just for newbuild.

Harlow Garden Town
Median Price by Ward, January 2017 - July 2018

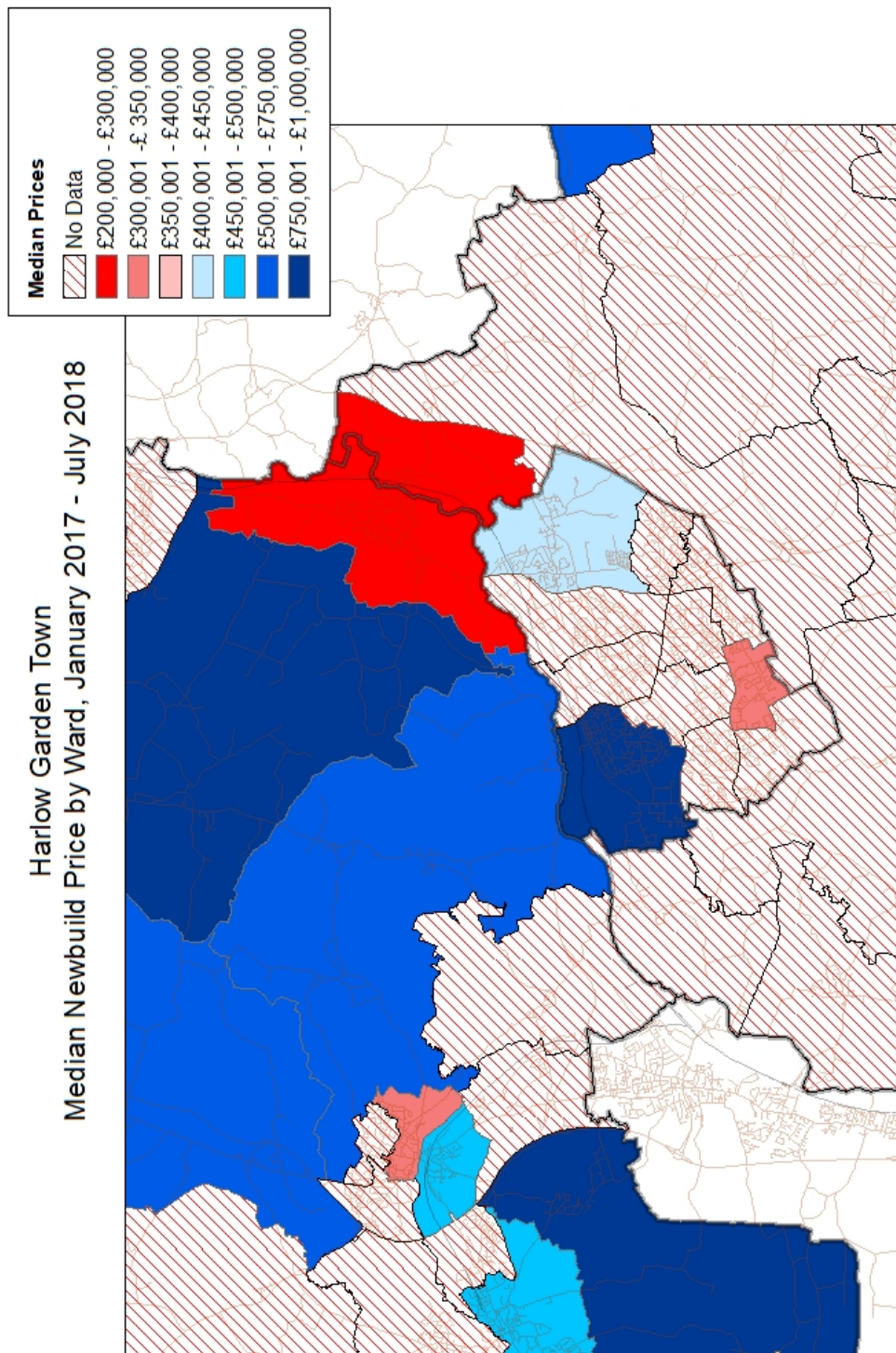


This data covers transactions received at Land Registry from 1/1/17 to 17/7/2018
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Source: HDH based on Land Registry Price Paid Data

Figure 4.7 Median Prices – Newbuild Properties



This data covers transactions received at Land Registry from 1/1/17 to 17/7/2018
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Source: HDH based on Land Registry Price Paid Data

- 4.23 The pattern of prices is influenced by the size of the units, with larger detached units prevailing in the more rural areas, and smaller terraces and flats in the urban areas. Further maps are included within **Appendix 2** that show the median prices by ward by house type (detached, semi-detached, terraced, flats).

Newbuild Sales Prices

- 4.24 This assessment is concerned with the viability of newbuild property so the key input for the appraisals are the prices of units on new developments. Recent newbuild sales prices from the Land Registry have been reviewed and a survey of new homes for sale during July 2018 carried out.
- 4.25 The Land Registry publishes data of all homes sold. Across the three Councils' areas, just over 1,350 newbuild houses are recorded as having been sold since the start of 2016³². Of these about 850 do not relate to very small sites, and are in the area outside of the M25 and relatively close to Harlow. One consultee³³ questioned why these settlements were chosen. In order to ensure that the assessment is well founded, and because there are relatively few newbuild sales in Harlow town itself, it is necessary to look more widely. It is acknowledged that this data does need to be treated with caution as it is presented by post town (as this is the basis on which it is available from the Land Registry). By looking more widely, a better understanding of Harlow's property market can be made.
- 4.26 Further the consultee questioned why the database includes dwellings in areas that are indicated on the map to have insufficient data. This is because data needs to be brought together through a range of sources, one of the steps is to 'geocode' the postcodes. When a new home is built it is ascribed a new postcode. It takes some time for these to be 'mapped' by the Ordnance Survey. This is inconvenient but is a factor of the data. This 'problem' related to 62 dwellings³⁴. This highlights the reasons for considering a range of data sources. No single data source is perfect, so it is necessary to bring together a range of data before making a judgement as to value.
- 4.27 These transactions (as recorded by the Land Registry) are summarised below and are detailed in **Appendix 3**.

³² The Land Registry makes all transactions available as and when they are registered via the 'beta' format tool at <https://www.gov.uk/government/statistical-data-sets/price-paid-data-downloads>. It does take some time for transactions to be registered – we estimate this to be about 4 to 6 months.

³³ Latton Priory

³⁴ The main gaps are mostly in CM16 4 (4) and CM17 0 (6) CM17 9 (15) and CM23 3 (12) SG13 (7) SG9 9 (28)

Table 4.3 Distribution of Newbuild Sales from January 2016

	Detached	Flats	Semi-detached	Terraced	All
BALLS PARK	5	0	3	15	23
BISHOP'S STORTFORD	1	68	4	7	80
EPPING	0	17	0	0	17
GILSTON	51	14	13	14	92
HARLOW	13	2	12	15	42
HASTINGWOOD	0	0	0	7	7
HERTFORD	0	170	6	1	177
HERTFORD HEATH	3	0	2	0	5
HIGH CROSS	29	0	1	0	30
MUCH HADHAM	0	0	1	2	3
NEWHALL	107	19	57	62	245
ROYDON	11	0	0	0	11
SAWBRIDGEWORTH	0	21	3	0	24
WALTHAM ABBEY	8	17	14	7	46
WARE	1	25	10	25	61
WIDFORD	1	0	0	0	1
TOTAL	230	353	126	155	864

Source: Land Registry and EPC Register (July 2018)

- 4.28 Each new dwelling sold requires an Energy Performance Certificate (EPC). This is a public document that can be viewed on the EPC Register³⁵. The EPC contains the floor area (the Gross Internal Area – GIA) as well as a wide range of other information about the construction and energy performance of the building. This information is also included in **Appendix 3**. The price paid data from the Land Registry has been married with the homes' floor area from the EPC Register:

³⁵ <https://www.epcregister.com/>

Table 4.4 Average Newbuild Sales from January 2016 by Type and Location (£)					
Jan 2016 to July 2018	Detached	Flats	Semi-detached	Terraced	All
BALLS PARK	£739,000		£681,633	£639,307	£666,500
BISHOP'S STORTFORD	£1,450,000	£324,480	£445,995	£466,284	£357,033
EPPING		£433,235			£433,235
GILSTON	£633,396	£353,786	£459,142	£431,321	£535,473
HARLOW	£409,223	£299,995	£451,868	£359,063	£398,291
HASTINGWOOD				£416,071	£416,071
HERTFORD		£287,131	£524,958	£332,995	£295,452
HERTFORD HEATH	£786,333		£395,000		£629,800
HIGH CROSS	£655,990		£499,950		£646,237
MUCH HADHAM			£895,000	£815,000	£841,667
NEWHALL	£458,218	£276,314	£385,727	£378,417	£407,051
ROYDON	£992,909				£992,909
SAWBRIDGEWORTH		£271,029	£376,667		£284,233
WALTHAM ABBEY	£590,499	£329,156	£441,944	£336,424	£410,040
WARE	£500,000	£296,079	£518,397	£478,100	£410,466
WIDFORD	£773,000				£773,000
ALL	£566,039	£305,196	£437,342	£431,760	£416,806

Source: Land Registry and EPC Register (July 2018)

Table 4.5 Average Newbuild Sales from January 2016 by Type and Location (£/m²)					
Jan 2016 to July 2018	Detached	Flats	Semi-detached	Terraced	All
BALLS PARK	£5,948		£5,927	£6,077	£6,029
BISHOP'S STORTFORD	£4,899	£5,283	£3,718	£3,415	£5,036
EPPING		£5,664			£5,664
GILSTON	£4,286	£4,062	£3,536	£3,438	£4,017
HARLOW	£3,629	£4,260	£4,314	£4,591	£4,198
HASTINGWOOD				£4,419	£4,419
HERTFORD		£4,611	£4,605	£5,550	£4,616
HERTFORD HEATH	£6,238		£5,197		£5,822
HIGH CROSS	£4,310		£4,166		£4,305
MUCH HADHAM			£5,265	£4,690	£4,881
NEWHALL	£3,815	£3,962	£3,863	£3,653	£3,796
ROYDON	£3,973				£3,973
SAWBRIDGEWORTH		£3,252	£3,600		£3,295
WALTHAM ABBEY	£5,423	£5,423	£4,798	£4,500	£5,092
WARE	£3,788	£4,676	£4,706	£4,523	£4,603
WIDFORD	£3,827				£3,827
ALL	£4,117	£4,695	£4,151	£4,187	£4,371

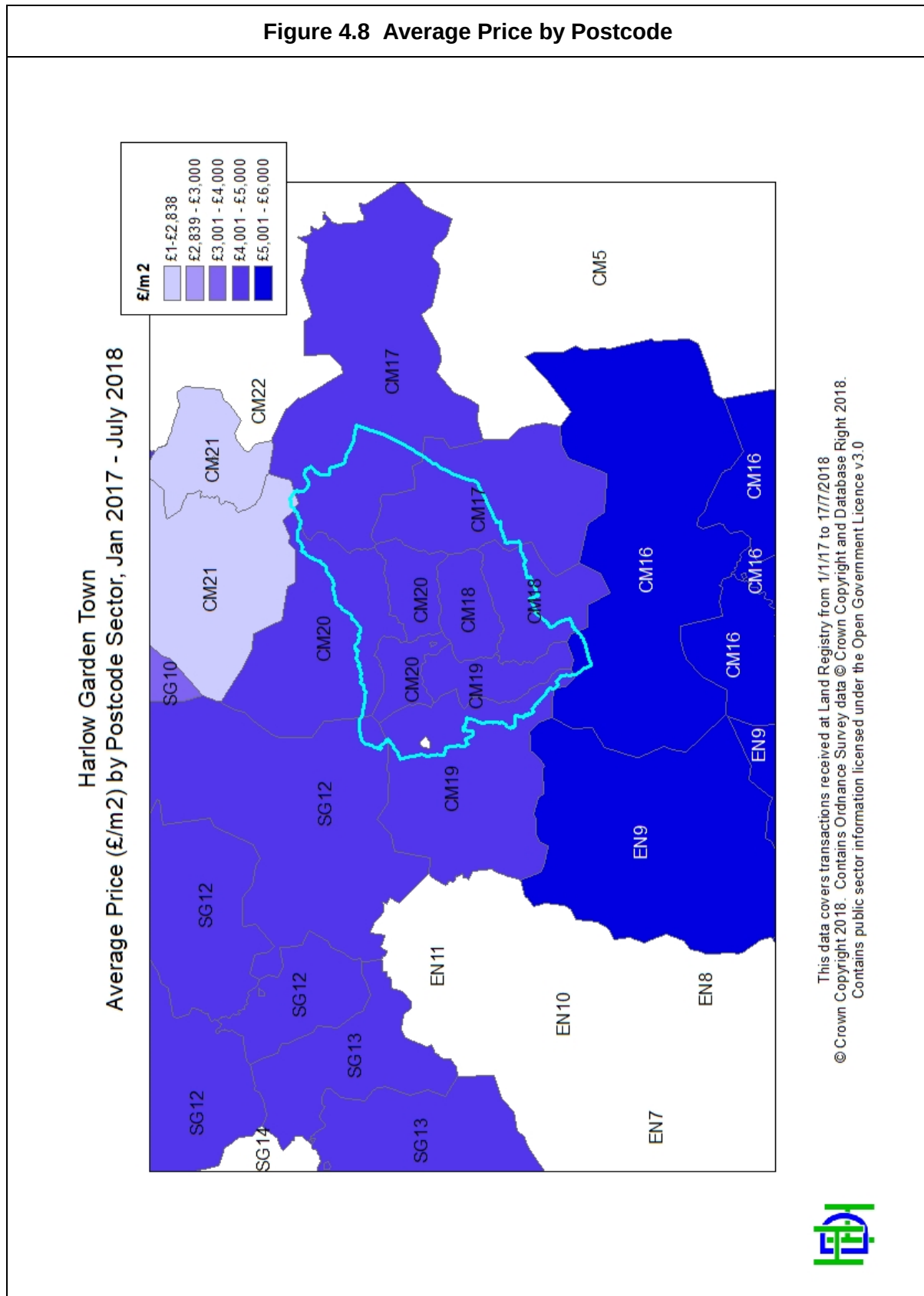
Source: Land Registry and EPC Register (July 2018)

- 4.29 This data is disaggregated by year in **Appendix 4**. This data can also be considered by the smaller geography of the Harlow town postcodes:

Table 4.6 Average Newbuild Sales from January 2016 by Type and Harlow Postcode Sector

(All)		Detached	Flats	Semi-detached	Terraced	All
CM17	Count	115	21	66	70	272
	Average £	£456,211	£278,570	£399,793	£383,848	£410,184
	Average £/m ²	£3,795	£3,990	£3,904	£3,737	£3,822
CM18	Count	5	0	3	14	22
	Average £	£376,987		£340,828	£349,353	£354,471
	Average £/m ²	£3,779		£4,765	£4,620	£4,448
CM19	Count	11	0	0	0	11
	Average £	£992,909				£992,909
	Average £/m ²	£3,973				£3,973
CM20	Count	51	14	13	14	92
	Average £	£633,396	£353,786	£459,142	£431,321	£535,473
	Average £/m ²	£4,286	£4,062	£3,536	£3,438	£4,017
ALL	Count	182	35	82	98	397
	Average £	£536,123	£308,656	£407,045	£385,702	£452,277
	Average £/m ²	£3,943	£4,019	£3,877	£3,821	£3,906

Source: Land Registry and EPC Register (July 2018)



Source: Land Registry and EPC Register (July 2018)

4.30 This data is also disaggregated by year in **Appendix 4**.

- 4.31 Across these settlements, from the start of 2016 the average price paid is about £3,900/m², rising by 2018 to an average of over £4,350/m². The figures for Gilston have increased a little from just under £4,000/m² in 2016 to just over £4,000/m² in 2018, and the figures for Harlow have increased very much more, from just under £3,330/m² in 2016 to just under £4,400/m² in 2018 in 2018.
- 4.32 Whilst there is a price variation based on geography, it is modest, the principle driver of the differences is the situation rather than the location of a site. That is to say, the value will be more strongly influenced by the specific site characteristics, the immediate neighbours and environment, rather than in which particular ward or postcode sector the scheme is located.

Newbuild Asking Prices

- 4.33 At the time of this assessment (July 2018) there were about 60 new houses and flats being advertised for sale in and around Harlow (although on some of these, construction had yet to start). The analysis of these shows that asking prices for newbuild homes vary, very considerably, starting at £195,000 and going up to just under £700,000. The average is just over £400,000. These are summarised in the following table and set out in detail in **Appendix 5**.

Table 4.7 Newbuild Asking Prices. Average by Scheme (£/m²)				
			Flats	Houses
Harlow East				
Bellway	Fusion	Spring St		£3,401
Lanes	Chantry Gardens	Churchgate Old St		£3,888
Purple bricks		Blackcap Drive		£4,009
Barratts	Gilden Park	Gilden Way		£4,183
Taylor Wimpey	Gilden Park	Gilden Way		£3,923
Persimmon	Gilden Park	Gilden Way		£5,034
Harlow North East				
Lanes New Homes	Edinburgh House	Edinburgh Way	£4,744	
Harlow North West				
Kier Homes	Ram Gorse Park	Elizabeth Way		£4,584
Harlow Central				
Harlow South				
Countryside	Atelier	Keaton Way		£4,322

Source: Market Survey (July 2018)

- 4.34 During the course of the research, sales offices and agents were contacted to enquire about the price achieved relative to the asking prices, and the incentives available to buyers. In most

cases the feedback was that the units were ‘realistically priced’ or that as the market is improving, demand is strong so that significant discounts are no longer offered. When pressed, it appeared that the discounts and incentives offered equate to about 2.5% of the asking prices. It would be prudent to assume that prices achieved, net of incentives offered to buyers, are 2.5% less than the above asking prices.

- 4.35 Through the consultation further information was submitted³⁶ that highlighted some inconsistencies in the above data and provided further evidence that is summarised as follows:

Table 4.8 Average Asking Prices and Discounted Prices by Scheme (£/m²)		
	Median	Average
Persimmon Homes, Gilden Park		
Asking Price	£4,446	£4,247
Less Discounts	£4,335	£4,140
Edinburgh House, Edinburgh Way		
Asking Price	£4,809	£4,879
Less Discounts	£4,688	£4,757
Countryside - Atelier		
Asking Price	£3,843	£4,171
Less Discounts	£3,747	£4,067
Barratt Homes - Gilden Park		
Asking Price	£3,928	£4,183
Less Discounts	£3,830	£4,078
Kier Homes - Rams Gorse Park		
Asking Price	£4,094	£4,163
Less Discounts	£3,991	£4,059
Taylor Wimpey - Gilden Park		
Asking Price	£3,869	£4,115
Less Discounts	£3,772	£4,013
Bellway - Fusion, Newhall		
Asking Price	£3,408	£3,374
Less Discounts	£3,495	£3,460

Source: Consultation Response (October 2018)

³⁶ Water Lane – West Katherines

- 4.36 These figures are different, but support the general pattern of prices researched.
- 4.37 It was also suggested³⁷ that the requirement for Nationally Described Space Standards may have an impact on reducing these values. It is notable that most units are in fact larger than NDSS so this is unlikely to be the case.
- 4.38 A consultee³⁸ suggested that reference should be made to the *West Essex and East Hertfordshire SHMA* (ORS, July 2017) to ensure consistency. This document does not include an analysis of newbuild sales prices.

Price Assumptions for Financial Appraisals

- 4.39 It is necessary to form a view about the appropriate prices. The preceding analysis does not reveal simple clear patterns with sharp boundaries. As mentioned previously, the principal drivers of price are the specifics of the scheme and its situation rather than the location. The four new Garden Communities are in different areas, and whilst these are different, at the time of this assessment, across the Garden Town there is relatively little variance between the different types of new housing. The above data does show some variance but there is not a consistent pattern across the different data sources analysed.
- 4.40 Based on the asking prices from active developments, and informed by the general pattern of all house prices across the assessment area, the prices put to the consultation were as follows. It is important to note that this is a broad brush, high level assessment to test the deliverability of the key Garden Town sites as required by the NPPF. The values between new developments and within new developments may vary considerably.

Table 4.9 Pre-consultation Residential Price Assumptions (£/m²)		
Typology	Houses	Flats
East of Harlow	£3,800	£4,000
Latton Priory	£4,500	£4,200
Water Lane	£3,900	£3,900
Gilston Area	£4,285	£4,020

Source: HDH (August 2018)

- 4.41 Consultees made the following points:
- a. In relation to Water Lane – West Katherines the following comment was made:
- The Consortium however agree that a blended value in the region of £360psf (£3,875/m²) market revenues*

³⁷ Water Lane – West Katherines

³⁸ Gilston – Village 7

This comment was linked to an uplifted build cost to allow for abnormal foundations and an allowance for strategic infrastructure – although for the purpose of this assessment these are not connected.

- b. The promoter of Gilston - Villages 1-6 confirmed that ‘the general inputs and assumptions are broadly in line with our own modelling’.
- c. The promoter of Latton Priory suggested greater weight should be given to the sales prices of existing properties when considering the values in this site. As set out in Figure 4.3 above, the newbuild market is distinctly different to the market for existing houses with the average price for newbuild homes being about double that for existing homes. It is believed that this produced well founded assumptions in this regard.

It was suggested that the values used are overstated by between £500/m² and £800/m². This would suggest the analysis should be based on a value of about £3,900/m² for housing and £3,600/m² for flats. Whilst a range of comments were made about the presentation of the data that was put to the consultation, this promoter did not provide additional transactional (or any) evidence to support this suggestion.

4.42 Following the consultation the values have been updated.

Table 4.10 Updated Residential Price Assumptions (£/m²)		
Typology	Houses	Flats
East of Harlow	£3,800	£4,000
Latton Priory	£4,000	£3,700
Water Lane	£3,900	£3,900
Gilston Area	£4,285	£4,020

Source: HDH (December 2018)

- 4.43 It is necessary to consider whether the presence of affordable housing would have a discernible impact on sales prices. Affordable housing will be present on many of the sites whose selling prices have informed our analysis. Our view is that any impact can and should be minimised through an appropriate quality design solution.

Ground Rents

- 4.44 Over the last 10 or so years many new homes have been sold subject to a ground rent. Such ground rents have recently become a controversial and political topic. In this assessment, no allowance is made for residential ground rents.

Affordable Housing

- 4.45 The Councils have policies for the provision of affordable housing. In this assessment, it is assumed that such housing is constructed by the site developer and then sold to a Registered Provider (RP).

- 4.46 There are three main types of affordable housing: Social Rent, Affordable Rent and Intermediate Housing products for sale. The policy requirements tested in this assessment are:

East Herts District Plan - Pre-submission Consultation 2016

Policy HOU3 Affordable Housing

Affordable housing provision will be expected on all development sites that propose development that falls within Class C3 (Dwelling Houses) as follows:

- (a) up to 35% on sites proposing 10 or fewer gross additional dwellings, and where the dwellings would have a combined gross floor space greater than 1,000 square metres;*
- (b) up to 35% on sites proposing 11 to 14 gross additional dwellings;*
- (c) up to 40% on sites proposing 15 or more gross additional dwellings.*

Epping Forest Local Plan – Submission Version 2017

Policy H 2 Affordable Housing

On development sites which provide for 11 or more homes, or residential floorspace of more than 1,000 sq m (combined gross internal area), the Council will require 40% of those homes to be for affordable housing provided on site. The mix of affordable homes will be required to reflect the latest available housing need.

Harlow Local Development Plan, Pre-Submission Publication May 2018

H8 Affordable Housing

Major residential development must provide at least 30% affordable housing. Reduction of this percentage will require an independent viability assessment.

- 4.47 The following tenure mixes form the base appraisals.

Table 4.11 Preferred Affordable Housing Tenure Mix			
	Social Rent	Affordable Rent	Intermediate Housing
East Herts	-	84%	16%
Epping Forest ^b	-	81%	19%
Harlow ^c	-	85%	15%

Source: a – Affordable Housing & Lifetimes Homes SPD 2008, b – paragraph 3.16 Epping Forest Local Plan – Submission Version 2017, c – paragraph 14.37 Harlow Local Development Plan, Pre-Submission Publication May 2018

Affordable Housing Values

- 4.48 Prior to the 2015 Summer Budget, rents of affordable housing (both Affordable Rents and Social Rents) were generally increased by inflation (CPI) plus up to 1% each year. These provisions were to prevail until 2023. The result was that Housing Associations knew their rents would go up and those people and organisations who invest in such properties (directly or indirectly) knew that the rents were going up year on year. This made them a particularly attractive and secure form of investment or security for a loan.

- 4.49 In the 2015 Summer Budget it was announced that Social and Affordable Rents would be reduced by 1% per year for 4 years³⁹. The effect of this is to reduce the value of affordable housing to rent. In October 2017 the Government announced that rents will rise by CPI +1% for five years from 2020, reversing this alteration.
- 4.50 It is necessary to consider the value of affordable housing in this context. From a valuation perspective, the value of affordable housing has been reconsidered from first principles.

Social Rent

- 4.51 The value of a rented property is a factor of the passing rent – although the condition and demand for the units also have a strong impact. Social Rents are set through a national formula that smooths the differences between individual properties and ensures properties of a similar type pay a similar rent:

Table 4.12 Social Rent				
	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Per Week	£86	£104	£119	£129
Per Month	£373	£451	£515	£558
Per Year	£4,481	£5,410	£6,182	£6,701

Source: HCA Statistical Return (2017)

- 4.52 This assessment concerns only the value of newly built homes. There seems to be relatively little difference in the amounts paid by RPs for such units across the assessment area – and there is little such housing being developed. The value of Social Rents is assessed assuming 10% management costs, 4% voids and bad debts and 6% repairs. These are capitalised at 5%.

Table 4.13 Capitalisation of Social Rents			
	1 Bedroom	2 Bedrooms	3+ Bedrooms
Gross Rent	£4,481	£5,410	£6,182
Net Rent	£3,585	£4,328	£4,945
Value	£71,690	£86,552	£98,908
m ²	50	70	84
£/m ²	£1,434	£1,236	£1,177

Source: HDH (July 2018)

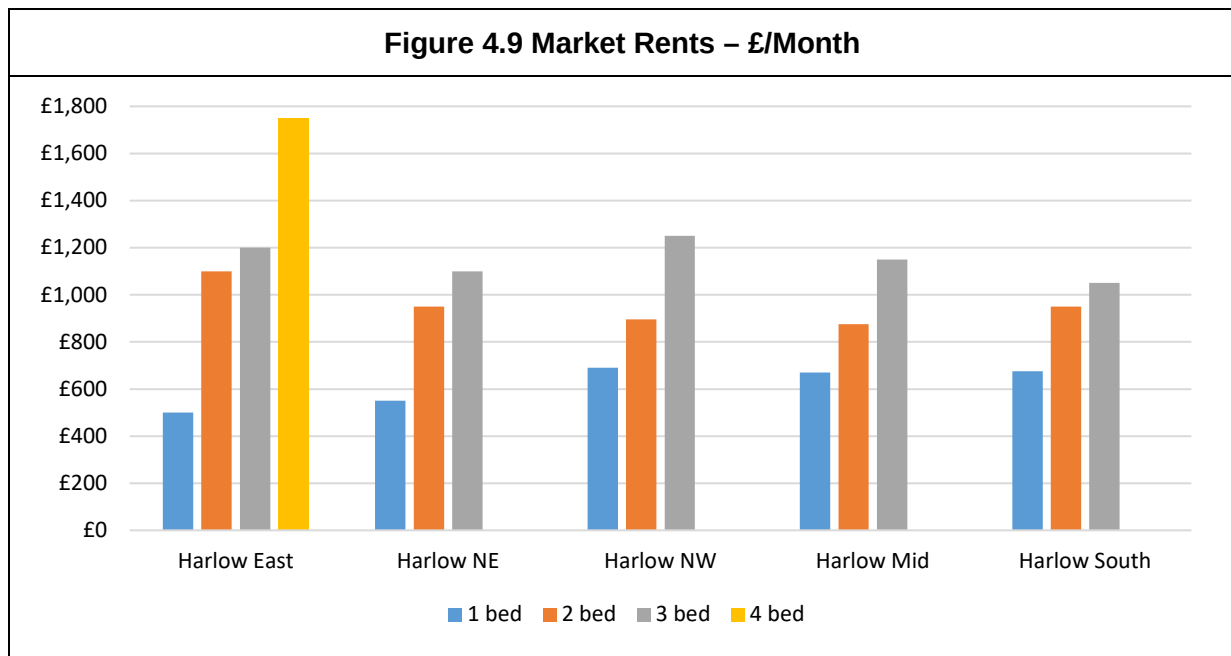
³⁹ We understand that the objective is to reduce the overall costs of Housing Benefit / Local Housing Allowance / Universal Credit to the Exchequer.

4.53 On this basis, a value of £1,285/m² across the assessment area would be assumed.

Affordable Rent

4.54 Under Affordable Rent, a maximum rent of no more than 80% of the open market rent, for that unit, can be charged. In the development of affordable housing for rent, the value of the units is, in large part, the worth of the income that the completed let unit will produce. This will depend on the amount of the rent and the cost of managing the property (letting, voids, rent collection, repairs etc.).

4.55 As a typical Affordable Rent unit will be new, it will command a premium rent that is a little higher than equivalent older private sector accommodation. In estimating the likely level of Affordable Rent, a survey of market rents across the area has been undertaken. There is relatively little variation in rents, except for the larger units.



Source: Market Survey (July 2018)

4.56 As part of the reforms to the social security system, housing benefit /local housing allowance is capped at the 3rd decile of open market rents for that property type, so in practice Affordable Rents are unlikely to be set above these levels. The cap is set by the Valuation Office Agency by Broad Rental Market Area (BRMA). The whole of the Harlow and Gilston Garden Town lies within the Harlow and Stortford BRMA.

Table 4.14 BRMA Caps			
	£/week	£/month	£/year
Shared	£72.22	£312.95	£3,755.44
1 Bed	£137.32	£595.05	£7,140.64
2 Bed	£169.73	£735.50	£8,825.96
3 Bed	£204.05	£884.22	£10,610.60
4 Bed	£288.08	£1,248.35	£14,980.16

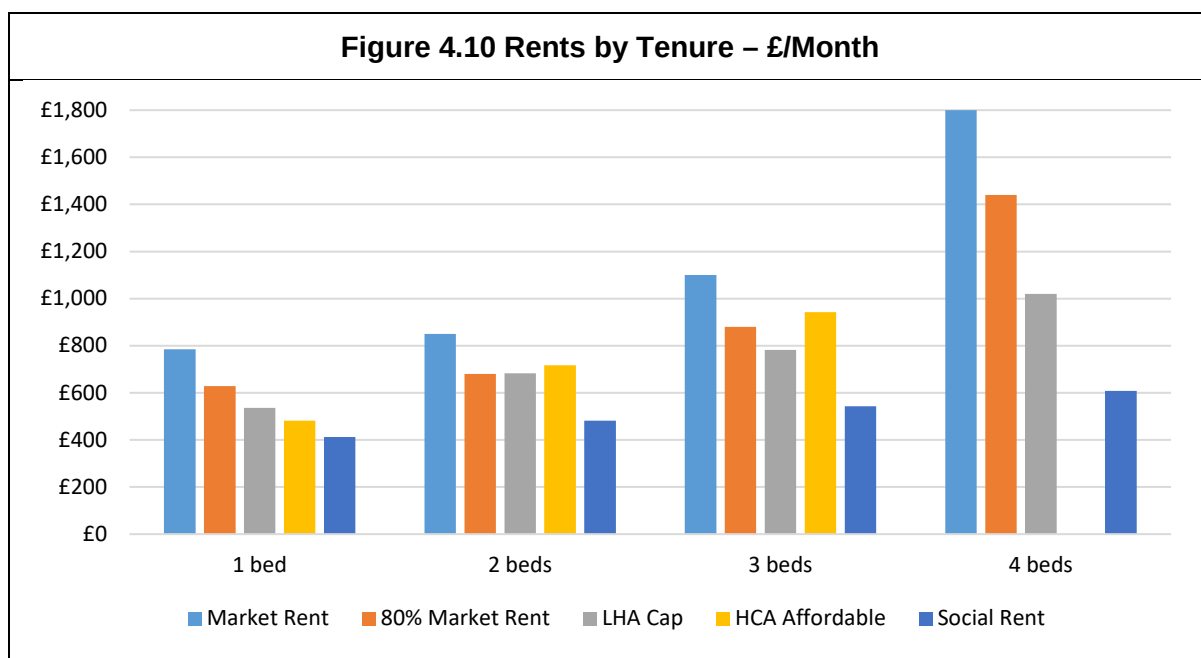
Source: VOA (July 2018)

- 4.57 These caps are a little different to the Affordable Rents being charged as reported in the most recent HCA data release.

Table 4.15 Affordable Rent			
	1 Bedroom	2 Bedrooms	3 Bedrooms
Per Week	£108	£142	£180
Per Month	£468	£616	£780
Per Year	£5,615	£7,397	£9,360

Source: HCA Statistical Return (2017)

- 4.58 In all cases the LHA cap is less than 80% of market rent, except in the case of two bedroom units where the cost is similar. The differences can be summarised as follows.



Source: Market Survey, HCA Statistical Return and VOA (February 2018)

- 4.59 Following discussion with the Councils it is assumed that Affordable Rent will be no more than the LHA cap. In calculating the value of Affordable Rents, an allowance for 10% management

costs, 4% voids and bad debts and 6% repairs is made, and the net rent capitalised the income at 5.5%. On this basis affordable rented property has the following worth.

Table 4.16 Capitalisation of Affordable Rents			
	1 Bedroom	2 Bedrooms	3+ Bedrooms
Gross Rent	£7,141	£8,826	£10,611
Net Rent	£5,712.51	£7,060.77	£8,488.48
Value	£103,864	£128,378	£154,336
m ²	50	70	84
£/m ²	£2,077	£1,834	£1,837

Source: HDH (July 2018)

4.60 Using this method to assess the value of affordable housing, under the Affordable Rent tenure, a value of £1,915/m² is derived. This is in the range of 45% to 50% of the value of market housing.

4.61 In relation to Water Lane – West Katherines the following comment was made:

The Consortium however agree ... affordable revenues at 49%.

4.62 A developer⁴⁰ suggested that a figure of 35% of market value should be used. This would give a value of about £1,330/m², so close to the value of Social Rented housing. The reason given to justify this was that this would reflect a rent for the Affordable Rent units of no more than 80% of market rent. As set out above, it has been assumed that Affordable Rent will be no more than the LHA cap – which is less than 80% of market rent, consequently no further adjustment is made.

Intermediate Products for Sale

4.63 Intermediate products for sale include shared ownership and shared equity products⁴¹. The market for these is very difficult at present and we have found little evidence of the availability of such products in the assessment area. We have assumed a value of 65% of open market value for these units.

4.64 These values were based on purchasers buying an initial 50% share of a property with a 2.75%⁴² per annum rent payable on the equity retained. The rental income is capitalised at 5.5% having made a 10% management allowance.

⁴⁰ West Sumners

⁴¹ For the purpose of this assessment it is assumed that the 'affordable home ownership' products, as referred to in paragraph 64 of the 2019 NPPF fall into this definition,

⁴² A rent of up to 3% may be charged – although we understand that in this area 2.75% is more normal.

- 4.65 The following table shows 'typical' values (for illustrative purposes) for shared ownership housing at a range of proportions sold:

Table 4.17 Value of Shared Ownership Housing (3 bedroom) at 30% to 80% of Proportion Sold										
Market Value			% Sold		Rent			Value		
m ²	£/m ²	£	%	£	%	£/year	£	£	£/m ²	% OMV
84	4,000	336,000	30%	100,800	2.75%	6,468	116,424	217,224	2,586	64.65%
84	4,000	336,000	40%	134,400	2.75%	5,544	99,792	234,192	2,788	69.70%
84	4,000	336,000	50%	168,000	2.75%	4,620	83,160	251,160	2,990	74.75%
84	4,000	336,000	60%	201,600	2.75%	3,696	66,528	268,128	3,192	79.80%
84	4,000	336,000	70%	235,200	2.75%	2,772	49,896	285,096	3,394	84.85%
84	4,000	336,000	80%	268,800	2.75%	1,848	33,264	302,064	3,596	89.90%

Source: HDH (July 2018)

- 4.66 It can be seen that the assumption is cautious and takes into account that the portions sold may be less than 50%.
- 4.67 The 2019 NPPF sets out a requirement for low-cost home ownership as part of the affordable housing mix. This is assumed to apply. Bearing in mind the Starter Home cap of £250,000 outside London, no change is made in this regard.
- 4.68 One consultee⁴³ suggested that an assumption of 55% to 60% of market value may be more appropriate in the current market although no reason was given. No change has been made in this regard as the assumption is considered cautious.

Grant Funding

- 4.69 It is assumed that grant is not available.

Older People's Housing

- 4.70 There is an established need for both market and affordable older people's housing. The Councils have therefore asked that this assessment should test the viability of providing affordable housing within the sites. Housing for older people is generally a growing sector due to the demographic changes and the ageing population. The sector brings forward two main types of product.

⁴³ Water Lane – West Katherines

- 4.71 Sheltered or retirement housing is self-contained housing, normally developed as flats and other relatively small units. Where these schemes are brought forward by the private sector there are normally warden services and occasionally non-care support services (laundry, cleaning etc.) but not care services.
- 4.72 Extracare housing is sometimes referred to as very sheltered housing or housing with care. It is self-contained housing that has been specifically designed to suit people with long-term conditions or disabilities that make living in their own home difficult, but who do not want to move into a care home. Schemes can be brought forward in the open market or in the social sector (normally with the help of subsidy). Most residents are older people, but this type of housing is becoming popular with people with disabilities regardless of their age as it is seen as a long-term housing solution. Extracare housing residents still have access to means-tested local authority services.
- 4.73 The Retirement Housing Group (RHG) is a trade group representing private sector developers and operators of retirement, care and extracare homes. They have set out a case that sheltered housing and extracare housing should be tested separately. In line with the RHG representations it is assumed the price of a 1 bed sheltered property is about 75% of the price of existing 3 bed semi-detached houses and a 2 bed sheltered property is about equal to the price of an existing 3 bed semi-detached house. In addition, it is assumed extracare housing is 25% more expensive than sheltered.
- 4.74 A typical price of a 3 bed semi-detached home of £360,000 has been assumed. On this basis it is assumed retirement and extracare housing has the following worth:

Table 4.18 Worth of Retirement and Extracare			
	Area (m ²)	£	£/m ²
3 bed Semi-detached		360,000	
1 bed Sheltered	50	270,000	5,400
2 bed Sheltered	75	360,000	4,800
1 bed Extracare	65	337,500	5,192
2 bed Extracare	80	450,000	5,625

Source: HDH (July 2018)

- 4.75 There are few retirement schemes being marketed or recently sold in Harlow at the time of this assessment. In the wider locality, the Miami House scheme developed by McCarthy & Stone in Chelmsford is now marketing 1 bedroom units from £350,000 and 2 bedroom units from £450,000. Their Pegs Lane scheme in Hertford is marketing 1 bedroom units from £335,000 and 2 bedroom units from £460,000. The Churchill Living scheme, in Waltham Abbey, is marketing 2 bedroom units from £385,950, with 1 bedroom units in Chelmsford for £298,950, suggesting the values in the table above may be rather low.
- 4.76 Taking into account the above, the following values are used in the appraisals:

Table 4.19 Worth of Retirement and Extracare	
All Areas	£/m ²
Sheltered	5,500
Extracare	5,500

Source: HDH (July 2018)

- 4.77 One consultee⁴⁴ suggested that more detailed local analysis should be made into local schemes. All the local schemes on which there is publicly available information have been researched as set out above.
- 4.78 In addition to the above, an allowance of £3,850/unit could be made for ground rent.
- 4.79 The units where provided as affordable housing have also been considered. It has not been possible to find any direct comparable where housing associations have purchased social units in a market led extracare scheme. Private sector developers have been consulted. They have indicated that whilst they have never disposed of any units in this way, they would expect the value to be in line with other affordable housing – however they stressed that the buyer (be that the local authority or housing association) would need to undertake to meet the full service and care charges.

⁴⁴ Latton Priory

5. Non-Residential Market

- 5.1 This chapter sets out an assessment of the markets for non-residential property, providing a basis for the assumptions of prices to be used in financial appraisals for the sites tested in the assessment.
- 5.2 The starting point for this part of this assessment is the Councils' existing evidence. The following assumptions were used:

Table 5.1 Unadjusted Non-residential Values			
	Rent	Yield	£/m ²
East Hertfordshire - 2015			
Business Park	£205	7.00%	£2,929
Warehousing	£75	5.25%	£1,429
Town centre comparison retail	£210	6.50%	£3,231
Out of town comparison retail	£210	7.00%	£3,000
Retail convenience	£210	5.00%	£4,200
Epping Forest - 2017			
Shops / premises	£180	6.25%	£2,880
Retail warehousing	£170	6.25%	£2,720
Supermarkets	£200	6.25%	£3,200
Industrial Warehousing	£70	6.25%	£1,120
Offices	£175	6.25%	£2,800
Harlow - 2018			
Offices	£172	6.80%	£2,533
Industrial Warehousing	£108	6.80%	£1,583
Large retail	£194	6.80%	£2,849

Source: EHDC Plan Viability, Affordable Housing and CIL Study. PBA, 1st October 2015. EFDC Stage 2: Update Assessment of the Viability of Affordable Housing, CIL and the Local Plan. Dixon Searle, November 2017. Local Plan Viability Assessment, Affordable Housing and CIL Review. BNP Paribas, March 2018.

- 5.3 There is no need to consider all types of development in all situations – and certainly no point in testing the types of scheme that are unlikely to come forward as part of the Garden Town proposals. In this assessment we have considered the larger format office and industrial uses. Whilst the proposals do include elements of retail, these are small scale so are not examined specifically.
- 5.4 In Harlow, market conditions will broadly reflect a combination of national economic circumstances and local supply and demand factors. However even within a town there will be particular localities, and ultimately site-specific factors, that generate different values and costs.

National Overview

- 5.5 The various non-residential markets in Harlow reflect national trends. An improved sentiment has been reported in the press:

The Q2 2018 RICS UK Commercial Property Market survey results show the downturn across the retail sector intensifying, with stores in secondary locations displaying particularly negative rental and capital value projections. This remains in contrast with the performance of the industrial sector, which continues to attract solid demand from both occupiers and investors.

Focussing first on the occupier market, tenant demand declined marginally at a headline level during Q2, with a net balance reading of -8% the weakest since 2012. That said, the retail sector was the only area of the market to post an outright decline, as 53% more respondents noted a fall in demand over the period. For offices, demand held broadly steady following a slight increase in Q1. Meanwhile, tenant enquiries continued to rise in the industrial sector, and have now increased in twenty three successive reports.

Set against the steep decline in demand, availability of retail space rose sharply over the quarter. In fact, 46% more respondents noted an increase, representing the broadest pick-up reported going back to 2009. Given this, the value of inducement packages on offer to prospective tenants was also pushed higher. By way of contrast, availability of leasable space in the industrial sector fell once again, prompting landlords to further trim incentive packages. Availability in the office sector was more or less unchanged for the seventh quarter in a row, albeit inducement packages have picked-up consistently over this period.

In terms of the all-property average, near term rental expectations eased, posting a net balance of -2% (+3% previously) and pointing to virtually no change in headline rents over the coming months. Again, this average reading is being depressed by negativity in the retail sector, where the net balance came in at -52%. Rental growth projections remain elevated for industrial space (net balance +35%), but rather flat for offices (net balance +5%)...

... Views have become increasingly mixed regarding the current stage of the property cycle. Indeed, 26% of respondents across the UK (ex London) now sense the market may be in the early stages of a downturn, up from 14% in Q1. Although 39% believe the market is still in some stage of the growth phase, this has come down 52% last quarter. In London, a clear majority of 71% of contributors now believe the market is in a downturn (up from 52% previously). Having said that, the outlook is not negative for all sectors across the capital. Prices are still expected to rise for prime and secondary industrial assets, and for prime offices.

RICS – Q2 2018: UK Commercial Property Market Survey

- 5.6 This chapter sets out a brief assessment of the markets for non-residential property, providing a basis for the assumptions of prices to be used in financial appraisals.

Harlow and Gilston Garden Towns Non-Residential Market

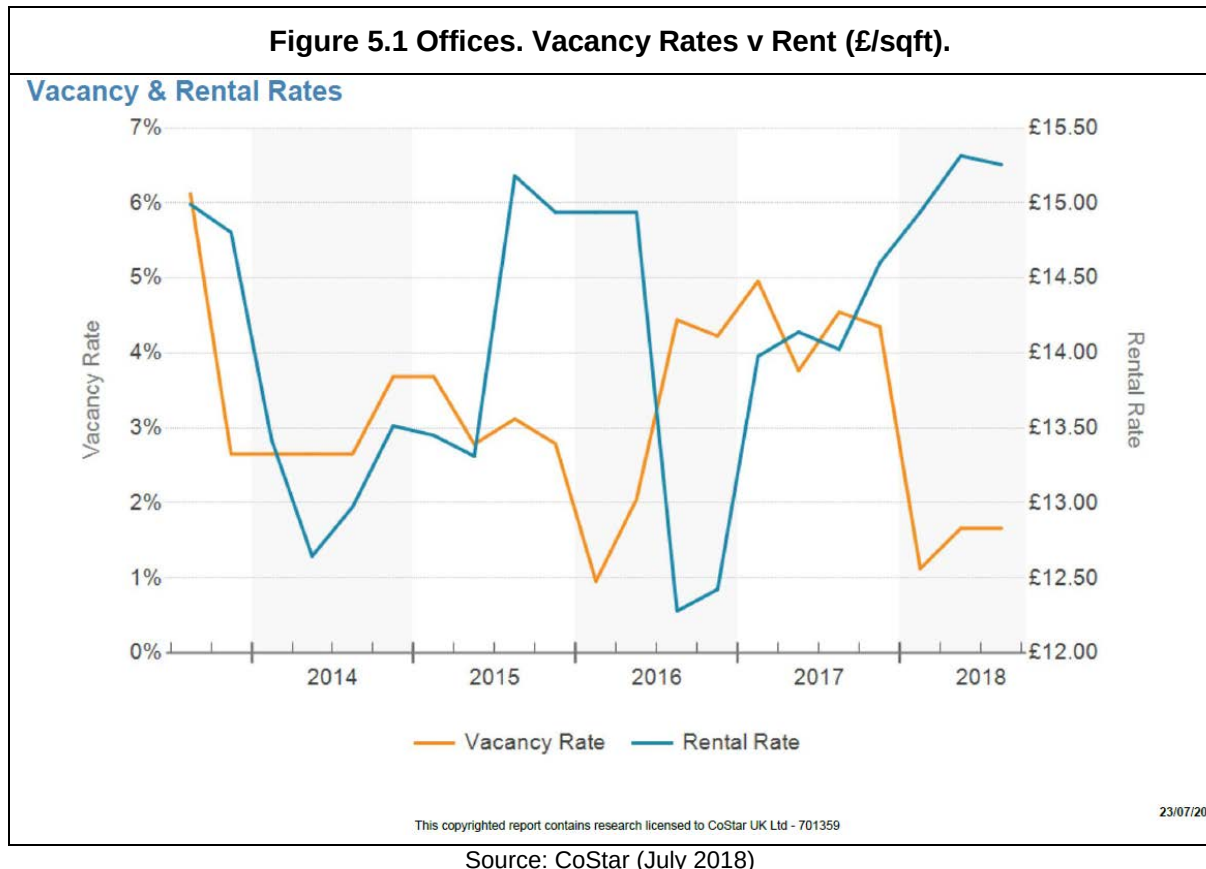
- 5.7 The main employment areas within Harlow are the Pinnacles Estate to the east and the Templefields estate to the north west. In addition to these, the London Road Enterprise Zone is expanding. There are several smaller employment areas throughout the town, but these are less important for this assessment. An important aspect of the employment space in Harlow is that that is in and around the town centre, these are not considered in this assessment. Harlow is becoming a centre for Life Science, MedTech and digital industries. Raytheon, GlaxoSmithKline and Nortel all have sites, and Public Health England recently acquired a significant site.

- 5.8 The local markets are driven by local factors – however the influence of the wider southeast and London underpins the market. Harlow is not a large regional centre but it is the principal town and is a significant local centre. In recent years the majority of new development has been user led, however there is a modest increase in that being brought forward by speculative developers.
- 5.9 The market is described in some detail in the Harlow Employment Land Review⁴⁵ (ELR) so that will not be repeated in detail here.
- 5.10 This assessment is concerned with new property that is likely to be purpose built. There is little evidence of a significant variance in price for newer premises more suited to modern business across the town, although very local factors (such as the access to transport network) is reported to be important.
- 5.11 Various sources of market information have been analysed, the principal sources being the local agents, research published by national agents, and through the Estates Gazette's Property Link website (a commercial equivalent to Rightmove.co.uk). In addition, information from CoStar (a property industry intelligence subscription service) has been used. Clearly much of this commercial space is 'second-hand' and not of the configuration, type and condition of new space that may come forward in the future, so is likely to command a lower rent than new property in a convenient, well accessed location with car parking and that is well suited to the modern business environment.
- 5.12 Data from across East Hertfordshire, Epping Forest and Harlow has been looked at as has data from Broxbourne and Stevenage as these are broadly similar market areas. **Appendix 6** includes market data from CoStar.

Offices

- 5.13 CoStar data shows a decline in vacancy rates and an increase in rents in the office sector over the last five years:

⁴⁵ Harlow Employment Land Review Final Report, PBA January 2013

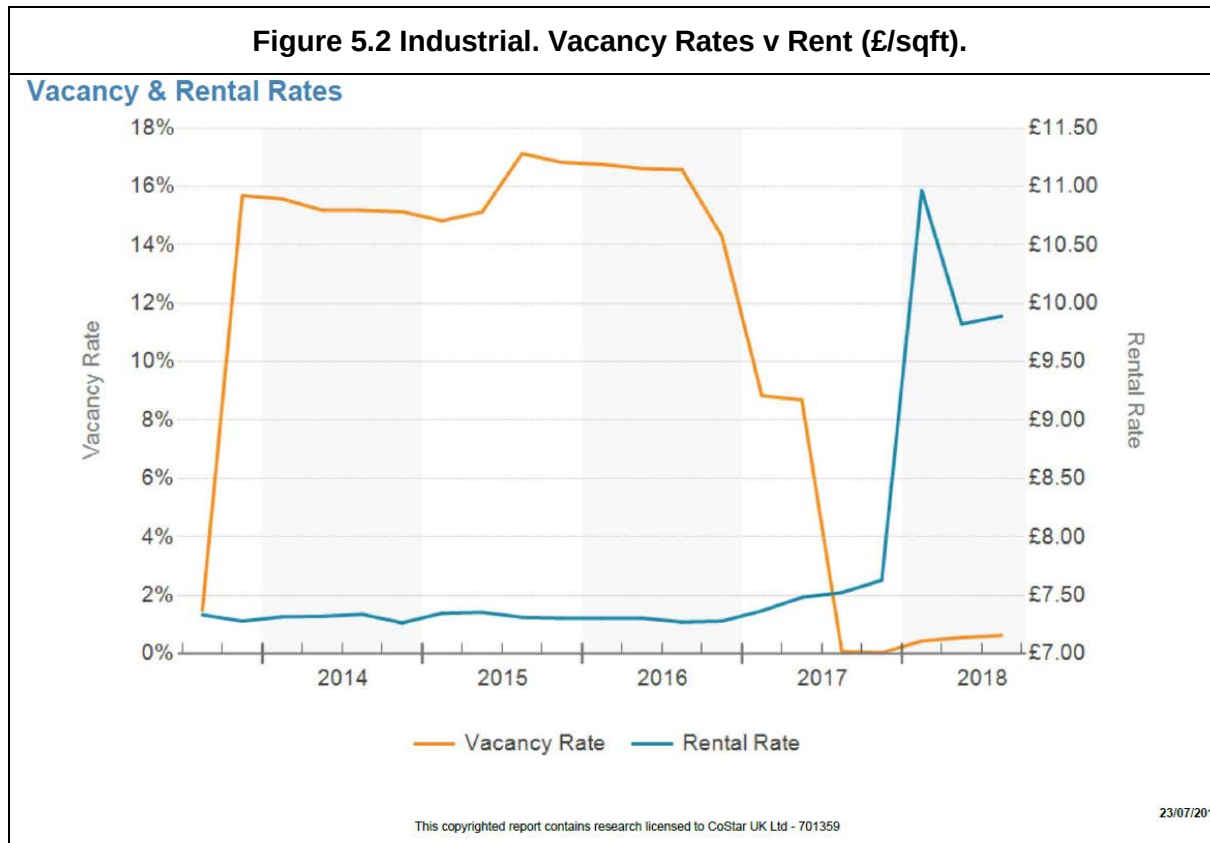


- 5.14 There is a wide range of offices being marketed in the area and nearby at the time of this assessment, although much of this is very different to the type that is likely to come forward in the future. Of the new space, the highest rents are around £320/m²/year (£29.67/sqft/year), although good quality new offices would generally be in the region of £155/m²/year (£14.5/sqft/year). CoStar reports Net Effective Rents of a similar amount and yields of around 5.5%.
- 5.15 On this basis new office development were initially assumed to have a value of £2,800/m².
- 5.16 One of the consultees⁴⁶ suggested that a yield of 6.8% would be more appropriate and a value of £2,500/m² more appropriate, although no supporting evidence was provided.

Industrial and Distribution

- 5.17 CoStar data also shows a decline in vacancy rates and an increase in rents over the last five years in the industrial sector:

⁴⁶ Water Lane – West Katherines



Source: CoStar (July 2018)

- 5.18 The highest rents are around £170/m²/year (£15.85/sqft/year), although figures around £107/m² (£10/sqft) are more typical. Those units closer to the highways network have the best rents. CoStar reports yields of around 6.5% or so.
- 5.19 On this basis new industrial and distribution units were initially assumed to have a value of £1,650/m².
- 5.20 One of the consultees⁴⁷ suggested that a yield of 6.8% would be more appropriate and a value of £1,583/m² more appropriate, although no supporting evidence was provided.

⁴⁷ Water Lane – West Katherines

6. Land Values

- 6.1 Chapters 2 and 3 set out the methodology used in this assessment to assess viability. An important element of the assessment is the value of the land. The worth of the land before consideration of any increase in value, from a use that may be permitted through a planning consent, is the Existing Use Value (EUV). This is the starting point for the assessment.
- 6.2 In this chapter, the values of different types of land are considered. The value of land relates closely to the use to which it can be put and will range considerably from site to site. As this is a high-level assessment, the three main uses, being agricultural, residential and industrial have been researched. The amount of uplift that may be required to ensure that land will come forward and be released for development has then been considered.
- 6.3 In this context it important to note that the PPG says (at 10-016-20180724) that the *'Benchmark land value should: be based upon existing use value, allow for a premium to landowners ... be informed by market evidence including current uses, costs and values wherever possible....'*. It is therefore necessary to consider the Existing Use Value (EUV) as set out in Chapters 2 and 3 above as a starting point.

Existing Use Values

- 6.4 To assess development viability, it is necessary to analyse Existing and Alternative Use Values. EUV refers to the value of the land in its current use before planning consent is granted, for example, as agricultural land. AUV refers to any other potential use for the site. For example, a brownfield site may have an alternative use as industrial land.
- 6.5 It is important to fully appreciate that land value should reflect the current and emerging policy requirements and planning obligations.
- 6.6 The Residual Value for a particular scheme needs to be compared with the EUV. If the Residual Value does not exceed the EUV, then the development is not viable; if there is a surplus (i.e. profit) over and above the 'normal' developer's profit having paid for the land, then there is scope to make developer contributions.
- 6.7 The 'model' approach is outlined below:
- i. For sites previously in agricultural use, then agricultural land represents the EUV. This is assumed to apply on sites 0.5ha or more.
 - ii. For paddock and garden land on the edge of or in a smaller settlement a 'paddock' value is adopted. This is assumed to apply on sites of less than 0.5ha.
 - iii. Where the development is on brownfield land, an industrial value is assumed.

Residential Land

- 6.8 In May 2018, DCLG published *Land value estimates for policy appraisal*⁴⁸. This sets out land values as at May 2017 and was prepared by the Valuation Office Agency (VOA)
- | | |
|-----------------------|---------------|
| a. East Hertfordshire | £7,715,000/ha |
| b. Harlow | £4,010,000 |
| c. Epping Forest | £7,565,000. |
- 6.9 These figures assume nil affordable housing. As stressed in the paper this is a hypothetical situation and *'the figures on this basis, therefore, may be significantly higher than could be reasonably obtained in the actual market'*.
- 6.10 The VOA assumed that each site is 1 hectare in area, of regular shape, with services provided up to the boundary, without contamination or abnormal development costs, not in an underground mining area, with road frontage, without risk of flooding, with planning permission granted and that no grant funding is available; the site will have a net developable area equal to 80% of the gross area. For those local authorities outside London, the hypothetical scheme is for a development of 35 two storeys, 2/3/4 bed dwellings with a total floor area of 3,150 square metres.
- 6.11 Recent transactions based on planning consents over the last few years and price paid information from the Land Registry have been researched and are set out in **Appendix 7** and summarised in the following table.

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/710539/Land_Values_2017.pdf

Table 6.1 Recent Sales of Development Land					
Scheme	Area (ha)	Units	Aff %	Price Paid /ha	Price Paid / Unit
Harlow					
Edinburgh Gate Car Park, Edinburgh Gate	2.3	376	?	£9,239,130	£56,516
Service Industry Bays, The Stow	0.5	98	14%	£2,600,000	£13,265
Parcel 1A, Phase 2a, Newhall	4.03	170	15%	£4,681,867	£110,988
1 to 7 Burnt Mill	0.91	142	8%	£4,615,385	£29,577
Swallow Churchgate Hotel, Churchgate Street	1.19	26	35%	£1,974,790	£90,385
YWCA Hostel - The Angle, Fourth Avenue	0.36	69	9%	£208,333	£1,087
Harlow Rugby Football Club, Elizabeth Way	3.6	125	32%	£3,111,111	£89,600
Epping Forest					
Chimes Garden Centre, Old Nazeing Road, Nazeing	1.0	17	0%	£700,000	£41,176
Brent House Farm, Harlow Common, North Weald	1.34	19	11%	£1,619,403	£114,211
Norton Heath Riding Centre, Fingrith Hall Lane, High Ongar, Ongar	2.2	30	50%	£1,681,818	£123,333
Allotments rear of 8 To 22 Institute Road, Coopersale, Epping	0.56	18	33%	£4,598,214	£143,056
Stoneshot Farm, Hoe Lane, Nazeing	1.3	17	59%	£380,769	£29,118
Tottenham Hotspur Training Ground, Luxborough Lane Chigwell	10.0	60	0%	£490,000	£81,667
Chigwell County Primary School, High Road, Chigwell	4.76	59	0%	£25,210	£2,034
Chigwell Grange, High Road, Chigwell	2.98	43	0%	£6,302,013	£436,744
Netherhouse Farm, Sewardstone Road, Waltham Abbey	1.1	16	50%	£4,545,455	£312,500
Land at Barnfield, Epping Road, Roydon	4.05	23	48%	£802,469	£141,304
Fyfield Business and Research Park, Fyfield Road, Chipping Ongar	9.25	105	42%	£992,973	£87,476
East Hertfordshire					
356 – 364 Ware Road, Hertford	0.4	34	0%	£2,700,000	£31,765
Rye Street/Farnham Road, Bishops Stortford	1.45	32	0%	£1,310,345	£59,375

Source: Land Registry and the Councils (September 2018)

6.12 These values are on a whole site (gross area) basis and range considerably.

Table 6.2 Recent Sales of Development Land – Summary		
ALL SITES		
	£/ha	£/unit
Minimum	£25,210	£1,087
Average	£2,609,675	£99,759
Median	£1,974,790	£84,571
Maximum	£9,239,130	£436,744

Source: Land Registry and the Councils

- 6.13 Having disregarded non-policy compliant schemes (as per PPG paragraph 10-015-20180724) the data can be summarised as follows.

Table 6.3 Recent Sales of Development Land – Summary		
POLICY COMPLIANT SITES ONLY		
	£/ha	£/unit
Minimum	£380,769	£29,118
Average	£1,729,712	£130,686
Median	£1,337,396	£106,859
Maximum	£4,545,455	£312,500

Source: Land Registry and the Councils

- 6.14 In this regard, we have a caveat and that is in relation to large sites. Large sites have their own characteristics and are often subject to significant infrastructure costs and amounts of open space which result in lower values.
- 6.15 It is necessary to make an assumption about the value of residential land. A value of £1,300,000/ha is taken as an average value for residential land. This is around the median value having discounted the outliers values as per paragraph 10-011-20180724 of the updated PPG. This figure would not apply to very large-scale sites which are not represented in the above data.
- 6.16 A consultee⁴⁹ suggested that £1,300,000 was understated – but no indication was given as to by how much or based on what evidence. It was suggested that some of the transactions referred to were historic. That is accepted, although the nature of the exercise and the relative scarcity of data makes this inevitable.

⁴⁹ Water Lane – West Katherines

Industrial Land

- 6.17 *Land value estimates for policy appraisal* does not provide a specific figure for Harlow, rather provides the following figures for places in the general locality:

Table 6.4 Industrial Land Values (£/ha)	
Hemel Hempstead	£1,800,000
Ipswich	£605,000
Redbridge	£3,000,000

Source: Land value estimates for policy appraisal, MHCLG (May 2018)

- 6.18 We have sought further evidence as to industrial values in the area and there is very little available.
- 6.19 CoStar (a property market data service) includes details of industrial land. These are summarised in **Appendix 8**. The average is £1,329,000/ha (£537,000/acre) and the median is £914,000/ha (£370,000/acre).
- 6.20 In this assessment, a value of £1,000,000/ha is assumed.

Agricultural and Paddocks

- 6.21 *Land value estimates for policy appraisal* provides a figure of £23,500/ha for Hertfordshire and £22,500/ha for the wider South East. The *RICS/RAU Rural Land Market Survey* reports agricultural land values. The most recent report⁵⁰ suggests values of £23,500/ha (£9,500/acre) for arable land and £17,300/ha (£7,000/acre) for pasture.
- 6.22 A figure of £20,000/ha was suggested during the consultation process, but this has been revised up to £22,500/ha which is assumed to apply here.
- 6.23 In this regard a consultee⁵¹ said:
- The indicated value of £20,000 / ha for agricultural land appears low. We would expect a value of c.£29,600/ha (£12,000/acre). We would also note that Gilston includes a number of residential and commercial assets which command greater value and as such will tend to mean that the overall average land value is towards the upper end of the range.*
- 6.24 Whilst we agree that other uses will tend to lift the base agricultural uses, the assumption for agricultural land is supported by the wider evidence.

⁵⁰ <http://www.rics.org/Global/RICS%20RAU%20Rural%20Land%20Market%20Survey%20H2%202015.pdf>

⁵¹ Gilston - Villages 1-6

- 6.25 It was highlighted⁵² that parts (about 19ha) of the Water Lane – West Katherines site is currently in a glasshouse use. It was suggested that £1,700,000/ha was an appropriate EUV. The value of glasshouse sites depends very much on the specific circumstances of the buildings. A modern, relatively new set-up with automation, will command a price that is very much higher than an older facility that is not suited to modern production methods.
- 6.26 A typical glasshouse of more than 2 ha for food production would cost around £500,000/ha; whilst a similar area for young plant production may cost over £1,000,000/ha to build. Most agricultural business would write the value down over time – although the costs can vary widely depending on the specifics. No evidence was provided to support a figure of £1,700,000. In this assessment glasshouses have been treated as having the same value as Industrial Land.

Benchmark Land Values

- 6.27 The Residual Value from the appraisals are compared with the EUV set out above in order to form a view about each of the sites' viability. It does not automatically follow that, if the Residual Value produces a surplus over the EUV benchmark, the site is viable. In considering the BLV, regard has been had to the PPG:

What factors should be considered to establish benchmark land value?

Benchmark land value should:

- *be based upon existing use value*
- *allow for a premium to landowners (including equity resulting from those building their own homes)*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*
- *be informed by market evidence including current uses, costs and values wherever possible. Where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*

In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.

Where viability assessment is used to inform decision making under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the

⁵² Water Lane, West Katherines

plan. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement).

PPG 10-014-20180724

- 6.28 In line with the above the starting point is the EUV. In this case the majority of the sites are in agricultural use so agricultural use is taken as the EUV. The exception is the case of Water Lane – West Katherines. Part of Water Lane – West Katherines is under glasshouses (19ha / 30%) and the remainder (that will be subject to development) is in agricultural uses (44ha / 70%). An industrial use value is attributed to the areas under glasshouses.
- 6.29 It is necessary to consider the value of policy compliant land transactions. As set out above, the average value in the general area is about £1,300,000/ha. The transactions that inform this average are not representative of the sites that are under consideration in this assessment. The Garden Town sites range from 750 units to 8,500 units and from 72ha to about 1,000ha. The largest site for which price paid data was available was about 10ha, so of a completely different scale. No additional or alternative evidence was presented in this regard through the consultation with the site promoters.

How should the premium to the landowner be defined for viability assessment?

The premium (or the 'plus' in EUV+) is the second component of benchmark land value. It is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements.

Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. For any viability assessment data sources to inform the establishment the landowner premium should include market evidence and can include benchmark land values from other viability assessments. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement).

PPG 10-016-20180724

- 6.30 The question for this assessment is what is a reasonable premium? In the Councils' published viability studies the following approaches were taken:
- a. *EHDC Plan Viability, Affordable Housing and CIL Study (PBA, 1st October 2015) is the oldest of the three studies and a Threshold Land Value (being equivalent to BLV) of £2,250,000/ha is used for housing in the southern area of the district.*
 - b. *EFDC Stage 2: Update Assessment of the Viability of Affordable Housing, CIL and the Local Plan (Dixon Searle, November 2017) takes various approaches, however for large greenfield sites, the assumption of £250,000/ha is used.*
 - c. *Harlow's Local Plan Viability Assessment, Affordable Housing and CIL Review (BNP Paribas, March 2018) uses two thresholds of £250,000/ha and £370,000/ha, although the geographical area of this is not mapped.*

- 6.31 The Epping Forest and Harlow studies clearly follow the EUV Plus approach, so the methodologies used are most closely aligned with the updated PPG. The East Hertfordshire assessment does not follow the EUV plus approach, so it is given less weight. In this assessment, to consider the deliverability of the very large sites that make up the Harlow and Gilston Garden Town, it is necessary to make an assumption as to the Landowner's Premium. The following approach is taken.
- a. On brownfield and non-agricultural land an assumption of EUV plus 20%. This only relates to the part of Water Lane – West Katherines⁵³ that is under glasshouse use.
 - b. On the agricultural land an assumption of EUV (£22,500/ha) plus £300,000/ha is used. This provides a very substantial uplift for a landowner selling a greenfield site with consent for development. In the event of the grant of planning consent they would receive over ten times the value compared with before consent was granted. This approach is the one suggested in the Harman Guidance (see Chapter 2 above) and by the Planning Advisory Service (PAS).
- 6.32 It is accepted that this is a simplification of the market, however in a high-level assessment of this type that is based on modelled sites, simplifications and general assumptions need to be made.
- 6.33 One of the site promoters⁵⁴ felt that the BLV value remained too low and they suggested figure of £432,000/ha (based on £175,000/acre). This difference is acknowledged. Bearing in mind the importance of this assumption in reaching a conclusion about the deliverability of sites, this is discussed with the results in Chapter 10 below.
- 6.34 It is useful to consider the assumptions used in other studies in other parts of England. We have reviewed viability thresholds used by other councils in England in development plans. These are set out in the table below.

⁵³ The BLV for West Katherines is taken to be £585,553/ha.

	ha	EUV		Uplift		Plus %	Add Plus
Glasshouses	19	1,000,000	19,000,000	20.00%		3,800,000	0
Agricultural	44.38	22,500	998,571		300,000	0	13,314,286
	63.38		19,998,571				17,114,286
			315,530				270,023

⁵⁴ Latton Priory

Table 6.5 Viability Thresholds Used Elsewhere	
Local Authority	Threshold Land Value
Babergh	£370,000/ha
Cannock Chase	£100,000-£400,000/ha
Christchurch & East Dorset	£308,000/ha (un-serviced)
	£1,235,000/ha (serviced)
East Hampshire	£450,000/ha
Erewash	£300,000/ha
Fenland	£1-2m/ha (serviced)
GNDP	£370,000-£430,000/ha
Reigate & Banstead	£500,000/ha
Stafford	£250,000/ha
Staffordshire Moorlands	£1.26-£1.41m/ha (serviced)
Warrington	£100,000-£300,000/ha

Source: Planning Advisory Service (collated by URS)

- 6.35 Care has to be taken drawing on such general figures without understanding the wider context and other assumptions in the studies, but generally the assumptions used in this work are within the range.

7. Development Costs

- 7.1 This chapter considers the costs and other assumptions required to produce the financial appraisals.

Development Costs

Construction costs: baseline costs

- 7.2 The cost assumptions are derived from the Building Cost Information Service (BCIS)⁵⁵ data, using the figures re-based for Harlow.

Table 7.1 BCIS Costs- £/m ² gross internal floor area			
	Lower Quartile	Median	Average
Epping Forest	£1,107	£1,253	£1,292
Harlow	£1,097	£1,242	£1,280
East Hertfordshire	£1,097	£1,242	£1,280

Source: BCIS (July 2018)

- 7.3 The cost figure for Harlow for 'Estate Housing – Generally' is £1,242/m² at the time of this assessment⁵⁶. Initially it was suggested that the Lower Quartile costs for the different construction forms and types (detached, flats, office etc) is applied to the appraisals. Through the consultation one site promoter⁵⁷ put forward a figure of £115/sqft base build (£1,238/m²) plus uplifts 'to allow for abnormal foundations, demolition and site remediation'. This is similar to the median cost.
- 7.4 Several consultees⁵⁸ expressed a concern around basing the costs on a lower quartile costs in a situation where the Councils have an aspiration for the highest quality designs and Garden Town Principles. The actual construction cost (of the dwellings) is not impacted on by Garden Town Principles as such, although site costs can be.

⁵⁵ BCIS is the Building Cost Information Service of the Royal Institution of Chartered Surveyors.

⁵⁶ BCIS Rebased to Harlow – 7th July 2018.

⁵⁷ Water Lane – West Katherines

⁵⁸ Gilston Village 1-6, Gilston – Village 7, Water Lane – West Sumners, and Latton Priory

- 7.5 One consultee⁵⁹ suggested that given the relatively small sample size, an Essex wide figure should be used. Relative to the UK-wide figure, Harlow is indexed⁶⁰ to 109, but the Essex figure is slightly lower at 107. The approach taken is cautious and appropriate.
- 7.6 A consultee⁶¹ suggested that upper quartile should be used or alternatively, individual costs plans be prepared for the different house types and that these be used. This has not been done, paragraph 10-012-20180724 of the PPG particularly recommends the use of the BCIS. Such an approach of designing specific units and costing them would not be proportionate. Specifically it is not accepted that it is necessary (and is certainly not proportionate) to prepare a detailed cost plan for the final scheme. The PPG is quite clear that the BCIS is an appropriate data source and the modelling is based on a policy compliant scheme.
- 7.7 Having considered the representations, the appraisals are based on BCIS median costs.
- 7.8 The base assumption in this report is that homes are built to the basic Building Regulation Part L 2010 Standards but not to higher environmental standards. This is in line with the Government announcement, made at the time of the Summer 2015 Budget in the *Fixing the foundations productivity report*⁶², of its intention not to proceed with the zero carbon buildings policy.

... repeat its successful target from the previous Parliament to reduce net regulation on housebuilders. The government does not intend to proceed with the zero carbon Allowable Solutions carbon offsetting scheme, or the proposed 2016 increase in on-site energy efficiency standards, but will keep energy efficiency standards under review, recognising that existing measures to increase energy efficiency of new buildings should be allowed time to become established

- 7.9 As a result, there was no uplift to Part L of the Building Regulations during 2016, and both the 2016 zero carbon homes target and the 2019 target for non-domestic zero carbon buildings will be dropped, including the Allowable Solutions programme. Having said this, environmental standards are increasing. In 2014 DCLG published *Housing Standards Review – Cost Impacts (EC Harris, September 2014)* that considered the more recent changes in building regulations and the optional additional standards. Based on the best currently available information, the costs of building to the now clarified, enhanced building standards is in line with the BCIS costs. In this viability assessment, the median BCIS costs are used.

⁵⁹ Latton Priory

⁶⁰ As at November 2018

⁶¹ Gilston – Village 7

⁶² <https://www.gov.uk/government/publications/fixing-the-foundations-creating-a-more-prosperous-nation>

- 7.10 It is assumed that all new non-residential development is built to the BREEAM Very Good standard. The additional cost of this is negligible as outlined in research⁶³ by BRE.

Construction costs: affordable dwellings

- 7.11 The procurement route for affordable housing is assumed to be through construction by the developer and then disposal to a housing association on completion. In the past, when considering the build cost of affordable housing provided through this route, we took the view that it should be possible to make a saving on the market housing cost figure, on the basis that one might expect the affordable housing to be built to a slightly different specification than market housing. However, the pressures of increasingly demanding standards for housing association properties have meant that, for conventional schemes of houses at least, it is no longer appropriate to use a reduced build cost; the assumption is of parity.

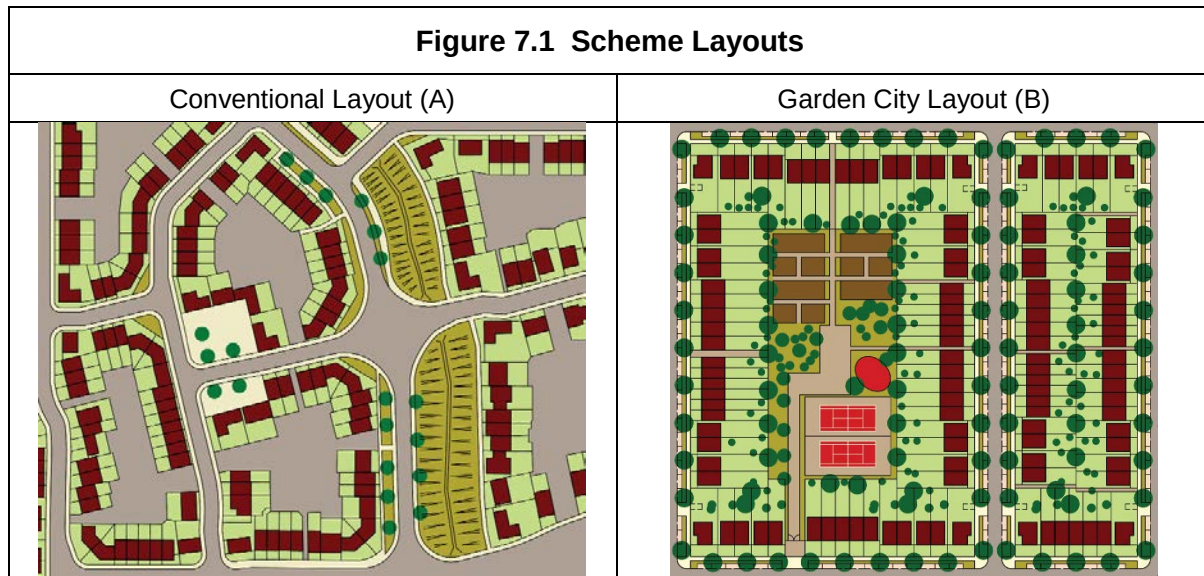
Site Costs

- 7.12 The difference between the Garden Town and the conventional approach is in two main parts. The first being the total land requirement and the second being the layout.
- 7.13 In this assessment the construction costs are based on the BCIS costs. The BCIS costs include the costs of the building but not the costs of services and external works. For this assessment we have had regard to the work carried out by URS (now AECOM) to support the TCPA's *Nothing gained by overcrowding!* paper⁶⁴. In that paper, two 4ha schemes were modelled as per the layouts below (at 2012 prices) to ascertain the estimated site costs. It found that the site costs on the Garden Town scheme, on a per unit basis, are about 65% of the costs on the conventional scheme.

⁶³ Delivering sustainable buildings: Savings and payback. Yetunde Abdul, BRE and Richard Quartermaine, Sweett Group. Published by IHS BRE Press, 7 August 2014

⁶⁴ See footnote 1.





Source: Nothing gained by overcrowding! TCPA 2012

- 7.14 The reason for this is set out in the report as follows (where Scheme A is the Conventional scheme and Scheme B adopts the Garden City principles):

... the real difference between the two approaches becomes apparent when we then take into account the substantially larger plot size of homes in Scheme B. It can be seen that the cost per square metre is more than 40% less for homes in Scheme B, and more than 50% less if one includes a share of the communal open space area. Aside from the adoption of the highway and footways, no additional cost has been included for the long-term management and maintenance of communal areas in either scheme. However, there are significant differences between the two approaches. In Scheme A only 31% of the total area is looked after by the individual property owners or tenants, leaving almost 70% of the area to be maintained by the highway authority or management company. In contrast, in Scheme B the area to be maintained communally is just 39%, and would be reduced to just 24% if the communal gardens were managed directly by the residents.

- 7.15 Under a conventional scheme it is generally assumed that the site costs would be in the range of 15% to 20% of the construction (i.e. BCIS based) costs. In the pre-consultation notes site costs were assumed to be 13% of the BCIS based construction cost. A site promoter⁶⁵ suggested that Garden Town Principles (in this situation) were less about the layout of the net developable area and more about the undeveloped land and the net / gross area.
- 7.16 One consultee suggested⁶⁶ that this adjustment for Garden Town Principles should not be made and 'the conventional 20% of build costs' should be used. Part of the justification for this was that they would not be following the layout aspects of the Garden Town Principles. In an assessment of this type it is necessary to follow the policy requirements. Through the February 2019 consultation this developer suggested that the approach set out in *Nothing*

⁶⁵ Gilston – Villages 1-6

⁶⁶ Latton Priory

gained by overcrowding! (TCPA 2012) was too simplistic. It is accepted that the paper is a high-level assessment, but in the absence of any alternate evidence that considers the costs behind the Garden City principles the approach taken is appropriate.

- 7.17 Other consultees⁶⁷ commented differently agreeing the 13% assumption was too low – but suggesting ‘an allowance of 15% of basic build costs’. It was also suggested that⁶⁸ if the upper quartile BCIS costs were used, then the 13% assumption would be appropriate – otherwise a 15% to 20% assumption should be used.
- 7.18 Following the February 2019 consultation, a developer⁶⁹ suggested that the 15% appeared low, citing the anticipated level of quality but not providing any actual supporting evidence. Bearing in mind the wider comments no further change is made and in this iteration a 15% assumption is used.
- 7.19 Another developer⁷⁰ suggested that an additional allowance needed to be made for internal roads and the like. These costs are included in the 15% allowance used.

Abnormal costs

- 7.20 With regard to abnormals, paragraph 10-012-20180724 of the PPG says:

abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value

- 7.21 This needs to be read with paragraph 10-014-20180724 of the PPG that says that:

Benchmark land value should: ... reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and ...

- 7.22 The consequence of this, when considering viability in the planning system, is that abnormal costs should be added to the cost side of the viability assessment, but also reflected in (i.e. deducted from) the BLV. This has the result of balancing the abnormal costs on both elements of the appraisal.
- 7.23 This approach is consistent with the treatment of abnormals that was considered at Gedling Council's Examination in Public. There is an argument, as set out in Gedling⁷¹, that it may not be appropriate for abnormals to be built into appraisals in a high-level assessment of this type. Councils should not plan for the worst-case option – rather for the norm. For example, if two

⁶⁷ Gilston – Village 7, Water Lane – West Sumners

⁶⁸ Gilston – Village 7

⁶⁹ Gilston – Village 7

⁷⁰ Water Lane – St Katherine's

⁷¹ REPORT TO GEDLING BOROUGH COUNCIL, THE PLANNING INSPECTORATE REF PINS/N3020/429/4, MAY 2015

similar sites were offered to the market and one was previously in industrial use with significant contamination, and one was 'clean' then the landowner of the contaminated site would have to take a lower land receipt for the same form of development due to the condition of the land. The Inspector said:

... demolition, abnormal costs and off site works are excluded from the VA, as the threshold land values assume sites are ready to develop, with no significant off site secondary infrastructure required. While there may be some sites where there are significant abnormal construction costs, these are unlikely to be typical and this would, in any case, be reflected in a lower threshold land value for a specific site. In addition such costs could, at least to some degree, be covered by the sum allowed for contingencies.

- 7.24 In some cases, where the site involves redevelopment of land which was previously developed, there is the potential for abnormal costs to be incurred. Abnormal development costs might include demolition of substantial existing structures; flood prevention measures at waterside locations; remediation of any land contamination; remodelling of land levels; and so on. An additional allowance is made for abnormal costs associated with brownfield sites of 5% of the BCIS costs (the 19ha of glasshouses at Water Lane, West Katherines is treated as brownfield land).
- 7.25 By way of example, there are several very significant specific abnormal costs. To deliver the Gilston sites a new electricity substation is needed. The estimated cost is over £25,000,000 (this is to be confirmed). This has not been included in the appraisals. Whilst it is a cost, that cost would be offset by an equal reduction in the BLV. The acoustic wall that is required on the M11 boundary of Harlow East has been treated in the same way.
- 7.26 In summary, abnormal costs will be reflected in land value. Those sites that are less expensive to develop will command a premium price over and above those that have exceptional or abnormal costs. It is not the purpose of an assessment of this type to standardise land prices across an area.

Fees

- 7.27 For residential and non-residential development professional fees are assumed to amount to 8% of build costs. Additional allowance is made for planning application fees, acquisition costs, sales (disposal) fees and fees in relation to finance.

Contingencies

- 7.28 For previously undeveloped and otherwise straightforward sites, a contingency of 2.5% has been allowed for, with a higher figure of 5% on more risky types of development, such as previously developed land.

- 7.29 One consultee⁷² suggested 5% should be used on residential development and 10% on infrastructure elements. A second consultee⁷³ suggested a 5% assumption as a buffer to cover abnormal costs, they also suggested it was illogical to make a differential in this regard. A third consultee⁷⁴ suggested 5%.
- 7.30 The strategic infrastructure and mitigation costs, set out later in this chapter, include appropriate contingencies, so an additional contingency cost is not added. It is necessary to reflect the 'unknowns' that are more likely to arise in brownfield sites and as these are likely to be greater than on greenfield sites, no change is made in this regard.
- 7.31 The subject of contingency was discussed further at the February 2019 consultation meeting and raised⁷⁵ subsequently. It was confirmed that the strategic infrastructure and mitigation costs include a separate 20% contingency, that 2.5% has been applied to greenfield sites and 5% to brownfield sites. It was again suggested that 5% should be used in all cases. This is not accepted; this assumption is to reflect risk and should be considered with the developer's return. The differentiation between greenfield and brownfield sites is, in part, through this assumption.

S106 Contributions and the costs of infrastructure

- 7.32 For many years, the Councils have sought payments from developers to mitigate the impact of the development through improvements to the local infrastructure. At the time of the initial consultation on the early draft of this document, no cost data in this regard was presented to the consultees (ARUP were undertaking a simultaneous consultation on the site specific and wider requirements with infrastructure providers and site promoters). Unsurprisingly most consultees highlighted the importance of this part of the assessment.
- 7.33 The Councils have recently reviewed the Infrastructure Delivery Plans specifically in relation to the Garden Town development. This work includes a disaggregation of the cost by site:

⁷² Latton Priory

⁷³ Gilston – Village 7

⁷⁴ Water Lane – West Sumners

⁷⁵ Gilston – Village 7 and West Sumners



Table 7.2 Strategic Infrastructure and Mitigation Costs			
	Units	Total	Cost/unit
East of Harlow (North)	750	£36,114,903	£48,153
East of Harlow (South)	2,600	£118,713,857	£45,659
Latton Priory	1,050	£50,414,373	£48,014
Water Lane Area (Sumners)	807	£39,892,836	£49,434
Water Lane Area (Katherines)	1,331	£65,718,743	£49,375
Gilston (Villages 1-6)	8,500	£460,951,808	£54,230
Gilston (Village 7)	1,500	£80,704,761	£53,803

Source: Arup, (March 2019)

- 7.34 All the above costs are somewhat higher than those used in the earlier (February 2019) draft iteration of this report. It is important to note that the above costs include allowances for open space. The majority of these costs are normal site costs and covered within the normal landscaping and site preparation assumptions. The exceptions are the £5,000,000 costs that relate to the River Stort green infrastructure (Gilston 1-6 - £4,250,00, Gilston 7 - £750,000). Further, some of the above costs include an allowance for land cost. It is normal for land to be provided for infrastructure at no cost, so this element is also deducted. The following costs are in the appraisals.

Table 7.3 Refined Strategic Infrastructure and Mitigation Costs			
	Units	Total	Cost/unit
East of Harlow (North)	750	£34,536,459	£46,049
East of Harlow (South)	2,600	£104,999,393	£40,384
Latton Priory	1,050	£48,191,121	£45,896
Water Lane Area (Sumners)	807	£38,247,063	£47,394
Water Lane Area (Katherines)	1,331	£63,004,339	£47,336
Gilston (Villages 1-6)	8,500	£445,525,028	£52,415
Gilston (Village 7)	1,500	£77,980,821	£51,987

Source: Arup, (March 2019)

- 7.35 These costs are disaggregated by type of contribution in **Appendix 9** and are tested within this assessment. The above figures do not include the potential SANG costs in relation to Epping Forest, which are expected to be in the region of £2,500,000.
- 7.36 The timing of these payments is also important and summarised below, further disaggregation is included in **Appendix 9**.

Table 7.4 Phasing of Strategic Infrastructure and Mitigation Costs

	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +
East of Harlow (North)						
Units	0	250	500	0	0	0
S106 £	£5,003,426	£18,713,880	£9,451,552	£295,166	£295,166	£777,269
s106 %	14.49%	54.19%	27.37%	0.85%	0.85%	2.25%
East of Harlow (South)						
Units	750	1,150	700	0	0	0
S106 £	£18,912,495	£51,556,734	£29,789,150	£1,023,241	£1,023,241	£2,694,533
s106 %	18.01%	49.10%	28.37%	0.97%	0.97%	2.57%
Latton Priory						
Units	50	500	500	0	0	0
S106 £	£6,830,689	£30,072,170	£9,373,621	£413,232	£413,232	£1,088,177
s106 %						
Water Lane Area (Sumners)						
Units	38	384	384	0	0	0
S106 £	£5,247,972	£25,729,792	£5,797,762	£317,598	£317,598	£836,342
s106 %	13.72%	67.27%	15.16%	0.83%	0.83%	2.19%
Water Lane Area (Katherines)						
Units	63	634	634	0	0	0
S106 £	£8,655,577	£42,359,372	£9,562,356	£523,820	£523,820	£1,379,394
s106 %	13.74%	67.23%	15.18%	0.83%	0.83%	2.19%
Gilston (Villages 1-6)						
Units	217	833	1,000	1,000	1,500	3,950
S106 £	£125,285,303	£105,060,160	£103,991,799	£41,914,009	£27,171,859	£42,101,898
s106 %	28.12%	23.58%	23.34%	9.41%	6.10%	9.45%
Gilston (Village 7)						
Units	0	500	500	500	0	0
S106 £	£19,369,648	£20,851,622	£18,518,411	£7,564,222	£4,644,246	£7,032,671
s106 %	24.84%	26.74%	23.75%	9.70%	5.96%	9.02%

Source: Arup, (March 2019)Note:

- 7.37 In the above some of the payments continue beyond the completion of the last unit. Where this is the case, in the modelling, it is assumed any payments that are scheduled for after the completion of the last unit are made in the year of the last unit. Equally, some of the payments are well before the start of the project, where this is the case, in the modelling it is assumed that the payment is made in the first year of the project. The above trajectory for the early phases of Gilston Villages 1-6 is slightly different to that in the IDP. The impact is considered to be minimal.
- 7.38 The trajectory of payments has changed between the previous iteration and this iteration (March 2019) of the assessment. This generally has an adverse impact on the appraisal results.

- 7.39 Whilst it is beyond the scope of this assessment to delve into the make up of the strategic infrastructure and mitigation costs, it is noted that some of the costs include doctors' surgeries. Such facilities have a value and are not necessarily a cost of development.
- 7.40 To enable sensitivity testing in this regard, a range of infrastructure costs ranging from £0 to £70,000 per unit has been tested.
- 7.41 Through the consultation process it was suggested⁷⁶ that a figure of £23,800 to £32,200 per plot be used, being based on a (indexed) figure from the Harman Guidance. Whilst the Harman Guidance is useful, in this instance it is necessary to use the actual estimate of the infrastructure requirements (which are substantially greater than those suggested in the Harman Guidance).
- 7.42 The above costs are estimates and they may be subject to change. Further, no allowance is made for any external funding. The Councils have a good track record in securing external funding for the Department of Transport (for M11 junction works) and others. By way of example, there are current HIF bids being prepared at the time of this report.

Financial and Other Appraisal Assumptions

CIL

- 7.43 None of the Councils have adopted CIL. No allowance is made for this tax.
- 7.44 One site promoter did suggest that an assumption be made as to the level of CIL and this be incorporated into the appraisals – based on nearby authorities. This has not been followed – if CIL is taken forward by any of the Authorities, the site promoters will be able to comment at that time (there is scope, within the CIL Regulations for strategic sites to be treated as separate CIL Zones).

VAT

- 7.45 It has been assumed throughout, that either VAT does not arise, or that it can be recovered in full⁷⁷.
- 7.46 Through the consultation⁷⁸ it was noted that VAT on the SDLT element of land purchases is not recoverable. This is the case where VAT is charged, however (based on information from the Land Registry) VAT only related to three of the sales set out in **Appendix 7** of this document. No change has been made in this regard.

⁷⁶ Water Lane, West Katherines

⁷⁷ Residential Development is zero rated so VAT on development can be recovered. Where an election is made to charge VAT in relation to non-residential development the VAT can be recovered.

⁷⁸ Water Lane, West Katherines

Interest rates

- 7.47 The appraisals assume 6% pa for total debit balances. No allowance is made for any equity provided by the developer. This does not reflect the current working of the market nor the actual business models used by developers. In most cases the smaller (non-plc) developers are required to provide between 30% and 40% of the funds themselves, from their own resources, so as to reduce the risk to which the lender is exposed. The larger plc developers tend to be funded through longer term rolling arrangements across multiple sites.
- 7.48 The 6% assumption may seem high given the very low base rate figure (0.75% March 2019). Developers that have a strong balance sheet, and good track record, can undoubtedly borrow less expensively than this, but this reflects banks' view of risk for housing developers in the present situation. In the residential appraisals, a simple cashflow is used to calculate interest.
- 7.49 The relatively high assumption of the 6% interest rate (relative to base rates), and the assumption that interest is chargeable on all the funds employed, has the effect of overstating the total cost of interest as most developers are required to put some equity into most projects.
- 7.50 A consultee⁷⁹ said:

Funding of development is a complex area which typically involves a number of different parties (including the developer) committing funds to support the development. The cost of these funds will not consistently lie at or below the 6% allowance identified in the draft HGVA and the interest costs for many scenarios will be above this allowance. This is particularly pertinent when considering complex phased long timescale schemes.

- 7.51 This is agreed, but it is necessary to make an appropriate assumption in an assessment of this type.
- 7.52 An arrangement fee of 1% of the peak borrowing requirement is also allowed for⁸⁰.

Developers' return

- 7.53 An allowance needs to be made for developers' return and to reflect the risk of development. Neither the NPPF, nor the CIL Regulations, nor the CIL Guidance provide useful guidance in this regard so, in reaching this decision, the RICS's '*Financial Viability in Planning*' (August 2012), the Harman Guidance *Viability Testing Local Plans, Advice for planning practitioners* (June 2012), and the HCA's Economic Appraisal Tool have been referred to. None of these documents are prescriptive, but they do set out some different approaches.
- 7.54 RICS's '*Financial Viability in Planning*' (August 2012) says:

⁷⁹ Latton Priory

⁸⁰ The peak borrowing requirement (assuming no developer's equity) is taken from the cashflow.

3.3.2 The benchmark return, which is reflected in a developer's profit allowance, should be at a level reflective of the market at the time of the assessment being undertaken. It will include the risks attached to the specific scheme. This will include both property-specific risk, i.e. the direct development risks within the scheme being considered, and also broader market risk issues, such as the strength of the economy and occupational demand, the level of rents and capital values, the level of interest rates and availability of finance. The level of profit required will vary from scheme to scheme, given different risk profiles as well as the stage in the economic cycle. For example, a small scheme constructed over a shorter timeframe may be considered relatively less risky and therefore attract a lower profit margin, given the exit position is more certain, than a large redevelopment spanning a number of years where the outcome is considerably more uncertain.

7.55 The Harman Guidance says:

Return on development and overhead

The viability assessment will require assumptions to be made about the average level of developer overhead and profit (before interest and tax).

The level of overhead will differ according to the size of developer and the nature and scale of the development. A 'normal' level of developer's profit margin, adjusted for development risk, can be determined from market evidence and having regard to the profit requirements of the providers of development finance. The return on capital employed (ROCE) is a measure of the level of profit relative to level of capital required to deliver a project, including build costs, land purchase, infrastructure, etc.

As with other elements of the assessment, the figures used for developer return should also be considered in light of the type of sites likely to come forward within the plan period. This is because the required developer return varies with the risk associated with a given development and the level of capital employed.

Smaller scale, urban infill sites will generally be regarded as lower risk investments when compared with complex urban regeneration schemes or large scale urban extensions.

Appraisal methodologies frequently apply a standard assumed developer margin based upon either a percentage of Gross Development Value (GDV) or a percentage of development cost. The great majority of housing developers base their business models on a return expressed as a percentage of anticipated gross development value, together with an assessment of anticipated return on capital employed. Schemes with high upfront capital costs generally require a higher gross margin in order to improve the return on capital employed. Conversely, small scale schemes with low infrastructure and servicing costs provide a better return on capital employed and are generally lower risk investments. Accordingly, lower gross margins may be acceptable.

This sort of modelling – with residential developer margin expressed as a percentage of GDV – should be the default methodology, with alternative modelling techniques used as the exception. Such an exception might be, for example, a complex mixed use development with only small scale specialist housing such as affordable rent, sheltered housing or student accommodation.

7.56 The HCA's Economic Appraisal Tool – the accompanying guidance for the tool kit says:

Developer's Return for Risk and Profit (including developer's overheads)

Open Market Housing

The developer 'profit' (before taxation) on the open market housing as a percentage of the value of the open market housing. A typical figure currently may be in the region of 17.5-20% and overheads being deducted, but this is only a guide as it will depend on the state of the market and the size and complexity of the scheme. Flatted schemes may carry a higher risk due to the high capital employed before income is received.

Affordable Housing

The developer 'profit' (before taxation) on the affordable housing as a percentage of the value of the affordable housing (excluding SHG). A typical figure may be in the region of 6% (the profit is less than that for the open market element of the scheme, as risks are reduced), but this is only a guide.

7.57 Paragraph 10-018-20180724 of the updated PPG says:

How should a return to developers be defined for the purpose of viability assessment?

Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.

For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

7.58 The above are not consistent, but it is clear that the purpose of including a developers' profit figure is not to mirror a particular business model, but to reflect the risk a developer is taking in buying a piece of land, and then expending the costs of construction before selling the property. The use of developers' profit in the context of area wide viability testing of the type required by the NPPF and CIL Regulation 14, is to reflect that level of risk.

7.59 Linking the developer's profit to GDV is not reflective of risk, as the risk relates to the cost of a scheme – the cost being the money put at risk as the scheme is developed. As an example (albeit an extreme one to illustrate the point) two schemes can be compared, A and B, each with a GDV £1,000,000, but scheme A has a development cost of £750,000 and scheme B a lesser cost of £500,000. All other things being equal, in A the developer stands to lose £750,000 (and make a profit of £250,000), but in B 'only' £500,000 (and make a profit of £500,000). Scheme A is therefore riskier, and it therefore follows that the developer will wish (and need) a higher return. By calculating profit on costs, the developer's return in scheme A would be £150,000 and in scheme B would be £100,000 and so reflect the risk – whereas if calculated on GDV the profits would be £200,000 in both.

7.60 Broadly there are four different approaches that could be taken:

- a. To set a different rate of return on each site to reflect the risk associated with the development of that site. This would result in a lower rate on the smaller and simpler sites – such as the greenfield sites, and a higher rate on the brownfield sites.
- b. To set a rate for the different types of unit produced – say 20% for market housing and 6% for affordable housing, as suggested by the HCA.
- c. To set the rate relative to costs – and thus reflect the risks of development.
- d. To set the rate relative to the gross development value.

- 7.61 In deciding which option to adopt, it is important to note that the intention is not to re-create any particular developer's business model. Different developers will always adopt different models and have different approaches to risk.
- 7.62 The argument is sometimes made that financial institutions require a 20% return on development value and if that is not shown they will not provide development funding. In the pre-Credit Crunch era there were some lenders who did take a relatively simplistic view to risk analysis but that is no longer the case. Most financial institutions now base their decisions behind providing development finance on sophisticated financial modelling that it is not possible to replicate in an assessment of this type. They require the developer to demonstrate a sufficient margin, to protect them in the case of changes in prices or development costs, but they will also consider a wide range of other factors, including the amount of equity the developer is contributing – both on a loan to value and loan to cost basis, the nature of development and the development risks that may arise due to demolition works or similar, the warranties offered by the professional team, whether or not the directors will provide personal guarantees, and the number of pre-sold units.
- 7.63 This is a high-level assessment where it is necessary and proportionate to take a relatively simplistic approach, so, rather than apply a differential return (either site by site or split between market and affordable housing), it is appropriate to make some broad assumptions.
- 7.64 In the initial iteration of this assessment the developers' return was assumed to be 17.5% of the value of market housing (being the midpoint in the range suggested by the PPG) and 6% of the value of affordable housing. This is in line with the updated PPG. In relation to non-residential development, an assumption of 15% is used. These assumptions should be considered with the assumption about interest rates in the previous section, where a cautious approach was taken with a relatively high interest rate, and the assumption that interest is charged on the whole of the development cost. Further consideration should also be given to the contingency sum in the appraisals which is also reflective of the risks.
- 7.65 In this regard one consultee⁸¹ commented:

For long term projects it is unrealistic in modelling terms to assume that the developer will defer all profit to the end of the scheme. In the case of strategic opportunities this suggests a 'nil return' development for 15+ years; a proposition which would generally not be funded.

This 'single phase' appraisal approach typically run by HDH on long projects should be modified to reflect the commercial reality that profit will need to be recovered from the scheme as it progresses rather than deferred entirely to the end of the scheme.

- 7.66 It is important to make a distinction between developers' return as used (in line with the PPG⁸²) and 'profit'. Viability in the planning system is not trying to imitate any particular developer's

⁸¹ Latton Priory

⁸² PPG 10-018-20180724 says:

or land promoter's business model, rather it is making an assessment of the deliverability of development sites in the way that is set out in the PPG. Under the Residual Valuation method adopted (as per the PPG and the Harman Guidance) the approach taken is appropriate. It is not appropriate to subdivide the site as implied, it is necessary to consider the deliverability of the whole site.

- 7.67 Another consultee⁸³ suggested that 20%, and another⁸⁴ 20% to 25%, be applied and this should be regarded as a minimum. As set out above, paragraph 10-018-20180724 of the updated PPG says that '*... for the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies ...*'.
- 7.68 In this iteration of this assessment the developers' return is assumed to be 20% of the value of market housing (being the top end of the range suggested by the PPG) and 6% of the value of affordable housing. The 20% / 6% assumption is broadly equivalent to 17.5% of total GDV. This may be seen as an overly cautious approach, bearing in mind the suggested range in the PPG, however, does reflect the comments of consultees.

Voids

- 7.69 On a scheme comprising mainly individual houses, one would normally assume only a nominal void period as the housing would not be progressed if there was no demand. In the case of apartments in blocks this flexibility is reduced. Whilst these may provide scope for early marketing, the ability to tailor construction pace to market demand is more limited.
- 7.70 For the purpose of the present assessment, a three-month void period is assumed for residential developments.

Phasing and timetable

- 7.71 A pre-construction period of six months is assumed for all of the sites. Each dwelling is assumed to be built over a nine-month period. The phasing programme for an individual site will reflect market take-up and would, in practice, be carefully estimated taking into account the site characteristics and, in particular, the size and the expected level of market demand. The rate of delivery will be an important factor when the Councils are considering the release of sites so as to manage the delivery of housing and infrastructure. Two aspects are relevant,

For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

⁸³ Gilston – Village 7

⁸⁴ Water Lane – West Sumners

firstly the number of outlets that a development site may have, and secondly the number of units that an outlet may deliver.

7.72 We have followed the trajectory provided by the Councils that we understand has been developed with the various site promoters and taking account of recent delivery rates in the area. These assumptions are conservative and do, properly, reflect current practice. This is the appropriate assumption to make to be in line with the PPG and Harman Guidance.

7.73 The phasing is taken from the overall Garden Town trajectory:

Table 7.5 Harlow Garden Town Trajectory							
	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043+	Total
East of Harlow (North)	0	250	500	0	0	0	750
	0.00%	33.33%	66.67%	0.00%	0.00%	0.00%	
East of Harlow (South)	750	1,150	700	0	0	0	2,600
	28.85%	44.23%	26.92%	0.00%	0.00%	0.00%	
Latton Priory	50	500	500	0	0	0	1,050
	4.76%	47.62%	47.62%	0.00%	0.00%	0.00%	
Water Lane Area (Sumners)	38	384	384	0	0	0	806
	4.71%	47.64%	47.64%	0.00%	0.00%	0.00%	100.00%
Water Lane Area (Katherines)	63	634	634	0	0	0	1,331
	4.73%	47.63%	47.63%	0.00%	0.00%	0.00%	
Gilston (Villages 1-6)	217	833	1,000	1,000	1,500	3,950	8,500
	2.55%	9.80%	11.76%	11.76%	17.65%	46.47%	
Gilston (Village 7)	0	500	500	500	0	0	1,500
	0.00%	33.33%	33.33%	33.33%	0.00%	0.00%	

Source: Arup (March 2019)

7.74 It is important to note that the above is taken from the wider trajectory and is in 5-year blocks. Within each 5-year block it is assumed that the delivery is equal in each year.

Site Acquisition and Disposal Costs

Site holding costs and receipts

7.75 Each site is assumed to proceed immediately (following a 6-month mobilisation period) and so, other than interest on the site cost during construction, there is no allowance for holding costs, or indeed income, arising from ownership of the site.

Acquisition costs

7.76 An allowance 1.5% for acquisition agents' and legal fees is made. Stamp duty is calculated at the prevailing rates.

Disposal costs

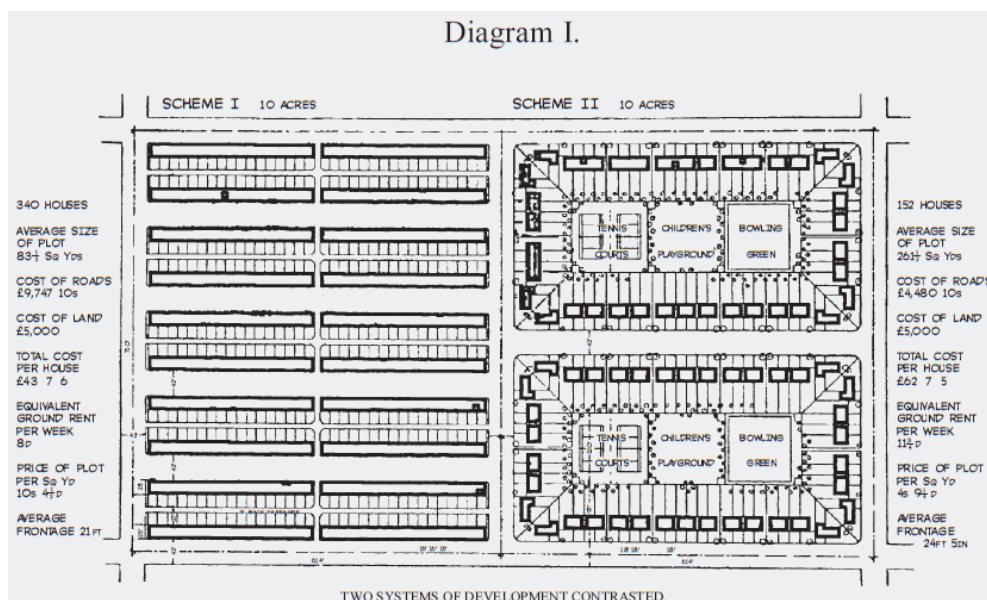
- 7.77 For the market and the affordable housing, sales and promotion and legal fees are assumed to amount to 3.5% of receipts. For disposals of affordable housing, these figures can be reduced significantly depending on the category, so in fact the marketing and disposal of the affordable element is probably less expensive than this.

8. Local Plan Policy Requirements

- 8.1 Ultimately the purpose of this assessment is to demonstrate the deliverability of the sites that make up the Harlow and Gilston Garden Town. This needs to be done in the context of local planning policies. The three Councils are at different stages of the plan-making process.
- Harlow Council has prepared and agreed a submission Local Plan which was published for comments on legality and soundness between 10th May and 22nd June 2018. The Plan was submitted for public examination in October 2018 and the hearings have taken place and are now adjourned.
 - Epping Forest District Council's Local Plan Submission Version was published for comments on soundness and legal compliance for a six-week period from 18th December 2017 to 29th January 2018. The hearings are now underway.
 - East Herts District Plan was submitted in early 2017; it has been through the examination process and was adopted later on 23rd October 2018.
- 8.2 The Councils' policy requirements are summarised in **Appendix 10**. The main requirements that impact on viability are set out below.

Garden City Principles

- 8.3 It is not the purpose of this paper to discuss or develop the Garden City principles – they are a requirement of the proposals. It is however important to appreciate what they are.



Source: Diagram 1 Nothing Gained by Overcrowding! Raymond Unwin. 1912

- 8.4 The TCPA has published a series of documents setting out the characteristics and principles underpinning a Garden City approach. The principles and basic assumptions for how these have been reflected in modelling, noting this is a high level assessment can be summarised as follows:

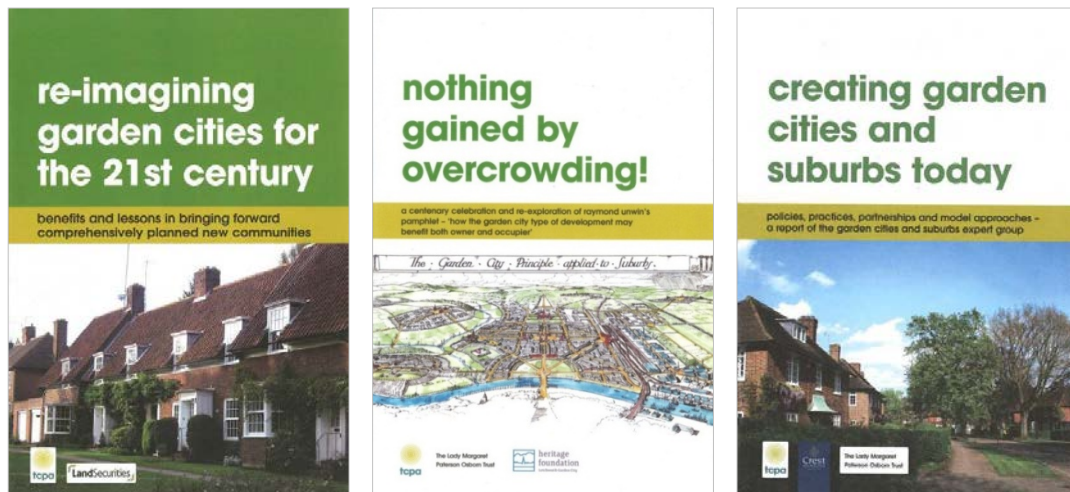
Table 8.1 Modelling Garden City Principles

Garden City Principles	How this is reflected in assumptions and modelling
Strong vision, leadership and community engagement.	This is dealt with at the planning stage and assumed to be covered in the professional fee allowances. In practice it may extend the planning process. In a new standalone development the community engagement is likely to be substituted by a wider engagement (as the community will not yet have been formed)
Land value capture for the benefit of the community.	Discussion around this is the output of this report so not modelled.
Community ownership of land and long-term stewardship of assets.	In the modelling it has been assumed that the openspaces are transferred to a community trust or similar. The IDP identifies establishing mechanisms for ongoing stewardship and governance as an important requirement but no costs have currently been associated with this. Dependent upon the approach taken, it is acknowledged that this could represent an additional cost to development.
Mixed-tenure homes and housing types that are affordable for ordinary people.	A mix of market and affordable housing is assumed, with a mix of unit sizes bases on policy requirements.
A strong local jobs offer in the Garden City itself, with a variety of employment opportunities within easy commuting distance of homes.	The land budget includes land for employment uses.
Beautifully and imaginatively designed homes with gardens, combining the very best of town and country living to create healthy homes in vibrant communities.	Generally, we have taken the view that good design costs no more than poor design and assumed the costs of design and construction are in line with industry norms.
Generous green space linked to the wider natural environment, including a surrounding belt of countryside to prevent sprawl, well connected and biodiversity rich public parks, and a mix of public and private networks of well-managed, high-quality gardens, tree-lined streets and open spaces.	The layout and landscaping are at the core of this study and are set out below.
Opportunities for residents to grow their own food, including generous allotments.	The openspace provisions provide adequate space for allotments.
Strong local cultural, recreational and shopping facilities in walkable neighbourhoods.	The modelling includes appropriate levels of community buildings and retailing.
Integrated and accessible transport systems – with a series of settlements linked by rapid transport providing a full range of employment opportunities (as set out in Howard's vision of the 'Social City').	The modelling includes appropriate contributions to improvements to local transport.

Source: HDH 2018

- 8.5 The TCPA work included an analysis of Garden City neighbourhood design as compared to that followed by conventional practice. This work, included as part of the centenary republication of Raymond Unwin's *Nothing Gained by Overcrowding!*, concluded that:

"the Garden City approach holds significant advantages over a typical layout produced by current practice. It organises streets, homes and gardens in much more efficient way so as to achieve a comparable density of development while providing residents with substantially more generous gardens, outdoor amenity space and tree-lined streets. Moreover, this better approach to neighbourhood planning translates into significant cost savings in the construction of expensive roads and parking areas, so that the benefits of the Garden City approach can be secured at a more affordable cost" (pg. 36).



- 8.6 As explained in Chapter 7 above, this work is used as a basis for attributing development costs to the development.
- 8.7 In this report we have assumed that for large scale development it is necessary to consider commercial and community facilities as well as residential development. The Garden City principles put considerable importance on the access to local employment and services. The proposed sites are all major development propositions and requires the provision of appropriate employment service and ancillary supporting development, as well as infrastructure.

Nationally Described Space Standards

- 8.8 It is assumed that these will apply. In March 2015 the Government published *Nationally Described Space Standard – technical requirements*. This says

This standard deals with internal space within new dwellings and is suitable for application across all tenures. It sets out requirements for the Gross Internal (floor) Area of new dwellings at a defined level of occupancy as well as floor areas and dimensions for key parts of the home, notably bedrooms, storage and floor to ceiling height.

8.9 The following unit sizes are set out⁸⁵:

Table 8.2 National Space Standards. Minimum gross internal floor areas and storage (m²)					
number of bedrooms	number of bed spaces	1 storey dwellings	2 storey dwellings	3 storey dwellings	built-in storage
1b	1p	39 (37)*			1
	2p	50	58		1.5
2b	3p	61	70		2
	4p	70	79		
3b	4p	74	84	90	2.5
	5p	86	93	99	
	6p	95	102	108	
4b	5p	90	97	103	3
	6p	99	106	112	
	7p	108	115	121	
	8p	117	124	130	
5b	6p	103	110	116	3.5
	7p	112	119	125	
	8p	121	128	134	
6b	7p	116	123	129	4
	8p	125	132	138	

Source: Table 1, Technical housing standards – nationally described space standard (March 2015)

8.10 In this assessment the units are assumed to be in excess of these National Space Standards.

Accessible and Adaptable Standards

8.11 The Councils are seeking that all new homes be built to Part M4 – Category 2 of Building Regulations (accessibility and adaptability). It is also assumed that 10% of all new homes are built to Part M4 Category 3 (accessible and adaptable for occupants who use a wheelchair).

8.12 The additional costs of the space standards (as set out in the draft Approved Document M amendments included at Appendix B4) are set out in the table below. The key features of the

⁸⁵

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/524531/160519_Nationally_Described_Space_Standard_Final_Web_version.pdf

3 level standard (as summarised in the DCLG publication *Housing Standards Review – Cost Impacts* (EC Harris, September 2014)), reflect accessibility as follows:

- Category 1 – Dwellings which provide reasonable accessibility
- Category 2 – Dwellings which provide enhanced accessibility and adaptability
- Category 3 – Dwellings which are accessible and adaptable for occupants who use a wheelchair.

Table 8.3 Additional Costs of Building to the draft Approved Document M amendments included at Appendix B4.

Table 45 – Access costs summary

	1B Apartment	2B Apartment	2B Terrace	3B Semi-detached	4B Detached
Cost all dwellings (extra over current industry practice)					
Category 1	-	-	-	-	-
Category 2	£940	£907	£523	£521	£520
Category 3 Adaptable	£7,607	£7,891	£9,754	£10,307	£10,568
Category 3 Accessible	£7,764	£8,048	£22,238	£22,791	£23,052

Table 45a – Access related space cost summary

	1B Apartment		2B Apartment		2B Terrace		3B Semi-detached		4B Detached	
Cost increase for additional m2										
Category 2	+ 1 sq.m	£722	+ 1 sq.m	£722	+ 2 sq.m	£1,444	+ 3 sq.m	£2,166	+ 3 sq.m	£2,166
Category 3	+ 8 sq.m	£5,776	+ 14 sq.m	£10,108	+ 21 sq.m	£15,162	+ 24 sq.m	£17,328	+ 24 sq.m	£17,328

Table 45b – Access related space cost after Space cost recovery

	1B Apartment		2B Apartment		2B Terrace		3B Semi-detached		4B Detached	
Category 2	+ 1 sq.m	£289	+ 1 sq.m	£289	+ 2 sq.m	£578	+ 3 sq.m	£866	+ 3 sq.m	£866
Category 3	+ 8 sq.m	£2,310	+ 14 sq.m	£4,043	+ 21 sq.m	£6,065	+ 24 sq.m	£6,931	+ 24 sq.m	£6,931

Source: Page 38, DCLG publication *Housing Standards Review – Cost Impacts* (EC Harris, September 2014)

8.13 In line with a consultee's comments these have been increased in line with the increase in the BCIS costs (12%⁸⁶). The additional costs of building to the 'accessible and adaptable' Category 2 are included.

⁸⁶ Based on the BCIS General Building Cost Index – Q1 2014 316, Q3 2018 353. Quarterly Review of Prices, Issue 150, September 2018

Developer contributions, including Community Infrastructure Levy (CIL)

- 8.14 It is clear that the planned development will require supporting infrastructure and mitigation measures. The scope to bear developer contributions has been considered.
- 8.15 The overall levels of developer contributions are considered relative to different levels of affordable housing.

Water efficiency standards – exceeding minimum requirements of the Building Regulations

- 8.16 It is assumed that these will apply. The costs are modest, likely to be less than £100/dwelling⁸⁷.

Flood Risk

- 8.17 It is anticipated that the new development will be required to incorporate Sustainable Urban Drainage Schemes (SUDS).
- 8.18 SUDS and the like can add to the costs of a scheme – although in larger projects these can be incorporated into public open space. It is assumed that on larger greenfield sites, of the type planned, that SUDS will be incorporated into the green spaces, and be delivered through soft landscaping within the wider site costs.

Other Design Requirements

- 8.19 Bearing in mind the wider transport objectives, it is assumed that schemes will have electric charging points for vehicles. The costs of these vary (and are falling) and are in some cases covered in part by grants. An allowance of £250 per unit is allowed for.

Housing Mix

- 8.20 The Councils each seek an appropriate mix of housing. In terms of size mix, this is taken from the *West Essex and East Hertfordshire Strategic Housing Market Assessment* (ORS, September 2015) as follows.

⁸⁷ Table 26 – Water standards costs summary, 'DCLG publication Housing Standards Review – Cost Impacts' (EC Harris, September 2014).

Table 8.4 Housing Mix				
		Harlow	Epping Forest	East Herts
	Bedrooms			
Market Housing				
Flat	1	6.80%	5.32%	5.83%
	2+	1.20%	5.57%	6.65%
House	2	24.40%	12.62%	12.40%
	3	67.60%	50.62%	46.31%
	4	2.00%	19.55%	22.50%
	5+	0.00%	6.31%	6.32%
Affordable Housing				
Flat	1	2.90%	17.70%	19.43%
	2+	16.10%	13.98%	11.14%
House	2	27.60%	22.05%	28.67%
	3	41.10%	36.65%	33.41%
	4	10.50%	9.63%	7.35%

Source Figure 76 West Essex and East Hertfordshire SHMA (ORS, September 2015)

8.21 It is not the intention that this mix be applied rigidly to each and every site, rather it will be one of a range of factors to be considered when schemes are being designed. Concern around the mix was further made following the February 2019 consultation⁸⁸ and whether or not this mix was appropriate. For the purpose of this assessment it is necessary to follow the Councils' policies. It may be that developers actually pursue different mixes (for example including elements of older people's housing etc) and this may have a positive impact on viability.

8.22 This mix was commented on though the consultation process⁸⁹:

The consortium comments that the SHMA %'s do not add up to 100% and further queries the SHMA mix in particular 8% market flats, the heavy focus on 3 beds and only 2% 4 beds. In relation to the affordable mix, the consortium query the high percentage of 3 and 4 beds at 52%.

8.23 This analysis is taken from the West Essex and East Hertfordshire SHMA (ORS, September 2015) and it is understood that the numbers have been rounded so do not all sum. It is accepted that this mix may not align with what developers may wish to build (to maximise

⁸⁸ Gilston – Villages 1-6

⁸⁹ Quote from Water Lane – West Katherines, Gilston – Village 7 also commented.

returns). It is however important that the modelling in this report follows the policy requirements of the Plans.

- 8.24 Some concern was also expressed⁹⁰ about absorption rates (i.e. the rate of sales) if the preferred SHMA mix was to be followed rigidly. To maximise build out rates it is necessary to have a diverse range of housing products and a range of specifications and prices. Whilst this was a passing comment that was not supported by evidence, this is a fair point to make – particularly on large, long term schemes that may well be delivered across several economic cycles.

Self and Custom Build

- 8.25 East Herts has a policy (Policy HOU8 Self-Build and Custom Build Housing) requiring 1% requirement on sites of 200 units and larger. This has been tested.

Gypsy and Traveller pitches

- 8.26 Several of the sites require the inclusion of gypsy and traveller pitches. The costs of providing these was discussed through the consultation. These have been assumed to cost £30,000 per pitch which is in line with the suggestion that the cost is about 25% of the cost of a house.
- 8.27 Whilst there is a cost to providing such pitches – but they also have a value (the policy does not require that the pitches are affordable pitches).
- 8.28 There is a substantial evidence base⁹¹ as to the value of park home pitches and holiday home pitches, suggesting that across the whole of England, park home pitches have a value of about £30,000/pitch and holiday homes have a value of about £20,000/pitch. These are clearly not gypsy, traveller and travelling showpeople pitches so limited weight should be given to these figures.
- 8.29 In this study it is assumed the costs of providing gypsy and traveller pitches is cost neutral. It is assumed that the overall number of dwellings does not need to be reduced to create space for such pitches.

Supplementary Planning Documents

- 8.30 The East Herts and Harlow have a number of adopted SPDs. These are assumed to be superseded by the new Plans or adequately covered through the assessment of the Plan Policies, therefore, this assessment does not make any specific allowance for SPDs.

⁹⁰ Gilston – Villages 1-6

⁹¹ Such as Sanderson Weatherall's Holiday & Caravan Park , 2019 Market Report.

9. Modelling

- 9.1 In the previous chapters, the general assumptions to be inputted into the development appraisals are set out. In this chapter, the modelling is set out.

Residential Development

- 9.2 The purpose of this assessment is to establish the viability of four new Garden Town Communities:
- East of Harlow** located in Harlow and Epping Forest. Total estimated number of dwellings – 3,350
 - Latton Priory** located in Epping Forest. Total estimated number of dwellings – 1,050
 - Water Lane Area** located in Epping Forest. Total estimated number of dwellings – 2,500
 - Gilston Area** located in East Hertfordshire. Total estimated number of dwellings – 10,000 (of which at least 3,050 will be delivered in the plan-period).
- 9.3 The sites are modelled individually. Further detail is provided in **Appendix 11** below. The main characteristics of the sites are summarised as follows and form the basis of the modelling.

Table 9.1 Summary of Main Harlow Garden Town Sites			
		Units	Allocation ha
East of Harlow (North)	EFDC	750	125.96
East of Harlow (South)	HBC	2,600	239.00
Latton Priory	EFDC	1,050	76.18
Water Lane Area (Sumners)	EFDC	1,331	72.33
Water Lane Area (Katherines)	EFDC	807	36.04
Gilston (Villages 1-6)	EHDC	8,500	1,000.00
Gilston (Village 7)	EHDC	1,500	120.00

Source: HC, EHDC, EFDC (March 2019)

Development assumptions

- 9.4 In arriving at appropriate assumptions for residential development on each site, the built forms used in the appraisals are appropriate to the current development practices. In addition, the policy requirements, as set out in Chapter 8 above, in terms of mix are incorporated.
- 9.5 The sites have been modelled in a way that responds to the variety of development situations and densities typical in the area, and this is used to inform development assumptions for sites. This approach enables us to form a view about floorspace density, based on the amount of development, measured in net floorspace per hectare, to be accommodated upon each site.



This is a key variable because the amount of floorspace which can be accommodated on a site relates directly to the Residual Value, and is an amount which developers will normally seek to maximise (within the constraints set by the market).

- 9.6 A typical layout of post-PPG3/PPS3 built form would provide development at between 3,000m²/ha to 3,550m²/ha on a substantial site, or sensibly shaped smaller site. A representative housing density might be 30/net ha to 35/net ha. This has become a common development format. It provides for a majority of houses but with a small element of flats, in a mixture of two storey and two and a half to three storey form, with some rectangular emphasis to the layout.
- 9.7 Some schemes will have an appreciably higher density development providing largely or wholly apartments, in blocks of three storeys or higher, with development densities of 6,900m²/ha and dwelling densities of 100units/ha upwards; and other schemes of lower density, in the rural edge situations.
- 9.8 The main characteristics of the modelled sites are set out in the tables below. In all cases the net density is calculated at 35units/ha and gives a density of about 3,200m²/ha. It is important to note that this is based on the Councils' preferred housing mix. This preferred housing mix contains more smaller units than some developers would choose to include.

Table 9.2 Site Areas and Densities

			Units	Allocation ha	Net Density units/ha	Net Area ha	m2/ net ha	Units/ Gross ha
1	East of Harlow - North	EFDC	750	125.96	35.00	21.43	3,236	5.95
2	East of Harlow - South	HBC	2,600	239.00	35.00	74.29	3,090	10.88
3	Latton Priory	EFDC	1,050	76.18	35.00	30.00	3,235	13.78
4	Water Lane - W Katherine's	EFDC	1,331	72.33	35.00	38.03	3,236	18.40
5	Water Lane - W Summers	EFDC	807	36.04	35.00	23.06	3,234	22.39
6	Gilston - Villages 1-6	EHDC	8,500	1,000.00	35.00	242.86	3,207	8.50
7	Gilston - Villages 7	EHDC	1,500	120.00	35.00	42.86	3,207	12.50

Source: HDH (February 2019)

- 9.9 Some of the allocations are very large relative to the numbers of units that are to be delivered from them with some generating densities of less than 15 units per ha. In part this is because the sites are subject to constraints and whilst the 'red line' around the allocation takes in the whole site, only part is developable. In terms of assessing viability as required by the NPPF and PPG, in a high level assessment of this type it necessary consider the policy requirements. The core analysis is therefore based on a net developable area of 60% - apart from the West Sumners site where the actual area is used.

Table 9.3 Modelling Assumptions

			Units	Modelled Area	Net Density units/ha	Net Area ha	m2/ net ha	Units/ Gross ha	Net Developable %
1	East of Harlow - North	EFDC	750	35.71	35.00	21.43	3,236	5.95	60.00%
2	East of Harlow - South	HBC	2,600	123.81	35.00	74.29	3,090	10.88	60.00%
3	Lattin Priory	EFDC	1,050	50.00	35.00	30.00	3,235	13.78	60.00%
4	Water Lane - W Katherines	EFDC	1,331	63.38	35.00	38.03	3,236	18.40	60.00%
5	Water Lane - W Summers	EFDC	807	36.04	35.00	23.06	3,234	22.39	63.98%
6	Gilston - Villages 1-6	EHDC	8,500	404.76	35.00	242.86	3,207	8.50	60.00%
7	Gilston - Villages 7	EHDC	1,500	71.43	35.00	42.86	3,207	12.50	60.00%

Source: HDH (February 2019)

- 9.10 Through the February 2019 consultation some of the areas used were questioned. The modelling is based on the areas of the whole allocations rather than ownerships and sub areas. The net and gross areas of the final schemes brought forward may be different to the above, however in a high-level assessment of this type it is necessary to base the modelling and analysis on relatively simple assumptions that are based on a policy compliant scheme.

- 9.11 The treatment of the Epping Forest SANG⁹² was discussed⁹³ through the February 2019 consultation, particularly in relation to the West Sumner's site. Further work is underway which will quantify the requirements for a SANG. At the time of this report (March 2019) it is not known whether an on-site SANG will be required, and if it is required how big it would be. The modelling assumes that there is not a SANG on this site (although we acknowledge the site promoter is currently assuming it will be). If an area of SANG is included, this could have the effect of reducing the developable area and the number of units. This may have the impact of reducing the ability of the site to bear strategic infrastructure and mitigation costs.

Older People's Housing

- 9.12 A private sheltered/retirement and an extracare scheme have been modelled, each on a 0.5ha site as follows.
- a. A private sheltered/retirement scheme of 20 x 1 bed units of 50m² and 25 x 2 bed units of 75m² to give a net saleable area (GIA) of 2,875m². We have assumed a further 20% non-saleable service and common areas to give a scheme GIA of 3,594m².
 - b. An extracare scheme of 36 x 1 bed units of 65m² and 24 x 2 bed units of 80m² to give a net saleable area (GIA) of 4,260m². We have assumed a further 35% non-saleable service and common areas to give a scheme GIA of 6,554m².

Employment Uses

- 9.13 For this assessment, we have assessed a number of development types. We have based our modelling on the following development types:
- a. **Offices.** These are more than 250m², will be of steel frame construction, be over several floors and will be located on larger business parks. Typical larger units are around 2,000m² – we will use this as the basis of our modelling.

We have made assumptions about the site coverage and density of development on the sites. We have assumed 75% coverage on the office sites in the urban situation and 25% elsewhere. We have assumed two story construction in the business park situation, and four-story construction in the urban situation.
 - b. **Large Industrial.** Modern industrial units of over 4,000m². There is little new space being constructed. This is used as the basis of the modelling. We have assumed 40% coverage which based on the single storey construction.

⁹² Suitable Alternative Natural Greenspace

⁹³ West Sumners

- c. **Small Industrial.** Modern industrial units of 400m². We have assumed 40% coverage which based on the single storey construction.
- d. **Distribution.** These will normally be on a business park and be of simple steel frame construction, the walls will be of block work and insulated cladding and there will be a small office area. Typical small units in the area are around 4,000m² – we will use this as the basis of our modelling.

9.14 We have not looked at the plethora of other types of commercial and employment development beyond office and industrial/storage uses in this assessment.

10. Residential Appraisal Results

- 10.1 At the start of this chapter it is important to stress that the results of the appraisals do not, in themselves, determine policy. The results of this assessment are one of a number of factors that the Councils will consider, including the need for infrastructure and other available evidence, such as the Councils' track record in delivering affordable housing and collecting payments under s106.
- 10.2 The appraisals use the residual valuation approach – that is, they assess the value of the site after taking into account the costs of development, the income from sales and/or rents and a developers' return. The Residual Value represents the maximum bid for the site where the payment is made in a single tranche on the acquisition of a site. In order for the proposed development to be described as viable, it is necessary for the Residual Value to exceed the Existing Use Value (EUV) by a satisfactory margin, being the Benchmark Land Value (BLV).
- 10.3 Several sets of appraisals have been run, based on the assumptions in the previous chapters of this report, including the affordable housing requirement and developer contributions as identified by Arup in the Garden Town Infrastructure Delivery Plan (IDPs).
- 10.4 As set out above, for each of the development sites, the Residual Value is calculated. The results are set out and presented for each site and per gross hectare to allow comparison between sites. The results tables in this chapter are colour coded using a simple traffic light system:

Green **Viable** – where the Residual Value per hectare exceeds the BLV per hectare (being the EUV plus the appropriate uplift to provide a landowner's premium).

Amber **Marginal** – where the Residual Value per hectare exceeds the EUV but not the BLV per hectare. These sites should not be considered as viable when measured against the test set out – however, depending on the nature of the site and the owner, they may come forward.

Red **Non-viable** – where the Residual Value does not exceed the EUV.

- 10.5 It is important to note that a report of this type applies assumptions that are broadly reflective of an area to make an assessment of viability. It is recognised that the fact that a site is shown as viable does not necessarily mean that it will come forward for development and vice versa. Nevertheless, the importance that is placed on viability at the plan-making stage of the planning process means that this assessment will inform the delivery of the Harlow and Gilston Garden Town.

Base Appraisals – full policy requirements

- 10.6 These appraisals are based on the full 'policy on' scenario, including full compliance with the affordable housing policies and the full provision of the strategic infrastructure and mitigation costs (as identified through the IDP process) set out in Chapter 7 above. The full appraisals are included in **Appendix 12**.



Table 10.1 Residential Development – Residual Value.
FULL POLICY REQUIREMENTS

							Area (ha)		Units	Residual Value (£)		
							Gross	Net		Gross ha	Net ha	Site
Site 1	East of Harlow - North	EFDC	Green				35.71	21.43	750	162,101	270,168	5,789,314
Site 2	East of Harlow - South	HBC	Green				123.81	74.29	2,600	518,717	864,529	64,222,164
Site 3	Latton Priory	EFDC	Green				50.00	30.00	1,050	340,575	567,626	17,028,766
Site 4	Water Lane - W Katherines	EFDC	Mixed				63.38	38.03	1,331	191,272	318,787	12,123,012
Site 5	Water Lane - W Sumners	EFDC	Green				36.04	23.06	807	260,349	406,945	9,382,985
Site 6	Gilston - Villages 1-6	EHDC	Green				404.76	242.86	8,500	-119,698	-199,497	-48,449,161
Site 7	Gilston - Villages 7	EHDC	Green				71.43	42.86	1,500	431,575	719,291	30,826,760

Source: HDH (March 2019)

- 10.7 The results vary across the modelled sites, although this is largely due to the different assumptions around the values generated by the site and the level of the s106 developer contributions sought for strategic infrastructure and mitigation measures as well as the Councils' differing affordable housing requirements.
- 10.8 In this iteration of this assessment, the results of some of the appraisals (East of Harlow – North, Latton Priory, Water Lane – West Katherine's and West Sumners, and Gilston – Villages

1-6) are notably less good than in the previous iteration (February 2019) of this assessment. The principal variable that has changed is the timing of the infrastructure payments, with further front loading now modelled. The apportionment of the requirements across the sites has also been altered:

- a. East of Harlow – North is modelled with 25% (£8,745,000) in year one and 11% (£3,750,000) in year two.
- b. Latton Priory is modelled with 14% (£6,825,000) in year one and 12% (£6,000,000) in year two.
- c. Water Lane – West Katherines is modelled with 14% (£8,660,000) in year one and 13% (£8,475,000) in year two.
- d. Water Lane – West Sumners is modelled with 14% (£5,250,000) in year one and 13% (£5,150,000) in year two.
- e. Gilston – Village 7 is modelled with 30% (£23,500,000) in year one.

10.9 In the above results, with the exception of Gilston – Villages 1-6, all the sites generate a positive Residual Value that is over £270,000/net ha or £160,000/gross ha.

10.10 The Residual Values on East of Harlow - South are notably higher than on East of Harlow – North. The house values are similar across the area, however the southern part of the site is subject to 30% affordable and developer contributions of about £40,000/unit, and the northern part is subject to the higher affordable housing requirement of 40% and developer contributions of about £46,000/unit.

10.11 The values across the two parts of the Water Lane site are similar.

10.12 The Gilston – Villages 1-6 site requires particular mention. This is a very large site that has been assessed in this assessment as a single site. The PPG sets out how to go about a viability assessment and part of this is to assume the whole site is purchased, up front, in one lot. This works well for smaller sites, but this site is so large that this results in high cumulative interest payments over the delivery modelled. The reality is that such a large site would come forward in different phases, and this is recognised through the subdivision into villages. Each of these villages will have its own sense of place, but the requirements for infrastructure are shared and assessed over the whole of the 6 villages. This is well illustrated by comparing Gilston – Villages 1-6 to Gilston – Village 7. Both have similar policy requirements (both are in East Herts) and both have similar levels of developer contributions (about £52,500 per unit). In spite of these similarities, the results are very different.

10.13 In the further analysis set out below the Gilston – Villages 1-6 is modelled as 6 separate elements as well as a single element. In this modelling the net area is assessed at 35 units/ha and the gross area assumes a net developable area of 60%. For the purpose of this analysis is assumed that the s106 strategic infrastructure and mitigation costs are spread over each Village equally and pro-rata to the rate of development.



10.14 When considering the results of the Gilston – Villages 1-6 it is necessary to appreciate that the site is in a single ownership and that the precise phasing and delivery of the separate communities is yet to be finalised.

								Area (ha)		Units	Residual Value (£)		
								Gross	Net		Gross ha	Net ha	Site
Site 1			EFDC	Green	Agricultural	35.71	21.43	750			162,101	270,168	5,789,314
Site 2			HBC	Green	Agricultural	123.81	74.29	2,600			518,717	864,529	64,222,164
Site 3			EFDC	Green	Agricultural	50.00	30.00	1,050			340,575	567,626	17,028,766
Site 4			EFDC	Mixed	Ag / Glass	63.38	38.03	1,331			191,272	318,787	12,123,012
Site 5			EFDC	Green	Agricultural	36.04	23.06	807			260,349	406,945	9,382,985
Site 6			EHDC	Green	Agricultural	404.76	242.86	8,500			-119,698	-199,497	-48,449,161
Site 7			EHDC	Green	Agricultural	71.43	42.86	1,500			431,575	719,291	30,826,760
Site 8			EHDC	Green	Agricultural	90.48	54.29	1,901			463,049	771,749	41,894,939
Site 9			EHDC	Green	Agricultural	84.76	50.86	1,780			474,864	791,440	40,250,381
Site 10			EHDC	Green	Agricultural	42.86	25.71	900			575,048	958,413	24,644,911
Site 11			EHDC	Green	Agricultural	95.24	57.14	2,000			452,089	753,482	43,056,101
Site 12			EHDC	Green	Agricultural	36.19	21.71	760			593,407	989,012	21,475,681
Site 13			EHDC	Green	Agricultural	54.86	32.91	1,152			545,560	909,266	29,927,847

Source: HDH (March 2019)

10.15 When disaggregated, the results of the Gilston – Villages 1-6 are very much better, being around £500,000/ha.

10.16 Due to the range of site sizes it is also useful to consider the results on a per unit basis:

Table 10.3 Residential Development – Residual Value as £/unit	
East of Harlow - North	£7,719
East of Harlow - South	£24,701
Latton Priory	£16,218
Water Lane - W Katherines	£9,108
Water Lane - W Sumners	£11,627
Gilston - Villages 1-6	-£5,700
Gilston - Villages 7	£20,551
Gilston 1	£22,038
Gilston 2	£22,613
Gilston 3	£27,383
Gilston 4	£21,528
Gilston 5	£28,257
Gilston 6	£25,979

Source: HDH (March 2019)

10.17 The Residual Value is not a good indication of viability by itself, simply being the maximum price that a developer may bid for a parcel of land, and still make an adequate return.

10.18 In the following tables the Residual Value is compared with the BLV. The BLV being an amount over and above the EUV that is sufficient to provide the landowner with a premium, and to induce them to sell the land for development as set out in Chapter 6 above.

Table 10.4 Residual Development v Benchmark Land Value					
Per Gross Ha - Full Policy On					
			Alternative Use Value	Benchmark Land Value	Residual Value
Site 1	East of Harlow - North	EFDC	22,500	322,500	162,101
Site 2	East of Harlow - South	HBC	22,500	322,500	518,717
Site 3	Latton Priory	EFDC	22,500	322,500	340,575
Site 4	Water Lane - W Katherines	EFDC	315,530	585,553	191,272
Site 5	Water Lane - W Sumners	EFDC	22,500	322,500	260,349
Site 6	Gilston - Villages 1-6	EHDC	22,500	322,500	-119,698
Site 7	Gilston - Villages 7	EHDC	22,500	322,500	431,575
Site 8	Gilston 1	EHDC	22,500	322,500	463,049
Site 9	Gilston 2	EHDC	22,500	322,500	474,864
Site 10	Gilston 3	EHDC	22,500	322,500	575,048
Site 11	Gilston 4	EHDC	22,500	322,500	452,089
Site 12	Gilston 5	EHDC	22,500	322,500	593,407
Site 13	Gilston 6	EHDC	22,500	322,500	545,560

Source: HDH (March 2019)

Table 10.5 Residual Development v Benchmark Land Value					
Per Net Ha - Full Policy On					
			Alternative Use Value	Benchmark Land Value	Residual Value
Site 1	East of Harlow - North	EFDC	22,500	322,500	270,168
Site 2	East of Harlow - South	HBC	22,500	322,500	864,529
Site 3	Latton Priory	EFDC	22,500	322,500	567,626
Site 4	Water Lane - W Katherines	EFDC	315,530	585,553	318,787
Site 5	Water Lane - W Sumners	EFDC	22,500	322,500	406,945
Site 6	Gilston - Villages 1-6	EHDC	22,500	322,500	-199,497
Site 7	Gilston - Villages 7	EHDC	22,500	322,500	719,291
Site 8	Gilston 1	EHDC	22,500	322,500	771,749
Site 9	Gilston 2	EHDC	22,500	322,500	791,440
Site 10	Gilston 3	EHDC	22,500	322,500	958,413
Site 11	Gilston 4	EHDC	22,500	322,500	753,482
Site 12	Gilston 5	EHDC	22,500	322,500	989,012
Site 13	Gilston 6	EHDC	22,500	322,500	909,266

Source: HDH (March 2019)

10.19 In the above analysis the EUV is taken to be an agricultural value except in the case of Water Lane – West Katherines. Part of Water Lane – West Katherines is under glasshouses (19ha / 30%) and the remainder (that will be subject to development) is in agricultural use (44ha /

70%). As set out in Chapter 6 above, an industrial use value is attributed to the areas under glasshouses.

- 10.20 East of Harlow – North produces a Residual Value of about £160,000/ha. Whilst this is well above the EUV, it is not above the BLV. As set above, this site is modelled with 25% (£8,745,000) of the infrastructure requirements in year one and 11% (£3,750,000) of the infrastructure requirements in year two. In contrast, East of Harlow – South which is modelled with 3.5% of the infrastructure requirements in each of the first two years is shown as viable, by a substantial margin, although this is in part due to the lower affordable housing target and the lower (as £/unit) infrastructure requirements.
- 10.21 Neither part of the Water Lane site generates a Residual Value that exceeds the BLV. On West Katherines the figure is below the EUV. The West Katherines part is now modelled with 14% (£8,660,000) of the infrastructure requirements in year one and 13% (£8,475,000) in year two. The West Sumners part is now modelled with 14% (£5,250,000) of the infrastructure requirements in year one and 13% (£5,150,000) in year two.
- 10.22 Considering Gilston – Villages 1-6 as individual sites, all the sites generate a Residual Value that is over £430,000/ha. This is above the EUV and BLV.
- 10.23 As set out in Chapter 6 above, one of the site promoters⁹⁴ felt that the BLV value was too low and they suggested a figure of £432,000/ha (based on £175,000/acre). Whilst this position is not accepted by the Councils, if this BLV was applied, then the Latton Priory site Residual Value would be over the EUV but below the BLV.
- 10.24 This opportunity is taken to stress that the above results represent a worst-case scenario with the full infrastructure and mitigation requirements to deliver each site and the full infrastructure requirements that are required to deliver the wider Harlow and Gilston Garden Town being included within the appraisals. The modelling anticipates that the infrastructure is provided for when it is needed. No allowance is made for any external funding, for example through the Housing Infrastructure Fund (HIF) or from the Department of Transport (DoT). It is acknowledged that the site promoters are continuing to discuss the infrastructure requirements (both site-specific and Garden Town) and how they may be delivered.
- 10.25 There is no doubt that the delivery of any large site is challenging. Regardless of these results, it is recommended that the Councils continue to engage with the owners in line with the advice set out in the Harman Guidance (page 23):

Landowners and site promoters should be prepared to provide sufficient and good quality information at an early stage, rather than waiting until the development management stage. This will allow an informed judgement by the planning authority regarding the inclusion or otherwise of sites based on their potential viability.

⁹⁴ Latton Priory

10.26 In this context we particularly highlight paragraph 10-006 of the PPG:

... It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan....

PPG 10-006-20180724

10.27 To assist the Councils a range of further appraisals have been run.

Varied Infrastructure Delivery

10.28 The above analysis is based on the delivery of the strategic infrastructure and mitigation measures as set out in Table 7.4 above (where the payments due before the start of the project are brought into the first year and payments after the last year are brought into the last year). This is derived from an estimate of when the various items of infrastructure will be needed. There is a degree of front loading, that is to say that it is provided so that it is in place by the time it is needed.

10.29 The timing of the delivery has an impact on viability as the early provision results in increased interest cost. There can be some flexibility as to when infrastructure is actually delivered and whilst this may not be ideal, this may be an area where flexibility is acceptable.

10.30 In the following analysis it is assumed that infrastructure is provided through the life of the project in line with the delivery of the dwellings.

Table 10.6 Residual Development v Benchmark Land Value						
Per Gross Ha – Effect of Varied Infrastructure Timing						
			EUV	BLV	Residual Value	
					As Table 7.4	Pro-Rata to units
Site 1	East of Harlow - North	EFDC	22,500	322,500	162,101	263,676
Site 2	East of Harlow - South	HBC	22,500	322,500	518,717	517,949
Site 3	Latton Priory	EFDC	22,500	322,500	340,575	413,014
Site 4	Water Lane - W Katherines	EFDC	315,530	585,553	191,272	268,589
Site 5	Water Lane - W Sumners	EFDC	22,500	322,500	260,349	345,356
Site 6	Gilston - Villages 1-6	EHDC	22,500	322,500	-119,698	151,013
Site 7	Gilston - Villages 7	EHDC	22,500	322,500	431,575	534,809
Site 8	Gilston 1	EHDC	22,500	322,500	463,049	463,049
Site 9	Gilston 2	EHDC	22,500	322,500	474,864	474,864
Site 10	Gilston 3	EHDC	22,500	322,500	575,048	575,048
Site 11	Gilston 4	EHDC	22,500	322,500	452,089	452,089
Site 12	Gilston 5	EHDC	22,500	322,500	593,407	593,407
Site 13	Gilston 6	EHDC	22,500	322,500	545,560	545,560

Source: HDH (March 2019)

- 10.31 The Residual Value is substantially greater when the costs of strategic infrastructure and mitigation are in line with the delivery of the units. The notable exception is East of Harlow – South where the strategic infrastructure is already anticipated to be quite even through the life of the project.
- 10.32 The improvement in the Residual Value is typically in the range of £70,000/ha and £105,000/ha. Whilst this is not sufficient to tip all the sites into the viable category, it does illustrate that, by altering the pattern of delivery, very substantial improvements to the viability of a site may be achieved, and that rather than reducing the overall requirement (for infrastructure and mitigation payments and / or affordable housing), consideration of the timings may be a way of achieving a policy compliant scheme.
- 10.33 The improvement is particularly the case where Gilston – Villages 1-6 are considered as 6 separate villages rather than as a single site.
- 10.34 Through the February 2019 consultation a developer⁹⁵ suggested that the cashflow may appear to be optimistic, particularly with regard to opening a site up and getting the initial

⁹⁵ Gilston – Village 7

infrastructure in place. The initial assumptions are based on the Garden Town trajectory and the infrastructure shown as being delivered as it is required. On the other hand, another developer said that they anticipated a faster build out rate.

- 10.35 In this regard it is timely to have reference to the PPG that anticipates that it may be appropriate to revisit viability over the lifetime of a project.

How should viability be reviewed during the lifetime of a project?

Plans should set out circumstances where review mechanisms may be appropriate, as well as clear process and terms of engagement regarding how and when viability will be reassessed over the lifetime of the development to ensure policy compliance and optimal public benefits through economic cycles.

Where contributions are reduced below the requirements set out in policies to provide flexibility in the early stages of a development, there should be a clear agreement of how policy compliance can be achieved over time. As the potential risk to developers is already accounted for in the assumptions for developer return in viability assessment, realisation of risk does not in itself necessitate further viability assessment or trigger a review mechanism. Review mechanisms are not a tool to protect a return to the developer, but to strengthen local authorities' ability to seek compliance with relevant policies over the lifetime of the project.

PPG 10-009-20180724

- 10.36 The proposed development is of a very large scale and clearly the delivery of infrastructure is a key variable. It is recommended that, should the Councils flex the requirements, that consideration is given to incorporating a review process into any final planning agreements.

Varied Developer's Return

- 10.37 Through the consultation various comments were made with regard to the target levels of developer's return. The approach taken is in line with paragraph 10-018-20180724 of the updated PPG that says:

For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

- 10.38 As set out in Chapter 7 above, in this iteration of this assessment, the developer's return is assumed to be 20% of the value of market housing (being the top end of the range suggested by the PPG) and 6% of the value of affordable housing. This may be seen as an overly cautious approach, bearing in mind the suggested range in the PPG, however does reflect the comments of consultees. Bearing in mind the range of comments made, the following analysis shows the effect of using different levels of developer's return.

Table 10.7 Residual Development v Benchmark Land Value

Per Goss Ha – Effect of Varied Developers' Return

			EUV	BLV	Residual Value			
					17.50%	17.50%	20.00%	20.00%
		Return on Market Housing			6.00%	17.50%	20.00%	20.00%
		Return on Affordable Housing					6.00%	20.00%
Site 1	East of Harlow - North	EFDC	22,500	322,500	238,785	149,113	162,101	51,782
Site 2	East of Harlow - South	HBC	22,500	322,500	593,036	528,182	518,717	436,764
Site 3	Latton Priory	EFDC	22,500	322,500	421,093	329,959	340,575	227,352
Site 4	Water Lane - W Katherines	EFDC	315,530	585,553	270,686	179,607	191,272	77,598
Site 5	Water Lane - W Sumners	EFDC	22,500	322,500	344,523	247,910	260,349	140,390
Site 6	Gilston - Villages 1-6	EHDC	22,500	322,500	-84,705	-121,743	-119,698	-164,786
Site 7	Gilston - Villages 7	EHDC	22,500	322,500	506,027	427,102	431,575	330,595
Site 8	Gilston 1	EHDC	22,500	322,500	531,407	458,912	463,049	368,090
Site 9	Gilston 2	EHDC	22,500	322,500	545,551	470,634	474,864	377,396
Site 10	Gilston 3	EHDC	22,500	322,500	666,536	569,567	575,048	451,039
Site 11	Gilston 4	EHDC	22,500	322,500	518,219	448,113	452,089	360,077
Site 12	Gilston 5	EHDC	22,500	322,500	689,813	587,762	593,407	465,026
Site 13	Gilston 6	EHDC	22,500	322,500	631,406	540,622	545,560	429,913

Source: HDH (March 2019)

10.39 The results notably improved when a 17.5% is used – being in the middle of the range suggested in the PPG.

Varied Contingency

- 10.40 It is a requirement of the PPG⁹⁶ that contingencies are considered, however, through the consultation process there was not a consensus on the approach to the contingency. This is not surprising as there are a range of approaches in this regard – for example the Harman Guidance does not refer to contingencies at all.
- 10.41 It was suggested by some consultees that a 5% contingency be applied to the construction costs in all cases. This is not accepted. It is accepted that a contingency should be included, particularly where a project is at the early stage of planning, however the contingency should reflect the potential unknown risks of a project. These unknown risks are greater where the site is a brownfield site, rather than a greenfield site so it is maintained that the differentiation should stand. In recognition of the different views expressed, a further set of appraisals has been run using a 5% contingency.

Table 10.8 Residual Development v Benchmark Land Value						
Per Gross Ha – Effect of 5% Contingency						
			EUV	BLV	Residual Value	
					As Table 7.4	5% Contingency
Site 1	East of Harlow - North	EFDC	22,500	322,500	162,101	102,233
Site 2	East of Harlow - South	HBC	22,500	322,500	518,717	467,578
Site 3	Latton Priory	EFDC	22,500	322,500	340,575	279,908
Site 4	Water Lane - W Katherines	EFDC	315,530	585,553	191,272	148,811
Site 5	Water Lane - W Sumners	EFDC	22,500	322,500	260,349	195,732
Site 6	Gilston - Villages 1-6	EHDC	22,500	322,500	-119,698	-151,749
Site 7	Gilston - Villages 7	EHDC	22,500	322,500	431,575	376,640
Site 8	Gilston 1	EHDC	22,500	322,500	463,049	411,525
Site 9	Gilston 2	EHDC	22,500	322,500	474,864	422,949
Site 10	Gilston 3	EHDC	22,500	322,500	575,048	513,093
Site 11	Gilston 4	EHDC	22,500	322,500	452,089	402,091
Site 12	Gilston 5	EHDC	22,500	322,500	593,407	530,872
Site 13	Gilston 6	EHDC	22,500	322,500	545,560	487,546

Source: HDH (March 2019)

⁹⁶ Paragraph 10-012-20180724 of the PPG says:

Costs include: ... explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return.

- 10.42 When the contingency is increased to 5% on all sites, the Residual Value falls by about £50,000/ha.
- 10.43 It is important to note that a separate contingency of up to 20% is included within the strategic infrastructure and mitigation costs.

Varied Developer Contributions

- 10.44 The initial analysis assumes that the sites fund all their own infrastructure. It would be normal for such infrastructure to be funded from a range of sources, including from County Council funds, national funding schemes (in this regard the Councils are currently working together to submit a Housing Infrastructure Fund (HIF) bid), funds raised through New Homes Bonus, Community Infrastructure Levy (CIL) and the like.
- 10.45 Whilst the above is the correct starting point of the analysis, in order to give the Councils a greater understanding of how developer contributions impact on viability, a further set of appraisals have been run in the full policy on scenario, but with varied developer contributions up to £70,000/unit. In this analysis it is assumed that the pattern of the payment of the developer contributions follows that identified through the Garden Town IDP (i.e. is front loaded).

Table 10.9 Residual Development – Residual Value.

FULL POLICY REQUIREMENTS – VARIED DEVELOPER CONTRIBUTIONS

[illegible]

Source: HDH (March 2019)

- 10.46 The above indicates that generally the tipping point in terms of viability is somewhere around £40,000/unit.
- 10.47 Very approximately, an increase of £2,500/unit in developer contributions results in a fall in the Residual Value of about £40,000/ha. This is a very significant swing illustrating that a small change in the s106 costs can have a significant impact on the results of the viability testing.

Varied Affordable Housing Mixes

- 10.48 Following the February 2019 consultation, it was noted⁹⁷ that the mix of affordable housing can have an impact on viability. This has now been considered and a range of further appraisals run with greater and lesser levels of intermediate housing.

⁹⁷ Water Lane – West Katherines

Table 10.10 Residual Development – Residual Value.
VARIED AFFORDABLE HOUSING MIXES

				EUM	BLV	Residual Value											
						Total Affordable %			Intermediate			Affordable Rent			0%		
						0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%	0%
Site 1	East of Harlow - North	EHDC		22,500	322,500	293,161	309,575	325,989	342,403	358,817	375,231	391,645	408,059	424,473	440,887	457,301	473,715
Site 2	East of Harlow - South	HBC		22,500	322,500	493,888	510,441	526,994	543,547	560,101	576,654	593,207	609,760	626,313	642,866	659,419	675,972
Site 3	Latton Priory	EHDC		22,500	322,500	485,278	505,199	525,121	545,042	564,963	584,884	604,805	624,726	644,647	664,568	684,489	704,410
Site 4	Water Lane - W Katherine's	EHDC		315,530	585,553	329,201	347,537	365,872	384,208	402,544	420,879	439,215	457,551	475,887	494,223	512,559	530,895
Site 5	Water Lane - W Summers	EHDC		22,500	322,500	409,260	428,800	448,339	467,879	487,418	506,957	526,497	546,037	565,577	585,117	604,657	624,197
Site 6	Gilston - Villages 1-6	EHDC		22,500	322,500	-23,843	-11,161	1,475	13,562	25,649	37,737	49,824	61,911	74,000	86,087	98,174	110,261
Site 7	Gilston - Villages 7	EHDC		22,500	322,500	607,991	631,699	655,407	679,114	702,822	726,530	750,238	773,946	797,654	821,362	845,070	868,778
Site 8	Gilston 1	EHDC		22,500	322,500	624,432	645,955	667,478	689,001	710,524	732,047	753,570	775,093	796,616	818,139	839,662	861,185
Site 9	Gilston 2	EHDC		22,500	322,500	639,372	661,608	683,843	706,079	728,315	750,551	772,787	795,023	817,259	839,495	861,731	883,967
Site 10	Gilston 3	EHDC		22,500	322,500	765,760	791,990	818,219	844,449	870,678	896,907	923,137	949,366	975,596	1,001,825	1,028,055	1,054,285
Site 11	Gilston 4	EHDC		22,500	322,500	610,932	632,275	653,619	674,962	696,306	717,649	738,993	760,337	781,680	803,024	824,368	845,712
Site 12	Gilston 5	EHDC		22,500	322,500	788,601	815,835	843,070	870,304	897,538	924,772	952,006	979,240	1,006,474	1,033,708	1,060,942	1,088,176
Site 13	Gilston 6	EHDC		22,500	322,500	728,115	753,214	778,313	803,413	828,512	853,611	878,711	903,810	928,910	954,009	979,109	1,004,208

Source: HDH (March 2019)

- 10.49 These results show that where the affordable housing requirement is 30%, a 10% increase in the amount of intermediate housing / 10% reduction in the amount of Affordable Rent results in, on average, an increase in the Residual Value of about £20,000/ha. Where the affordable housing requirement is 40%, a 10% increase in the amount of intermediate housing / 10% reduction in the amount of Affordable Rent results in, on average, an increase in the Residual Value of just under £30,000/ha.
- 10.50 Where viability is challenging, flexibility around the tenure mix of affordable housing sought may allow the overall affordable housing target to be achieved.

Affordable Housing v Developer Contributions

- 10.51 The essential balance for the plan-making process is the relationship between affordable housing and developer contributions. The base appraisals assume the locally appropriate (30% / 40%) affordable housing and the full strategic infrastructure and mitigation costs as informed by the most recent updated IDP.
- 10.52 In the following tables, the results of appraisals with affordable housing from 0% to 40% (on all sites – including those within Harlow) and developer contributions from £0 per unit to £70,000 per unit are set out. All other policy requirements are assumed to apply.

Table 10.11a Affordable Housing v Varied Developer Contributions

40% Affordable Housing																			
		EUV	BLV	Residual Value	£0	£5,000	£10,000	£15,000	£20,000	£25,000	£30,000	£35,000	£40,000	£45,000	£50,000	£55,000	£60,000	£65,000	£70,000

Source: HDH (March 2019)

Table 10.11b Affordable Housing v Varied Developer Contributions

25% Affordable Housing																				
		EUV	BLV	Residual Value	£0	£5,000	£10,000	£15,000	£20,000	£25,000	£30,000	£35,000	£40,000	£45,000	£50,000	£55,000	£60,000	£65,000	£70,000	
		EFDC	22,500	S16	East of Harlow - North	1,247,986	1,157,461	1,066,936	976,411	885,715	794,637	703,559	612,481	521,402	430,324	339,246	248,168	157,090	-26,591	£70,000
		HBC	22,500	S16	East of Harlow - South	1,204,586	1,120,348	1,054,112	978,871	903,633	828,395	753,157	676,947	600,212	523,478	446,744	368,755	290,071	211,387	£70,000
		EFDC	22,500	S16	Luton Priority	1,438,703	1,350,081	1,261,458	1,172,584	1,083,380	994,177	904,973	815,770	728,566	637,363	548,159	458,956	369,752	280,549	£70,000
		EFDC	315,530	S15	Water Lane - W Katharines	1,307,717	1,217,841	1,127,965	1,038,088	948,212	858,335	768,459	678,583	588,706	498,830	406,952	319,077	229,201	139,324	49,448
		EFDC	22,500	S16	Water Lane - W Summers	1,453,510	1,358,237	1,262,702	1,166,903	1,071,104	975,306	879,507	783,708	687,909	592,111	496,314	400,513	304,714	208,916	113,117
		HDC	22,500	S16	Gilston - Villages 1-6	757,917	690,481	623,044	555,608	488,171	420,734	353,298	285,861	218,425	150,988	83,552	16,115	-53,875	-124,634	-195,392
		HDC	22,500	S16	Gilston - Villages 7	1,637,405	1,552,274	1,467,143	1,382,032	1,296,881	1,211,756	1,131,619	1,041,488	956,327	871,222	789,277	699,331	613,366	527,440	441,495
		HDC	22,500	S16	Gilston 1	1,467,036	1,399,818	1,332,601	1,266,381	1,198,163	1,130,945	1,062,758	994,443	925,129	857,814	785,477	718,796	648,315	577,497	507,406
		HDC	22,500	S16	Gilston 2	1,500,993	1,432,921	1,363,963	1,294,910	1,225,857	1,156,803	1,087,750	1,017,961	947,702	877,443	807,184	738,073	664,351	592,640	520,168
		HDC	22,500	S16	Gilston 3	1,791,176	1,709,089	1,627,003	1,544,916	1,462,830	1,380,745	1,296,547	1,212,841	1,129,224	1,045,608	961,991	878,375	794,758	709,835	624,134
		HDC	22,500	S16	Gilston 4	1,436,896	1,371,341	1,305,786	1,240,232	1,173,958	1,107,422	1,040,886	974,350	907,291	839,577	771,862	704,068	634,957	565,847	496,220
		HDC	22,500	S16	Gilston 5	1,845,125	1,760,382	1,675,588	1,590,835	1,506,072	1,421,308	1,336,545	1,250,446	1,163,982	1,077,518	991,053	904,589	818,125	731,660	645,196
		HDC	22,500	S16	Gilston 6	1,704,071	1,626,163	1,547,581	1,469,800	1,390,419	1,311,837	1,233,256	1,154,675	1,076,093	996,474	916,275	836,076	755,679	675,679	594,600
20% Affordable Housing																				
		EUV	BLV	Residual Value	£0	£5,000	£10,000	£15,000	£20,000	£25,000	£30,000	£35,000	£40,000	£45,000	£50,000	£55,000	£60,000	£65,000	£70,000	
		EFDC	22,500	S16	East of Harlow - North	1,333,038	1,242,513	1,151,988	1,061,464	970,939	879,984	788,786	697,708	606,629	515,551	424,473	333,395	242,317	151,239	60,161
		HBC	22,500	S16	East of Harlow - South	1,278,427	1,204,482	1,129,244	1,054,005	978,767	903,529	828,290	752,548	672,814	599,080	522,346	445,401	366,019	288,033	207,861
		EFDC	22,500	S16	Luton Priority	1,534,820	1,446,205	1,357,582	1,268,841	1,179,637	1,090,434	1,012,230	912,027	827,823	739,620	644,416	555,213	466,009	378,606	287,602
		EFDC	315,530	S15	Water Lane - W Katharines	1,398,685	1,308,808	1,218,932	1,129,055	1,039,179	949,303	859,426	769,550	678,674	589,797	499,921	410,044	320,168	230,292	140,415
		EFDC	22,500	S16	Water Lane - W Summers	1,551,313	1,456,039	1,360,605	1,264,806	1,169,007	1,073,209	977,410	881,611	785,812	690,014	594,215	498,416	402,617	306,819	211,020
		HDC	22,500	S16	Gilston - Villages 1-6	813,466	745,029	678,593	611,156	543,720	476,283	408,846	341,410	273,973	206,537	139,100	71,664	-4,227	-66,349	-137,107
		HDC	22,500	S16	Gilston - Villages 7	1,744,528	1,659,397	1,574,266	1,489,135	1,404,004	1,318,873	1,233,742	1,148,611	1,063,480	978,349	892,846	806,901	720,955	635,010	549,064
		HDC	22,500	S16	Gilston 1	1,564,049	1,496,831	1,429,613	1,362,394	1,297,176	1,227,958	1,160,114	1,091,799	1,023,485	955,170	886,506	816,875	747,243	677,612	606,829
		HDC	22,500	S16	Gilston 2	1,599,961	1,531,890	1,463,011	1,393,957	1,324,904	1,255,851	1,186,798	1,117,475	1,047,216	976,957	906,698	836,439	764,764	693,053	621,341
		HDC	22,500	S16	Gilston 3	1,907,246	1,825,159	1,743,072	1,660,986	1,578,899	1,496,574	1,412,951	1,329,341	1,245,724	1,162,108	1,077,401	994,875	911,258	827,642	742,162
		HDC	22,500	S16	Gilston 4	1,532,103	1,466,548	1,400,993	1,335,439	1,269,367	1,202,831	1,136,295	1,069,759	1,000,223	935,521	867,809	800,092	731,809	662,698	592,587
		HDC	22,500	S16	Gilston 5	1,964,322	1,879,597	1,794,797	1,710,933	1,625,270	1,540,507	1,457,245	1,370,285	1,283,820	1,197,356	1,108,892	1,024,427	937,963	851,499	765,036
		HDC	22,500	S16	Gilston 6	1,814,978	1,737,129	1,658,547	1,570,965	1,482,803	1,394,422	1,305,442	1,216,641	1,127,059	1,038,249	1,028,050	937,852	867,652	787,454	707,254

Source: HDH (March 2019)

Table 10.11c Affordable Housing v Varied Developer Contributions

10% Affordable Housing																			
		EUV	BLV	Residual Value	£0	£5,000	£10,000	£15,000	£20,000	£25,000	£30,000	£35,000	£40,000	£45,000	£50,000	£55,000	£60,000	£65,000	£70,000
Site 1	East of Harlow - North	22,500	322,500	1,503,142	1,412,618	1,322,093	1,231,568	1,141,043	1,050,518	959,240	868,162	777,083	686,005	594,927	503,849	412,771	321,693	230,615	149,537
Site 2	East of Harlow - South	22,500	322,500	1,429,988	1,354,750	1,279,512	1,204,273	1,129,035	1,053,797	978,558	903,320	827,018	752,844	677,606	602,368	527,130	451,892	376,654	291,416
Site 3	Latton Priory	22,500	322,500	1,727,075	1,638,453	1,549,830	1,461,207	1,372,584	1,283,961	1,195,338	1,106,715	1,018,092	929,469	840,846	752,223	663,600	574,977	486,354	397,731
Site 4	Water Lane - W Katherinees	315,530	585,553	1,580,619	1,490,743	1,400,866	1,310,990	1,221,114	1,131,237	1,041,361	951,484	861,608	771,732	681,855	591,979	502,102	412,226	322,350	232,474
Site 5	Water Lane - W Summers	22,500	322,500	1,746,918	1,651,645	1,556,372	1,460,612	1,364,813	1,269,014	1,173,216	1,077,417	981,618	885,819	790,021	694,222	598,423	502,624	406,826	316,928
Site 6	Gilston - Villages 1-6	22,500	322,500	924,563	857,126	789,690	722,253	654,816	587,380	519,943	452,507	385,070	317,634	250,197	182,761	115,324	47,888	-20,538	-93,076
Site 7	Gilston - Villages 7	22,500	322,500	1,958,774	1,873,643	1,788,512	1,703,381	1,618,250	1,533,119	1,447,988	1,362,857	1,277,726	1,192,595	1,107,464	1,022,333	937,202	852,071	766,940	681,809
Site 8	Gilston 1	22,500	322,500	1,758,075	1,680,857	1,603,638	1,526,420	1,449,202	1,371,984	1,294,766	1,217,548	1,140,330	1,063,112	985,894	908,676	831,458	754,240	677,022	599,804
Site 9	Gilston 2	22,500	322,500	1,797,898	1,729,827	1,661,756	1,593,685	1,525,614	1,457,543	1,389,472	1,321,401	1,253,330	1,185,259	1,117,188	1,049,117	981,046	912,975	844,904	776,833
Site 10	Gilston 3	22,500	322,500	2,139,385	2,057,298	1,975,212	1,893,126	1,811,039	1,728,953	1,645,957	1,562,341	1,478,724	1,395,108	1,311,492	1,227,875	1,144,259	1,060,642	977,026	893,179
Site 11	Gilston 4	22,500	322,500	1,722,517	1,656,962	1,591,407	1,525,852	1,460,185	1,393,649	1,327,113	1,260,577	1,194,042	1,127,410	1,059,895	991,981	924,266	856,402	787,291	718,104
Site 12	Gilston 5	22,500	322,500	2,020,720	2,117,957	2,033,194	1,948,430	1,863,667	1,778,904	1,694,140	1,609,377	1,523,497	1,437,033	1,350,568	1,264,104	1,177,640	1,091,175	1,004,711	917,244
Site 13	Gilston 6	22,500	322,500	2,036,790	1,959,061	1,880,480	1,801,898	1,723,317	1,644,736	1,566,154	1,487,573	1,408,992	1,330,410	1,251,829	1,173,248	1,094,667	1,016,086	937,505	858,924
0% Affordable Housing																			
		EUV	BLV	Residual Value	£0	£5,000	£10,000	£15,000	£20,000	£25,000	£30,000	£35,000	£40,000	£45,000	£50,000	£55,000	£60,000	£65,000	£70,000
Site 1	East of Harlow - North	22,500	322,500	1,673,247	1,582,722	1,492,197	1,401,672	1,311,148	1,220,623	1,129,098	1,038,573	948,048	857,523	766,998	676,473	585,948	495,423	404,898	314,373
Site 2	East of Harlow - South	22,500	322,500	1,580,256	1,505,018	1,429,779	1,354,541	1,279,303	1,204,065	1,128,827	1,053,589	978,351	903,113	827,875	752,637	677,400	602,162	526,924	451,686
Site 3	Latton Priory	22,500	322,500	1,919,323	1,830,701	1,742,078	1,653,455	1,564,832	1,476,209	1,387,586	1,298,963	1,210,340	1,121,717	1,033,094	944,471	855,848	767,225	678,602	589,979
Site 4	Water Lane - W Katherinees	315,530	585,553	1,762,429	1,672,677	1,582,925	1,493,173	1,403,421	1,313,669	1,223,917	1,134,165	1,044,413	954,661	864,909	775,157	685,405	595,653	505,901	416,149
Site 5	Water Lane - W Summers	22,500	322,500	1,942,524	1,847,250	1,751,977	1,656,703	1,561,429	1,466,155	1,370,881	1,275,607	1,180,333	1,085,059	989,785	894,511	809,237	713,963	628,689	543,415
Site 6	Gilston - Villages 1-6	22,500	322,500	1,035,660	968,223	900,787	833,350	765,913	698,477	631,040	563,603	496,167	428,731	361,294	293,858	226,421	158,984	91,548	24,112
Site 7	Gilston - Villages 7	22,500	322,500	2,173,020	2,087,888	2,002,756	1,917,624	1,832,492	1,747,360	1,662,228	1,577,096	1,491,964	1,406,832	1,321,700	1,236,568	1,151,436	1,066,304	981,172	896,040
Site 8	Gilston 1	22,500	322,500	1,952,100	1,884,882	1,817,664	1,750,446	1,683,227	1,616,009	1,548,791	1,481,573	1,414,355	1,347,137	1,279,919	1,212,701	1,145,483	1,078,265	1,011,047	943,829
Site 9	Gilston 2	22,500	322,500	1,995,835	1,927,764	1,859,693	1,791,622	1,723,551	1,655,480	1,587,409	1,519,338	1,451,267	1,383,196	1,315,125	1,247,054	1,178,983	1,110,912	1,042,841	974,770
Site 10	Gilston 3	22,500	322,500	2,371,525	2,289,438	2,207,351	2,125,264	2,043,177	1,961,090	1,878,958	1,796,826	1,714,694	1,632,562	1,550,430	1,468,298	1,386,166	1,304,034	1,221,902	1,139,770
Site 11	Gilston 4	22,500	322,500	1,912,930	1,847,376	1,781,821	1,716,266	1,650,712	1,585,157	1,519,602	1,454,047	1,388,492	1,322,937	1,257,382	1,191,827	1,126,272	1,060,717	995,162	929,607
Site 12	Gilston 5	22,500	322,500	2,441,117	2,356,354	2,271,590	2,186,827	2,102,064	2,017,300	1,932,537	1,847,774	1,763,010	1,678,247	1,593,484	1,508,721	1,423,958	1,339,195	1,254,432	1,169,669
Site 13	Gilston 6	22,500	322,500	2,258,603	2,180,993	2,102,412	2,023,831	1,945,249	1,866,668	1,788,087	1,709,506	1,630,924	1,552,343	1,473,761	1,395,180	1,316,599	1,238,018	1,159,437	1,080,856

Source: HDH (March 2019)

- 10.53 As would be expected, as the level of affordable housing is reduced, the sites' ability to bear developer contributions improves. This will give the Councils confidence that the sites are deliverable.
- 10.54 In the previous analysis it was identified that an increase of £2,500/unit in developer contributions results in a fall in the Residual Value of about £40,000/ha. This analysis now shows that a 5% increase in the affordable housing, results in a fall in the Residual Value of about £70,000/ha. It is clear that when changes are made to both the affordable housing requirements and s106 requirements, the changes in the Residual Value can be very significant.

Self and Custom Build

- 10.55 East Herts has a policy (Policy HOU8 Self-Build and Custom Build Housing) requiring 1% requirement on sites of 200 units and larger. This has been tested. It is assumed that this policy will be implemented on a 'whole plot' basis, so sites over 200 units would be required to provide 2 plot, sites over 300 units would be required to provide 3 plots and so on.
- 10.56 If a developer is to sell a plot as a serviced self-build plot they would not receive the profit from building the unit, they would however receive the price for the plot. If they were to provide the plot as a custom-build plot (i.e. where the developer designs and builds to the buyer's design and specifications) they would receive a payment for the land, the costs of construction and the price paid would incorporate the developer's return. The impact on viability is therefore the balance between the profit foregone and the receipt for the serviced plot.
- 10.57 As set out in Chapter 7 above, the developer's return is calculated as 17.5% of the value of market housing and 6% of the value of affordable housing. This varies from site to site but is typically around £65,000/unit sold – that is to say the analysis assumes the profit for the developer is about £65,000/unit.
- 10.58 As set out in Chapter 6 above, a review of development land values has been undertaken. This varies from site to site but is typically around £100,000/unit sold, but on some smaller sites is very much higher than this.
- 10.59 The modelling in the Viability Assessment is based on 35 units per net ha with allowance for open space. On this basis, a self-build plot is likely to be about 0.03ha or so. A plot price of £100,000 would give to a land value of over £3,000,000/ha⁹⁸. This is substantially above the BLV and allows plenty of scope for the services to be laid on to the plot or plots. It is also well above the developer's return of £65,000 or so that would be forgone from developing the unit.

⁹⁸ It is not suggested that estate housing generates values of this level – this is the level based on values of small building sites for sale more widely.

10.60 Based on the above analysis it is unlikely that a requirement for self-build plots will adversely impact on viability.

Older People's Housing

10.61 As well as mainstream housing, we have considered the sheltered and extracare sectors separately. All the Councils are seeking a mix of housing to be delivered from these large Harlow and Gilston Garden Town sites.

10.62 The policies, as drafted, are not prescriptive in this regard as to the amount of such specialist housing to be included in the sites. Appraisals are run with both the 30% and 40% affordable housing targets at a range of developer contributions.

10.63 The results of these are summarised as follows. The full appraisals (with 40% affordable housing) are set out in **Appendix 13** below:

Table 10.12 Older People's Housing, Appraisal Results (£/ha)						
	EUV	BLV	Residual Value			
Developer Contribution			Sheltered		Extracare	
£/unit			30%	40%	30%	40%
£0	22,500	322,500	5,298,913	4,101,382	4,944,985	3,419,665
£5,000	22,500	322,500	4,884,581	3,687,050	4,396,222	2,870,901
£10,000	22,500	322,500	4,470,249	3,272,718	3,847,458	2,322,138
£15,000	22,500	322,500	4,055,917	2,858,386	3,298,695	1,773,375
£20,000	22,500	322,500	3,641,585	2,444,054	2,749,932	1,224,612
£25,000	22,500	322,500	3,227,253	2,029,722	2,201,169	675,848
£30,000	22,500	322,500	2,812,921	1,615,390	1,652,405	112,656
£35,000	22,500	322,500	2,398,589	1,201,058	1,103,642	-463,140
£40,000	22,500	322,500	1,984,257	786,726	554,879	-1,038,936
£45,000	22,500	322,500	1,569,924	368,695	-14,273	-1,630,496
£50,000	22,500	322,500	1,155,592	-64,694	-590,069	-2,222,981
£55,000	22,500	322,500	741,260	-499,437	-1,166,632	-2,815,465
£60,000	22,500	322,500	321,912	-937,499	-1,759,117	-3,413,738
£65,000	22,500	322,500	-112,399	-1,384,845	-2,351,602	-4,014,105
£70,000	22,500	322,500	-547,141	-1,832,192	-2,944,086	-4,614,472

Source: HDH (March 2019)

10.64 The above analysis assumes that specialist older people's housing would be subject to similar levels of developer contributions (when calculated on a £/unit basis) as general housing. This is unlikely as such housing does not normally contribute to education.

- 10.65 This analysis shows that, at around £40,000 per unit of developer contributions, most schemes are likely to produce a Residual Value (on a £/ha basis) that is comparable to general housing. From this it can be concluded that the presence of specialist older people's housing is unlikely to impact seriously on viability and the delivery of the large Harlow and Gilston Garden Town sites.

Conclusions

- 10.66 The results in themselves do not determine policy. The consequences of these results are discussed in Chapter 12 below.

11. Non-Residential Appraisals

- 11.1 The preceding chapters set out the assumptions for the non-residential development appraisals. Based on the assumptions set out previously, a set of appraisals have been run for the non-residential development types. The detailed appraisal results are set out in **Appendix 14** and summarised in the table below.
- 11.2 As with the residential appraisals, the Residual Valuation approach is used. The appraisals assess the value of the site after taking into account the costs of development, the likely income from sales and/or rents, and an appropriate amount of developers' profit. The payment would represent the sum paid in a single tranche on the acquisition of a site. In order for the proposed development to be described as viable, it is necessary for this value to exceed the EUV for the site by a satisfactory margin (the BLV).
- 11.3 When testing the non-residential development types, multiple sets of appraisals for different levels of policy requirement have not been run as the Councils do not seek to impose layers of policy requirements on these types of development. Further, when it comes to developer contributions it is assumed that these will be borne entirely by residential development.
- 11.4 All the Councils are seeking a mix of uses to be delivered from these large Harlow and Gilston Garden Town sites. The policies, as drafted, are not prescriptive in this regard as to the amount of other uses to be included in the sites.

Employment Uses

Table 11.1 Appraisal Results showing Approximate Residual Value Employment Uses					
			Offices - Park	Larger Industrial	Smaller Industrial
	CIL	£/m2	0	0	0
Income	m2		2,000	4,000	400
	£/m2		3,358	1,650	1,650
	Capital Value		6,044,400	6,270,000	660,000
	Buyers Costs	4.50%	271,998	282,150	29,700
	Capital Value		5,772,402	5,987,850	630,300
Costs	Land Used	Coverage	50%	40%	40%
		ha	0.400	1.000	0.100
		£/ha	22,500	22,500	22,500
		Uplift £/ha	300,000	300,000	300,000
		20.00%	4,500	0	0
		Site Cost	130,800	322,500	32,250
			0		
	Stamp Duty (on VT)	4.00%	5,232	12,900	1,290
	Acquisition	1.50%	1,962	4,838	484
	Strategic Promotion		0	0	0
	Pre Planning		10,000	10,000	10,000
			0		
	Construction	/m2	1,707	986	1,108
		£	3,414,000	3,944,000	443,200
	Infrastructure	15.00%	512,100	591,600	66,480
	Abnormals	5.00%	0	0	0
	Fees	8.00%	314,088	362,848	40,774
	S106		0	0	0
	CIL		0	0	0
	Contingency	2.5%	98,153	113,390	12,742
	Finance Costs		200,000	300,000	100,000
	Sales	2.50%	75,555	78,375	8,250
	Misc. Financial		10,000	10,000	10,000
	Subtotal		4,641,090	5,427,951	693,220
	Interest	7.00%	139,233	162,839	20,797
	Profit % GDC	20.00%	865,860	898,178	94,545
			0.00%	0.00%	0.00%
	COSTS		5,646,182	6,488,967	808,562
			0		
Residual Land Worth		Site	126,220	-501,117	-178,262
	Existing Use Value	£/ha	22,500	22,500	22,500
	Viability Threshold	£/ha	327,000	322,500	322,500
	Residual Value	£/ha	315,549	-501,117	-1,782,618

Source: HDH (February 2019)

- 11.5 Office development is not shown as viable, but it is coming forward on the ground. Similarly, industrial development is shown as being unviable. The results are not reflective of the local market where development for employment uses is coming forward. Where development is coming forward (and it is coming forward), it tends to be from existing businesses for

operational reasons – rather than to make a return through property development (i.e. speculative development).

- 11.6 It is notable that agents operating in the local market have reported that, over the two years or so, that there has been a change in sentiment and an improvement in the market, and that this is expected to continue.
- 11.7 The analysis in this report is carried out in line with the Harman Guidance and in the context of the NPPF and PPG. It assumes that development takes place for its own sake and is a goal in its own right. It assumes that a developer buys land, develops it and then disposes of it, in a series of steps with the sole aim of making a profit from the development. As set out in Chapters 2 and 3 above, the Guidance does not reflect the broad range of business models under which developers and landowners operate. Some landowners have owned land for many years and are building a broad income stream over multiple properties. Such owners are able to release land for development at less than the arms-length value and still make a good return relative to the existing use of the site, having taken a long-term view as to the direction of the market based on the prospects of an area and wider economic factors. Much of the development coming forward in the area is 'user-led' being brought forward by businesses that will use the eventual space for operational uses, rather than for investment purposes.
- 11.8 Some office and industrial/distribution development is challenging in the current market, but it is improving. We would urge caution in relation to setting policy requirements for employment uses that would unduly impact on viability.

Conclusions

- 11.9 The results in themselves do not determine policy. The consequences of these results are discussed in Chapter 12 below.

12. Conclusions and findings

- 12.1 This final chapter is written as a non-technical summary and brings the research, analysis and findings together.

Scope

- 12.2 Harlow Council (HC), East Hertfordshire District Council (EHDC), Epping Forest District Council (EFDC), Hertfordshire County Council (HCC) and Essex County Council (ECC) are working together to bring forward the Harlow and Gilston Garden Town. This Viability Assessment has been commissioned to assess the deliverability of the four key sites in the Harlow and Gilston Garden Town.

- a. **East of Harlow** located in Harlow and Epping Forest. Total estimated number of dwellings – 3,350
- b. **Latton Priory** located in Epping Forest. Total estimated number of dwellings – 1,050
- c. **Water Lane Area** located in Epping Forest. Total estimated number of dwellings – 2,500
- d. **Gilston Area** located in East Hertfordshire. Total estimated number of dwellings – 10,000 (of which at least 3,050 will be delivered in the plan-period).

- 12.3 HDH Planning & Development Ltd and Arup have been appointed to provide a high-level viability assessment for each of the four new Garden Communities in order to determine the maximum level of developer contributions to be sought, allowing delivery of the sites to remain viable.

- 12.4 The core of this report is the assessment of the ability of the key Harlow Garden Town sites to bear the costs of the strategic infrastructure and mitigation. Outside this report, the Councils are updating the Infrastructure Delivery Plan(s) (IDP). The information from the updated IDP is used in this assessment.

General Caveat

- 12.5 Some of the conclusions and recommendations contained in this report are based upon information provided by others (including the Councils and consultees) and upon the assumption that all relevant information has been provided by those parties from whom it has been requested. Information obtained from third parties has not been independently verified by HDH Planning & Development Ltd or Arup, unless otherwise stated in the report. The conclusions and recommendations contained in this report are concerned with policy requirement, guidance and regulations which may be subject to change. They reflect a Chartered Surveyor's perspective and do not reflect or constitute legal advice.
- 12.6 No part of this report constitutes a valuation and the report should not be relied on in that regard.

Compliance

- 12.7 HDH Planning & Development Ltd is a firm regulated by the Royal Institution of Chartered Surveyors. It is therefore necessary to have regard to RICS Professional Standards and Guidance. For the purpose of this assessment there are two principle pieces of relevant guidance, the *Draft Financial viability in planning: conduct and reporting RICS professional statement, England* (October 2018) and *Financial Viability in planning (1st edition), RICS guidance note* (2012).
- 12.8 Reference is made to *Financial Viability in planning (1st edition), RICS guidance note* (2012), although it is important to note that this Guidance is subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (July 2018) so relatively little weight is given to this. *Draft Financial viability in planning: conduct and reporting RICS professional statement, England* (October 2018) is in draft form however this opportunity is taken (in the spirit of the draft) to confirm compliance with it.
- 12.9 This chapter is a non-technical summary of the assessment.

Viability Testing

- 12.10 The requirement to assess viability forms part of the National Planning Policy Framework (NPPF). Over several years, in the run up to this report, various national consultations have been carried out with regard to different aspects of the plan-making process. These included references to, and sections on, viability. The NPPF and the viability sections of the Planning PPG were updated in July 2018 replacing the earlier documents.

National Planning Policy Framework

- 12.11 As in the 2012 NPPF, viability remains a core area of the plan-making process. The 2019 NPPF does not include detail on the viability process, rather stresses the importance of viability. The core requirement is that the planned development is deliverable, however the 2019 NPPF does not include technical guidance on undertaking viability work. This is included within the PPG that was also updated in July 2018.

Planning Practice Guidance

- 12.12 The viability sections of the PPG have been completely rewritten. The changes provide clarity and confirm best practice, rather than prescribe a new approach or methodology. The overall requirement is that '*...policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106...*'.
- 12.13 This assessment takes a proportionate approach, building on the three Councils' existing evidence, and considers all the local and national policies that will apply to new development.

- 12.14 The delivery of strategic infrastructure has been tested against other policy requirements such as affordable housing.
- 12.15 The general principles of viability testing are set out, and are based on 'standardised inputs'. The PPG sets out how land values should be considered, prescribing the use of the Existing Use Value Plus (EUV+) approach.

To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. This approach is often called 'existing use value plus' (EUV+).

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- 12.16 The judgement of the amount of landowner's premium is at the core of this assessment. In line with the PPG, the approach adopted in this assessment is to start with the EUV. The 'plus' element is informed by the price paid for policy compliant schemes to ensure a reasonable landowner's premium.

Community Infrastructure Levy Regulations and Guidance

- 12.17 Whilst none of the Councils have adopted CIL, the CIL Regulations are broad, so it is necessary to have regard to the CIL Regulations and CIL Guidance (which is contained within the PPG) when considering the delivery of the development.
- 12.18 Viability testing in the context of CIL is to assess the 'effects' on development. The financial impact of introducing CIL is an important factor, but the provision of infrastructure (or lack of it) will also have an impact on the ability of the Councils to meet their objectives through development and deliver their Development Plans.
- 12.19 From April 2015, councils have been restricted in relation to pooling S106 contributions from more than five developments (where the obligation in the s106 agreement / undertaking is a reason for granting consent). This restriction encourages councils to adopt CIL. The Councils can still raise additional s106 funds for infrastructure, provided this infrastructure can be directly linked to the site-specific needs associated with the scheme in question, and that it is not for infrastructure specifically identified to be funded by CIL, through the Regulation 123 List. Payments requested under the s106 regime must be (as set out in CIL Regulation 122):
- necessary to make the development acceptable in planning terms;
 - directly related to the development; and
 - fairly and reasonably related in scale and kind to the development.

Viability Guidance

- 12.20 There is no specific technical guidance on how to test the viability in the 2019 NPPF or the updated PPG, although the updated PPG includes a guidance in a number of specific areas



and sets out the general principles. There are several sources of guidance and appeal decisions that support the methodology HDH has developed and is used here. This assessment follows the *Viability Testing in Local Plans – Advice for planning practitioners* (LGA/HBF – Sir John Harman) June 2012.

- 12.21 Planning appeal decisions and the HCA good practice publication, suggest that the most appropriate test of viability for planning policy purposes is to consider the Residual Value of schemes compared with the EUV, plus a premium. The premium over and above the EUV being set at a level to provide the landowner with the inducement to sell. The Harman Guidance and *Financial viability in planning, RICS guidance note, 1st edition* (GN 94/2012) which was published during August 2012 set out the principles of viability testing. Additionally, the Planning Advisory Service (PAS) provides viability guidance and manuals for local authorities.
- 12.22 In line with the updated PPG this assessment follows the EUV Plus (EUV+) methodology. The methodology adopted is to compare the Residual Value generated by the viability appraisals, with the EUV plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the EUV is central to the assessment of viability. To inform the judgement as to whether the uplift is set at the appropriate level, reference is made to the market value of the land both with and without the benefit of planning.

Methodology

- 12.23 There is no statutory technical guidance on how to go about viability testing. This report follows the Harman Guidance and the 2019 NPPF and updated PPG. The promoters of the Garden Town sites have been consulted. The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation is:

$$\begin{array}{r} \textbf{Gross Development Value} \\ \text{(The combined value of the complete development)} \\ \\ \text{LESS} \\ \\ \textbf{Cost of creating the asset, including a profit margin} \\ \text{(Construction + fees + finance charges)} \\ \\ = \\ \\ \textbf{RESIDUAL VALUE} \end{array}$$

- 12.24 The Residual Value is the maximum a developer can offer for a site and still make a satisfactory profit margin.
- 12.25 It is well recognised in viability testing that the developer should be rewarded for taking the risks of development. The essential balance in viability testing is around the land value and whether or not land will come forward for development. The more policy requirements and developer contributions a planning authority asks for, the less a developer can afford to pay for the land. The purpose of this assessment is to quantify the costs of the Councils' various policies on development, the strategic infrastructure and mitigation costs from the IDP, and

then make a judgement as to whether or not land prices are squeezed to such an extent that, in the context of 2019 NPPF, the development is threatened to such an extent that they are not delivered.

- 12.26 It is important to note that this assessment is not trying to mirror any particular developer's business model – rather it is making a broad assessment of viability in the context of plan-making and the requirements of the 2019 NPPF (and updated PPG).

Existing Available Evidence

- 12.27 The 2019 NPPF, the updated PPG, the CIL Regulations and CIL Guidance are clear that the assessment of the potential impact of CIL should, wherever possible, be based on existing available evidence. Primarily, this is that which has been prepared for the Councils to inform their separate Plans:

- a. *EHDC Plan Viability, Affordable Housing and CIL Study*. PBA, 1st October 2015.
- b. *EFDC Stage 2: Update Assessment of the Viability of Affordable Housing, CIL and the Local Plan*. Dixon Searle, November 2017.
- c. *Local Plan Viability Assessment, Affordable Housing and CIL Review*. BNP Paribas, March 2018.

- 12.28 These three studies have been prepared by different consultancies, however all are broadly consistent in their approach and assumptions. These have been used as the starting point for this assessment.

- 12.29 The Councils also hold evidence of what is being collected from developers under the s106 regime. This is being collected outside this assessment but will be drawn on by the Councils when considering the results.

Stakeholder Engagement

- 12.30 The PPG and the Harman Guidance require stakeholder engagement – particularly with members of the development industry. A series of informal consultation events were held in the autumn of 2019 with the promoters of the Garden Town sites. A further round of consultation took place in mid-February 2019.

Viability Process

- 12.31 The assessment of viability as required under the 2019 NPPF and the CIL Regulations is not done using a set formula or calculation. It is a quantitative and qualitative process. The basic methodology involves preparing financial appraisals for the Garden Town sites and using these to assess whether development is viable. The sites were modelled based on discussions with Council officers, the existing available evidence supplied to us by the Councils, and on our own experience of development.

- 12.32 The sites include a range of uses, the main use being residential. The residential elements are as follows.

Table 12.1 Summary of Main Harlow Garden Town Sites	
	Units
East of Harlow (North)	750
East of Harlow (South)	2,600
Latton Priory	1,050
Water Lane Area (Sumners)	807
Water Lane Area (Katherines)	1,331
Gilston (Villages 1-6)	8,500
Gilston (Village 7)	1,500

Source: HC, EHDC, EFDC (November 2018)

- 12.33 The eventual planning applications may well be different to that set out in the Plan. In this assessment it is necessary to follow what is being planned for.
- 12.34 A bespoke viability testing model designed and developed by HDH Planning & Development Ltd specifically for area wide viability testing as required by the NPPF and CIL Regulations is used. The purpose of the viability model and testing is not to exactly mirror any particular business model used by those companies, organisations or people involved in property development.

Residential Market

- 12.35 An assessment has been made of the housing market. Although development schemes do have similarities, every scheme is unique, even schemes on neighbouring sites. Market conditions will broadly reflect a combination of national economic circumstances, and local supply and demand factors, however, even within a town there will be particular localities, and ultimately site-specific factors, that generate different values and costs.
- 12.36 Harlow is one of the original New Towns and is about 25 miles north of central-London. As a Local Authority area, Harlow has tightly drawn boundaries, hence the cross-boundary co-operation behind the Harlow and Gilston Garden Town.
- 12.37 The situation is highly desirable, being just half an hour by train from Liverpool Street.
- 12.38 Of the adjacent and nearby Local Authority areas, Harlow has the second lowest (after Stevenage) average house prices. These lower prices may be due to the housing choice and current housing offer. Much of the town was developed since the 1950s and the range of house styles and types of development is typical of the second half of the 20th Century and is rather homogenous. To some extent the lower prices are a factor of the type, style and age of the houses in the town, rather than their location. Whilst this will have an influence on wider prices, there is no reason to suggest that should modern homes, with a greater appeal, be

developed in the town, that they should not achieve prices that are somewhat higher. This can be seen at Barratt Homes' new Gilden Park scheme to the northeast of the town. Of the adjacent and nearby Local Authority areas, Harlow has seen the largest increase in prices since the bottom of the market in in 2019.

Table 12.2 Change in Average House Prices				
	April 2009	May 2018	Change	
Harlow	£144,496	£280,567	£136,071	94%
Basildon	£171,298	£305,099	£133,801	78%
Brentwood	£237,352	£413,792	£176,440	74%
Broxbourne	£203,897	£350,331	£146,434	72%
Chelmsford	£188,870	£335,754	£146,884	78%
East Herts	£228,593	£383,086	£154,493	68%
Epping Forest	£254,630	£464,020	£209,390	82%
St Albans	£277,074	£526,375	£249,301	90%
Stevenage	£162,181	£285,916	£123,735	76%
Uttlesford	£250,687	£383,134	£132,447	53%
Welwyn Hatfield	£217,392	£390,288	£172,896	80%

Source: Land Registry (July 2018)

12.39 It is not possible to attribute this change in values on a particular factor, but it is, at least in part, due to the regeneration of the town centre and the improved housing offer through new housing schemes.

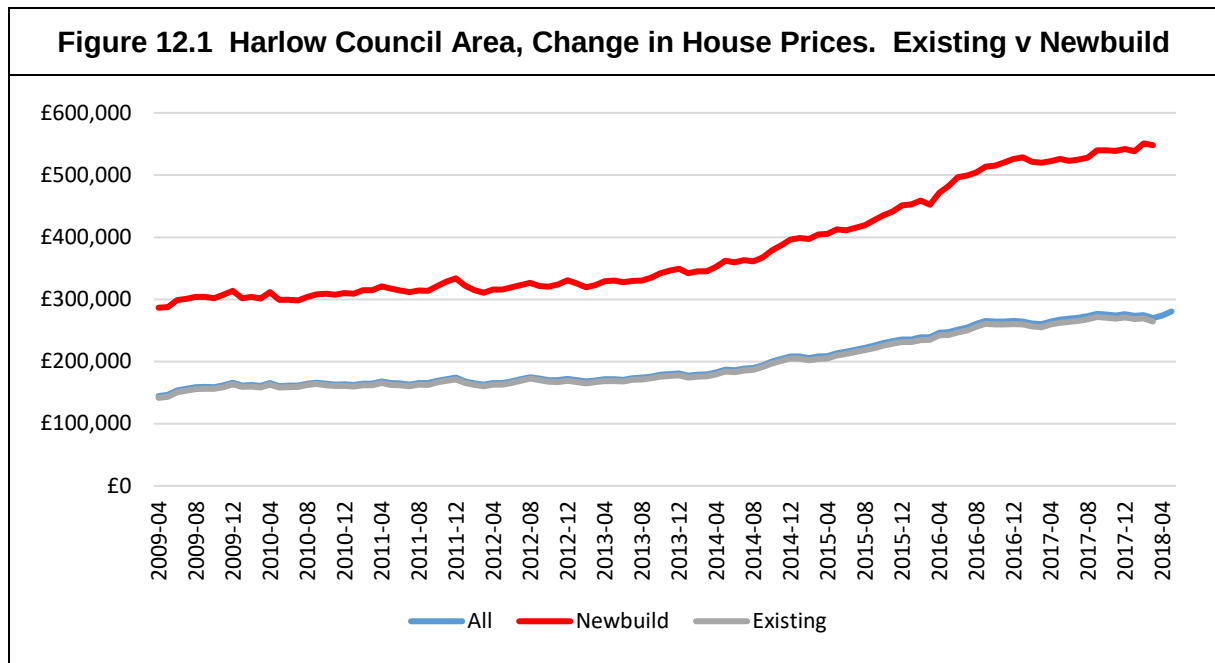
12.40 Overall the market is perceived to be strong and certainly desirable and aspirational to households seeking to move from London. Through conversations with local agents, the area is perceived to be an attractive place to develop, particularly with higher quality modern homes that are different to the existing stock.

National Trends and Harlow's relationship with the wider area

12.41 The housing market peaked late in 2007 and then fell considerably in the 2007/2008 recession during what became known as the 'Credit Crunch'. Average house prices across England and Wales have recovered to their pre-recession peak; however, this is strongly influenced by London. Prices in London are now well in excess of the 2007/2008 peak and, prices in Harlow have increased more than in England and Wales.

12.42 There is a degree of uncertainty in the housing market. This is, at least in part, due to the uncertainties around the referendum to leave the European Union. It is important to note that, at the time of this report, the housing market is still actively supported by the Government through products and initiatives such as Help-to-Buy.

- 12.43 A notable characteristic of the data is that the values of newbuild homes have increased substantially faster than that of existing homes:



- 12.44 The Land Registry shows that the average price paid for newbuild homes (at £547,945) is more than double than the average price paid for existing homes (at £264,474).
- 12.45 This report is being completed as the United Kingdom prepares to leave the European Union. It is not yet possible to predict the impact of leaving the EU, beyond the fact that the UK and the UK economy is in a period of uncertainty. Negotiations around the details of the exit are underway but not concluded. A range of views as to the impact on house prices have been expressed that cover nearly the whole spectrum of possibilities. There is clearly uncertainty in the market, and it is not for this assessment to try to predict how the market may change in the coming years, and whether or not there will be a further increase in house prices. Property agents Savills are predicting a 0% increase in the current year, 1% increase next year and a 15.3% increase over the next 5 years in the prime Outer Commute residential markets, with a 0.5% increase this year, 2.5% next year and 11.5% over the next 5 years in the mainstream South East residential markets. These predictions are somewhat less than were being predicted before the Brexit referendum.

The Local Market

- 12.46 A survey of asking prices across the Harlow town area was carried out in July 2018. Through using online tools such as [rightmove.co.uk](https://www.rightmove.co.uk) and [zoopla.co.uk](https://www.zoopla.co.uk) median asking prices were estimated. This assessment is concerned with the viability of newbuild residential property so the key input for the appraisals are the prices of units on new developments. Recent newbuild sales prices from the Land Registry have been reviewed and a survey of new homes for sale during July 2018 carried out.

- 12.47 The Land Registry publishes data of all homes sold. Each new house sold requires an Energy Performance Certificate (EPC). This is a public document that can be viewed on the EPC Register. The EPC contains the floor area (the Gross Internal Area – GIA). The price paid data from the Land Registry has been married with the homes' floor area from the EPC Register.
- 12.48 Across these settlements, from the start of 2016 the average price paid is about £3,900/m², rising by 2018 to an average of over £4,350/m². Whilst there is a price variation based on geography, it is modest, the principle driver of the differences is the situation rather than the location of a site. That is to say, the value will be more strongly influenced by the specific site characteristics, the immediate neighbours and environment, rather than in which particular ward or postcode sector the scheme is located.
- 12.49 At the time of this assessment there were about 60 new houses and flats being advertised for sale in and around Harlow (although on some of these, construction had yet to start). The analysis of these shows that asking prices for newbuild homes vary, very considerably, starting at £195,000 and going up to just under £700,000. The average is just over £400,000.
- 12.50 Following the initial consultation, the following values were derived.

Table 12.3 Updated Residential Price Assumptions (£/m²)		
Typology	Houses	Flats
East of Harlow	£3,800	£4,000
Latton Priory	£4,000	£3,700
Water Lane	£3,900	£3,900
Gilston Area	£4,285	£4,020

Source: HDH (December 2018)

Affordable Housing

- 12.51 The Councils have policies for the provision of affordable housing. It is assumed that such housing is constructed by the site developer and then sold to a Registered Provider (RP).
- 12.52 Social Rents are assumed to have a value of £1,285/m². It is assumed that Affordable Rent will be no more than the LHA cap and to have a value of £1,915/m² is derived.
- 12.53 Intermediate products for sale include shared ownership and shared equity products. The market for these is very difficult at present and we have found little evidence of the availability of such products in the assessment area. A value of 65% of open market value is used for these units.

Older People's Housing

- 12.54 Housing for older people is generally a growing sector due to the demographic changes and the ageing population. The following values are used:

Table 12.4 Worth of Retirement and Extracare	
All Areas	£/m²
Sheltered	5,500
Extracare	5,500

Source: HDH (July 2018)

Non-Residential Market

12.55 There is no need to consider all types of development in all situations – and certainly no point in testing the types of scheme that are unlikely to come forward as part of the Garden Town proposals. In this assessment we have considered the larger format office and industrial uses. Whilst the proposals do include elements of retail, these are small scale so are not examined specifically.

- a. New office development is assumed to have a value of £2,800/m².
- b. New industrial and distribution units are assumed to have a value of £1,650/m².

Land Values

12.56 An important element of the assessment is the value of the land. The worth of the land before consideration of any increase in value, from a use that may be permitted through a planning consent, is the Existing Use Value (EUV). This is the starting point for the assessment as this is one of the key variables in the financial development appraisals.

12.57 The 'model' approach is that for sites previously in agricultural use, then agricultural land represents the EUV and where the development is on brownfield land we have assumed an industrial value.

Residential Land

12.58 Recent transactions based on planning consents over the last few years and price paid information from the Land Registry have been researched. These values are on a whole site (gross area) basis and range considerably. Having disregarded non-policy compliant schemes (as per PPG paragraph 10-015-20180724) the data can be summarised as follows.

Table 12.5 Recent Sales of Development Land – Summary		
POLICY COMPLIANT SITES ONLY		
	£/ha	£/unit
Minimum	£380,769	£29,118
Average	£1,729,712	£130,686
Median	£1,337,396	£106,859
Maximum	£4,545,455	£312,500

Source: Land Registry and the Councils

12.59 In this regard, we have a caveat and that is in relation to large sites. Large sites have their own characteristics and are often subject to significant infrastructure costs and amounts of open space which result in lower values.

12.60 It is necessary to make an assumption about the value of residential land. A value of £1,300,000/ha is taken as an average value for residential land. This is around the median value having discounted the outlier values as per paragraph 10-011-20180724 of the updated PPG. This figure would not apply to very large scale sites that are not represented in the above data.

Industrial Land

12.61 A value of £1,000,000/ha is assumed.

Agricultural and Paddocks

12.62 A figure of £20,000/ha was suggested for the consultation process, but this has been revised up to £22,500/ha which is assumed to apply.

Benchmark Land Values

12.63 The results from the appraisals are compared with the EUV. It does not automatically follow that, if the Residual Value produces a surplus over the EUV benchmark, the site is viable. In considering the BLV, regard has been had to the PPG. The starting point is the EUV. In this case the majority of the sites are in agricultural use so agricultural use is taken as the EUV. The exception is the case of Water Lane – West Katherines. Part of Water Lane – West Katherines is under glasshouses, so an industrial use value is attributed to the areas under glasshouses.

12.64 It is necessary to consider the value of policy compliant land transactions. The average value in the general area is about £1,300,000/ha. The transactions that inform this average are not representative of the sites that are under consideration in this assessment. The Garden Town sites range from 750 units to 8,500 units and from 72ha to about 1,000ha. The largest site for which price paid data was available was about 10ha, so over a completely different scale. No additional or alternative evidence was presented in this regard through the consultation with the site promoters.

12.65 The question for this assessment is what is a reasonable premium? In the Councils' published viability studies the following approaches were taken:

- a. *EHDC Plan Viability, Affordable Housing and CIL Study* (PBA, 1st October 2015) is the oldest of the three studies and a Threshold Land Value (being equivalent to BLV) of £2,250,000/ha is used for housing in the southern area of the district.
- b. *EFDC Stage 2: Update Assessment of the Viability of Affordable Housing, CIL and the Local Plan* (Dixon Searle, November 2017) takes various approaches, however for large greenfield sites, the assumption is £250,000/ha.

- c. Harlow's *Local Plan Viability Assessment, Affordable Housing and CIL Review* (BNP Paribas, March 2018) uses two thresholds of £250,000/ha and £370,000/ha, although the geographical area of this is not mapped.

12.66 The Epping Forest and Harlow studies clearly follow the EUV Plus approach, so the methodologies used are most closely aligned with the updated PPG. The East Hertfordshire assessment does not follow the EUV plus approach, so it is given less weight.

12.67 In this assessment, to consider the deliverability of the very large sites that make up the Harlow and Gilston Garden Town, it is necessary to make an assumption as to the Landowner's Premium. The following approach is taken.

- a. For brownfield and non-agricultural uses, EUV plus 20%. This only relates to the part of Water Lane – West Katherines that is under glasshouse use.
- b. On the agricultural land an assumption of EUV (£22,500/ha) plus £300,000/ha is used. This provides a very substantial uplift for a landowner selling a greenfield site with consent for development. In the event of the grant of planning consent they would receive over ten times the value compared with before consent was granted. This approach is the one suggested in the Harman Guidance (see Chapter 2 above) and by the Planning Advisory Service (PAS).

12.68 It is accepted that that this is a simplification of the market, however in a high-level assessment of this type that is based on modelled sites, simplifications and general assumptions need to be made.

Development Costs

12.69 The appraisal costs are summarised as follows:

Construction costs: baseline costs

12.70 The cost assumptions are derived from the Building Cost Information Service (BCIS) data – using the figures re-based for Harlow.

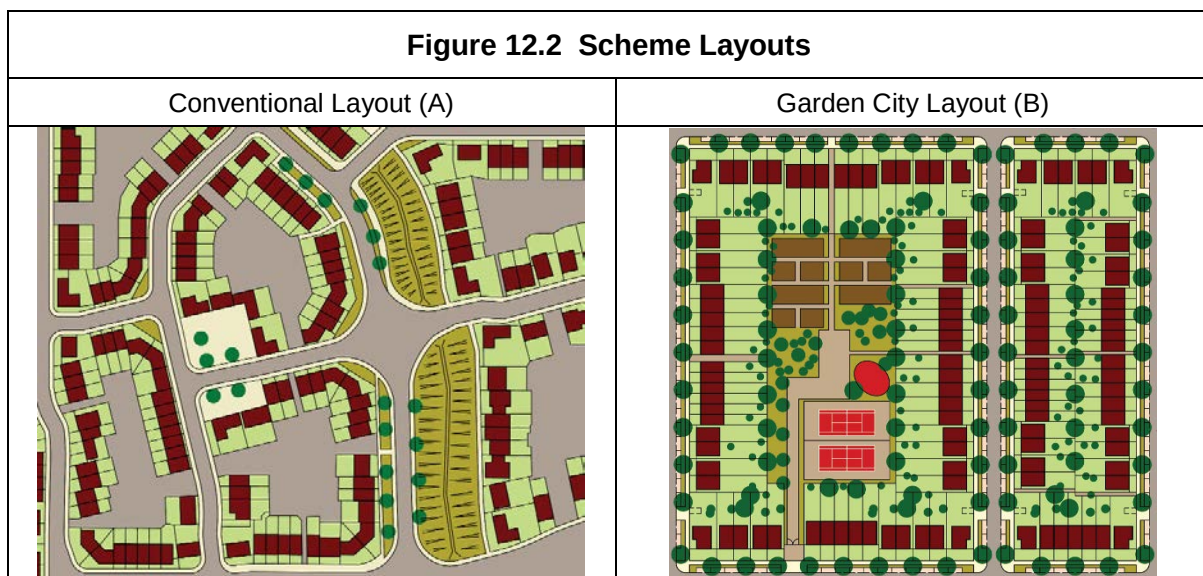
Table 12.6 BCIS Costs- £/m² gross internal floor area			
	Lower Quartile	Median	Average
Epping Forest	£1,107	£1,253	£1,292
Harlow	£1,097	£1,242	£1,280
East Hertfordshire	£1,097	£1,242	£1,280

Source: BCIS (July 2018)

12.71 It is assumed that all new non-residential development is built to the BREEAM Very Good standard.

Site Costs

- 12.72 The difference between the Garden City and the conventional approach is in two main parts. The first being the total land requirement and the second being the layout. The construction costs are based on the BCIS costs. The BCIS costs include the costs of the building but not the costs of services and external works. For this assessment we have had regard to the work carried out by URS (now AECOM) to support the TCPA's *Nothing gained by overcrowding!* paper. In that paper, two 4ha schemes were modelled as per the layouts below (at 2012 prices) to ascertain the estimated site costs. It found that the site costs on the Garden City scheme, on a per unit basis, are about 65% of the costs on the conventional scheme.



Source: *Nothing gained by overcrowding!* TCPA 2012

- 12.73 Under a conventional scheme it is generally assumed that the site costs would be in the range of 15% to 20% of the construction (i.e. BCIS based) costs. In the pre-consultation notes site costs were assumed to be 13% of the BCIS based construction cost. Through the consultation process a range of comments were made. A 15% assumption is used.

Abnormal development costs and brownfield sites

- 12.74 The PPG includes specific advice on the treatment of abnormal costs. When considering viability in the planning system, abnormal costs should be added to the cost side of the viability assessment, but also reflected (i.e. deducted from) in the BLV. This has the result of balancing the abnormal costs on both elements of the appraisal.
- 12.75 In some cases, where the site involves redevelopment of land which was previously developed, there is the potential for abnormal costs to be incurred. Abnormal development costs might include demolition of substantial existing structures; flood prevention measures at waterside locations; remediation of any land contamination; remodelling of land levels; and so on. An additional allowance is made for abnormal costs associated with brownfield sites of 5% of the BCIS costs (the 19ha of glasshouses at Water Lane, West Katherines is treated as brownfield land).

- 12.76 In summary, abnormal costs will be reflected in land value. Those sites that are less expensive to develop will command a premium price over and above those that have exceptional or abnormal costs. It is not the purpose of an assessment of this type to standardise land prices across an area.

Fees

- 12.77 Professional fees are assumed to amount to 8% of build costs and for non-residential development 8% is assumed. Additional allowance is made for the planning application fee, acquisition costs, sales (disposal) fees and fees in relation to finance.

Contingencies

- 12.78 For previously undeveloped and otherwise straightforward sites, a contingency of 2.5% has been allowed for, with a higher figure of 5% on more risky types of development, previously developed land and on central locations.
- 12.79 The strategic infrastructure and mitigation costs include appropriate (up to 20%) contingencies so additional contingency allowances are not made.

S106 Contributions and the costs of infrastructure

- 12.80 The Councils have recently reviewed the Infrastructure Delivery Plans specifically in relation to the Garden Town development. This work includes a disaggregation of the cost by site:

Table 12.7 Refined Strategic Infrastructure and Mitigation Costs			
	Units	Total	Cost/unit
East of Harlow (North)	750	£34,536,459	£46,049
East of Harlow (South)	2,600	£104,999,393	£40,384
Latton Priory	1,050	£48,191,121	£45,896
Water Lane Area (Sumners)	807	£38,247,063	£47,394
Water Lane Area (Katherines)	1,331	£63,004,339	£47,336
Gilston (Villages 1-6)	8,500	£445,525,028	£52,415
Gilston (Village 7)	1,500	£77,980,821	£51,987

Source: Arup, (March 2019)

- 12.81 The timings of these payments are also important and summarised below.

Table 12.8 Phasing of Strategic Infrastructure and Mitigation Costs

	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043 +
East of Harlow (North)						
Units	0	250	500	0	0	0
S106 £	£5,003,426	£18,713,880	£9,451,552	£295,166	£295,166	£777,269
s106 %	14.49%	54.19%	27.37%	0.85%	0.85%	2.25%
East of Harlow (South)						
Units	750	1,150	700	0	0	0
S106 £	£18,912,495	£51,556,734	£29,789,150	£1,023,241	£1,023,241	£2,694,533
s106 %	18.01%	49.10%	28.37%	0.97%	0.97%	2.57%
Latton Priory						
Units	50	500	500	0	0	0
S106 £	£6,830,689	£30,072,170	£9,373,621	£413,232	£413,232	£1,088,177
s106 %						
Water Lane Area (Sumners)						
Units	38	384	384	0	0	0
S106 £	£5,247,972	£25,729,792	£5,797,762	£317,598	£317,598	£836,342
s106 %	13.72%	67.27%	15.16%	0.83%	0.83%	2.19%
Water Lane Area (Katherine's)						
Units	63	634	634	0	0	0
S106 £	£8,655,577	£42,359,372	£9,562,356	£523,820	£523,820	£1,379,394
s106 %	13.74%	67.23%	15.18%	0.83%	0.83%	2.19%
Gilston (Villages 1-6)						
Units	217	833	1,000	1,000	1,500	3,950
S106 £	£125,285,303	£105,060,160	£103,991,799	£41,914,009	£27,171,859	£42,101,898
s106 %	28.12%	23.58%	23.34%	9.41%	6.10%	9.45%
Gilston (Village 7)						
Units	0	500	500	500	0	0
S106 £	£19,369,648	£20,851,622	£18,518,411	£7,564,222	£4,644,246	£7,032,671
s106 %	24.84%	26.74%	23.75%	9.70%	5.96%	9.02%

Source: Arup, (March 2019)

12.82 In the above some of the payments continue beyond the completion of the last unit. Where this is the case, in the modelling it is assumed any payments that are scheduled for after the completion of the last unit are made in the year of the last unit.

12.83 Whilst it is beyond the scope of this assessment to delve into the make up of the strategic infrastructure and mitigation costs, it is noted that some of the costs include doctors' surgeries. Such facilities have a value and are not necessarily a cost of development.

12.84 No allowance is made for any external funding. The Councils have a good track record in securing external funding for the Department of Transport (for M11 junction works) and others. There are current HIF bids being prepared at the time of this report.

12.85 None of the Councils have adopted CIL. No allowance is made for this tax.

VAT

12.86 It has been assumed throughout, that either VAT does not arise, or that it can be recovered in full.

Interest rates

12.87 The appraisals assume 6% pa for total debit balances. An arrangement fee of 1% of the peak borrowing requirement is also allowed for.

Developers' return

12.88 An allowance needs to be made for developers' profit / return and to reflect the risk of development. In this assessment the developers' return is assumed to be 20% of the value of market housing (being the top end of the range suggested by the PPG) and 6% of the value of affordable housing. This is in line with the updated PPG. In relation to non-residential development an assumption of 15% is used.

Phasing and timetable

12.89 The phasing is taken from the overall Garden Town Trajectory:

Table 12.9 Harlow Garden Town Trajectory							
	2018 - 2023	2023 - 2028	2028 - 2033	2033 - 2038	2038 - 2043	2043+	Total
East of Harlow (North)	0	250	500	0	0	0	750
	0.00%	33.33%	66.67%	0.00%	0.00%	0.00%	
East of Harlow (South)	750	1,150	700	0	0	0	2,600
	28.85%	44.23%	26.92%	0.00%	0.00%	0.00%	
Latton Priory	50	500	500	0	0	0	1,050
	4.76%	47.62%	47.62%	0.00%	0.00%	0.00%	
Water Lane Area (Sumners)	38	384	384	0	0	0	806
	4.71%	47.64%	47.64%	0.00%	0.00%	0.00%	100.00%
Water Lane Area (Katherines)	63	634	634	0	0	0	1,331
	4.73%	47.63%	47.63%	0.00%	0.00%	0.00%	
Gilston (Villages 1-6)	217	833	1,000	1,000	1,500	3,950	8,500
	2.55%	9.80%	11.76%	11.76%	17.65%	46.47%	
Gilston (Village 7)	0	500	500	500	0	0	1,500
	0.00%	33.33%	33.33%	33.33%	0.00%	0.00%	

Source: Arup (March 2019)

Acquisition costs

- 12.90 A simplistic approach is taken, it is assumed an allowance 1.5% for acquisition agents' and legal fees. Stamp duty is calculated at the prevailing rates.

Disposal costs

- 12.91 For the market and the affordable housing, sales and promotion and legal fees are assumed to amount to 3.5% of receipts. For disposals of affordable housing, these figures can be reduced significantly depending on the category, so in fact the marketing and disposal of the affordable element is probably less expensive than this.

Local Plan Policy Requirements

- 12.92 Ultimately the purpose of this assessment is to demonstrate the deliverability of the sites that make up the Harlow and Gilston Garden Town. The three Councils are at different stages of the plan-making process.
- a. Harlow Council has prepared and agreed a submission Local Plan which was published for comments on legality and soundness between 10th May and 22nd June 2018. The Plan was submitted for public examination in October 2018 and the hearings have taken place and are now adjourned.
 - b. Epping Forest District Council's Local Plan Submission Version was published for comments on soundness and legal compliance for a six-week period from 18th December 2017 to 29th January 2018. The hearings are now underway.
 - c. East Herts District Plan was submitted in early 2017; it has been through the examination process and was adopted later on 23rd October 2018.

- 12.93 It is assumed the policy requirements apply in full.

Modelling

- 12.94 In arriving at appropriate assumptions for residential development on each site, the built forms used in the appraisals are appropriate to the current development practices. In addition, the policy requirements, in terms of density, mix and open space are incorporated into the modelling.
- 12.95 Most of the allocations are very large relative to the numbers of units that are to be delivered from them with some generating densities of fewer than 15 units per ha. In part this is because the site is subject to constraints and whilst the 'red line' around the allocation takes in the whole site, only part is developable. In terms of assessing viability as required by the NPPF and PPG, in a high-level assessment of this type it is necessary to consider the policy requirements. The core analysis is therefore based on a net developable area of 60% - apart from the West Sumners site where the actual area is used.

Table 12.10 Modelling Assumptions – Areas and Densities

			Units	Modelled Area	Net Density units/ha	Net Area ha	m2/ net ha	Units/ Gross ha	Net Developable %
1	East of Harlow - North	EFDC	750	35.71	35.00	21.43	3,236	5.95	60.00%
2	East of Harlow - South	HBC	2,600	123.81	35.00	74.29	3,090	10.88	60.00%
3	Latton Priory	EFDC	1,050	50.00	35.00	30.00	3,235	13.78	60.00%
4	Water Lane - W Katherines	EFDC	1,331	63.38	35.00	38.03	3,236	18.40	60.00%
5	Water Lane - W Summers	EFDC	807	36.04	35.00	23.06	3,234	22.39	63.98%
6	Gilston - Villages 1-6	EHDC	8,500	404.76	35.00	242.86	3,207	8.50	60.00%
7	Gilston - Villages 7	EHDC	1,500	71.43	35.00	42.86	3,207	12.50	60.00%

Source: HDH (February 2019)

12.96 A private sheltered/retirement and an extracare scheme have been modelled, each on a 0.5ha site. For this assessment, we have assessed a number of development types including offices and industrial uses.

Residential Appraisal Results

12.97 For each development site the Residual Value is calculated and compared to the EUV and BLV.

Base Appraisals – full policy requirements

- 12.98 The initial appraisals are based on the full policy on scenario, including full compliance with the affordable housing policies and the full provision of the strategic infrastructure and mitigation costs (as identified through the IDP process).
- 12.99 The results vary across the modelled sites, although this is largely due to the different assumptions around the values generated by the site and the level of the s106 developer contributions sought for strategic infrastructure and mitigation measures as well as the Councils' differing affordable housing requirements.
- 12.100 In this iteration of this assessment, the results of some of the appraisals (East of Harlow – North, Latton Priory, Water Lane – West Katherines and West Sumners, and Gilston – Villages 1-6) are notably less good than in the previous iteration (February 2019) of this assessment. The principal variable that has changed is the timing of the infrastructure payments, with further front loading now modelled:
- a. East of Harlow – North is modelled with 25% (£8,745,000) in year one and 11% (£3,750,000) in year two.
 - b. Latton Priory is modelled with 14% (£6,825,000) in year one and 12% (£6,000,000) in year two.
 - c. Water Lane – West Katherines is modelled with 14% (£8,660,000) in year one and 13% (£8,475,000) in year two.
 - d. Water Lane – West Sumners is modelled with 14% (£5,250,000) in year one and 13% (£5,150,000) in year two.
 - e. Gilston – Village 7 is modelled with 30% (£23,500,000) in year one.
- 12.101 In the above results, with the exception of Gilston – Villages 1-6, all the sites generate a positive Residual Value that is over £270,000/net ha or £160,000/gross ha.
- 12.102 The Residual Values on East of Harlow - South are notably higher than on East of Harlow – North. The house values are similar across the area, however the southern part of the site is subject to 30% affordable and developer contributions of about £40,000/unit, and the northern part is subject to the higher affordable housing requirement of 40% and developer contributions of about £46,000/unit.
- 12.103 The values across the two parts of the Water Lane site are similar.
- 12.104 The Gilston – Villages 1-6 requires particular mention. This is a very large site that has been assessed in this assessment as a single site. The PPG sets out how to go about a viability assessment and part of this is to assume the whole site is purchased, up front, in one lot. This works well for smaller sites, but this site is so large that this results in high cumulative interest payments over the delivery modelled. The reality is that such a large site would come forward in different phases, and this is recognised through the subdivision into villages. Each of these villages will have its own sense of place, but the requirements for infrastructure are shared

and assessed over the whole of the 6 villages. This is well illustrated by the comparing Gilston – Villages 1-6 to Gilston – Village 7. Both have similar policy requirements (both are in East Herts) and both have similar levels of developer contributions (about £52,500 per unit). In spite of these similarities, the results are very different.

12.105 In the further analysis set out below the Gilston – Villages 1-6 is modelled as 6 separate elements as well as a single element. In this modelling the net area is assessed at 35 units/ha and the gross area assumes a net developable area of 60%. For the purpose of this analysis is assumed that the s106 strategic infrastructure and mitigation costs spread over each Village equally and pro-rata to the rate of development.

12.106 When considering the results of the Gilston – Villages 1-6 it is necessary to appreciate that the site is in a single ownership and that the precise phasing and delivery of the separate communities is yet to be finalised.

Table 12.11 Residential Development – Residual Value.
FULL POLICY REQUIREMENTS – With Gilston Villages 1 - 6

											Residual Value (£)		
											Gross ha	Net ha	Site
Site 1	East of Harlow - North	EFDC	Green		Agricultural	35.71	21.43	750			162,101	270,168	5,789,314
Site 2	East of Harlow - South	HBC	Green		Agricultural	123.81	74.29	2,600			518,717	864,529	64,222,164
Site 3	Latton Priory	EFDC	Green		Agricultural	50.00	30.00	1,050			340,575	567,626	17,028,766
Site 4	Water Lane - W Katherine's	EFDC	Mixed		Ag / Glass	63.38	38.03	1,331			191,272	318,787	12,123,012
Site 5	Water Lane - W Sumners	EFDC	Green		Agricultural	36.04	23.06	807			260,349	406,945	9,382,985
Site 6	Gilston - Villages 1-6	EHDC	Green		Agricultural	404.76	242.86	8,500			-119,698	-199,497	-48,449,161
Site 7	Gilston - Villages 7	EHDC	Green		Agricultural	71.43	42.86	1,500			431,575	719,291	30,826,760
Site 8	Gilston 1	EHDC	Green		Agricultural	90.48	54.29	1,901			463,049	771,749	41,894,939
Site 9	Gilston 2	EHDC	Green		Agricultural	84.76	50.86	1,780			474,864	791,440	40,250,381
Site 10	Gilston 3	EHDC	Green		Agricultural	42.86	25.71	900			575,048	958,413	24,644,911
Site 11	Gilston 4	EHDC	Green		Agricultural	95.24	57.14	2,000			452,089	753,482	43,056,101
Site 12	Gilston 5	EHDC	Green		Agricultural	36.19	21.71	760			593,407	989,012	21,475,681
Site 13	Gilston 6	EHDC	Green		Agricultural	54.86	32.91	1,152			545,560	909,266	29,927,847

Source: HDH (March 2019)

12.107 When disaggregated the results of the Gilston – Villages 1-6 are very much better, being around £500,000/ha.

12.108 The Residual Value is not a good indication of viability by itself, simply being the maximum price that a developer may bid for a parcel of land, and still make an adequate return. In the



following table the Residual Value is compared with the BLV. The BLV being an amount over and above the EUV that is sufficient to provide the willing landowner with a competitive return and induce them to sell the land for development.

Table 12.12 Residual Development v Benchmark Land Value					
Per Gross Ha - Full Policy On					
			Alternative Use Value	Benchmark Land Value	Residual Value
Site 1	East of Harlow - North	EFDC	22,500	322,500	162,101
Site 2	East of Harlow - South	HBC	22,500	322,500	518,717
Site 3	Latton Priory	EFDC	22,500	322,500	340,575
Site 4	Water Lane - W Katherines	EFDC	315,530	585,553	191,272
Site 5	Water Lane - W Sumners	EFDC	22,500	322,500	260,349
Site 6	Gilston - Villages 1-6	EHDC	22,500	322,500	-119,698
Site 7	Gilston - Villages 7	EHDC	22,500	322,500	431,575
Site 8	Gilston 1	EHDC	22,500	322,500	463,049
Site 9	Gilston 2	EHDC	22,500	322,500	474,864
Site 10	Gilston 3	EHDC	22,500	322,500	575,048
Site 11	Gilston 4	EHDC	22,500	322,500	452,089
Site 12	Gilston 5	EHDC	22,500	322,500	593,407
Site 13	Gilston 6	EHDC	22,500	322,500	545,560

Source: HDH (March 2019)

12.109 In the above analysis the EUV is taken to be an agricultural value except in the case of Water Lane – West Katherines. Part of Water Lane – West Katherines is under glasshouses (19ha / 30%) and the remainder (that will be subject to development) is in agricultural uses (44ha / 70%). As set out in Chapter 6 above, an industrial use value is attributed to the areas under glasshouses.

12.110 East of Harlow – North produces a Residual Value of about £160,000/ha. Whilst this is well above the EUV it is not above the BLV. As set above, this site is modelled with 25% (£8,745,000) of the infrastructure requirements in year one and 11% (£3,750,000) of the infrastructure requirements in year two. In contrast, East of Harlow – South which is modelled with 3.5% of the infrastructure requirements in each of the first two years is shown as viable, by a substantial margin, although this is in part due to the lower affordable housing target and the lower (as £/unit) infrastructure requirements.

12.111 Neither part of the Water Lane site generates a Residual Value that exceeds the BLV. On West Katherines the figure is below the EUV. The West Katherines part is now modelled with 14% (£8,660,000) of the infrastructure requirements in year one and 13% (£8,475,000) in year two. The West Sumners part is now modelled with 14% (£5,250,000) of the infrastructure requirements in year one and 13% (£5,150,000) in year two.

12.112 Considering Gilston – Villages 1-6 as individual sites, all the sites generate a Residual Value that is over £430,000/ha. This is above the EUV and BLV on the sites other than the Water Lane – West Katherines site which has a higher EUV due to the presence of the glasshouses.

12.113 As set out in Chapter 6 above, one of the site promoters feels that the BLV value remains too low and they suggested figure of £432,000/ha (based on £175,000/acre). Whilst this position is not accepted by the Councils, if this BLV was applied then the Latton Priory site Residual Value would be over the EUV but below the BLV.

12.114 This opportunity is taken to stress that the above results represent a worst-case scenario with the full infrastructure and mitigation requirements to deliver each site and the full infrastructure requirements that are required to deliver the wider Harlow and Gilston Garden Town being included within the appraisals. The modelling anticipates that the infrastructure is provided for when it is needed. No allowance is made for any external funding, for example through the Housing Infrastructure Fund (HIF) or from the Department of Transport (DoT). It is acknowledged that the site promoters are continuing to discuss the infrastructure requirements (both site-specific and Garden Town) and how they may be delivered.

12.115 There is no doubt that the delivery of any large site is challenging. Regardless of these results, it is recommended that the Councils continue to engage with the owners in line with the advice set out in the Harman Guidance (page 23):

Landowners and site promoters should be prepared to provide sufficient and good quality information at an early stage, rather than waiting until the development management stage. This will allow an informed judgement by the planning authority regarding the inclusion or otherwise of sites based on their potential viability.

12.116 In this context we particularly highlight paragraph 10-006 of the PPG:

... It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan....

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12.117 To assist the Councils a range of other appraisals have been run.

Varied Infrastructure Delivery

12.118 The above analysis is based on the delivery of the strategic infrastructure and mitigation measures as set out in Table 7.4 above. This is derived from an estimate of when the various items of infrastructure will be needed. On some of the sites there is a degree of front loading, that is to say that it is provided so that it is in place when it is needed. The timing of the delivery has an impact on viability as the early provision results in increased interest cost. There can be some flexibility as to when infrastructure is actually delivered, and whilst this may not be ideal, this may be an area where flexibility is acceptable. In the following analysis it is assumed

that that infrastructure is provided through the life of the project in line with the delivery of the dwellings.

Table 12.13 Residual Development v Benchmark Land Value						
Per Gross Ha – Effect of Varied Infrastructure Timing						
			EUV	BLV	Residual Value	
					As Table 7.4	Pro-Rata to units
Site 1	East of Harlow - North	EFDC	22,500	322,500	162,101	263,676
Site 2	East of Harlow - South	HBC	22,500	322,500	518,717	517,949
Site 3	Latton Priory	EFDC	22,500	322,500	340,575	413,014
Site 4	Water Lane - W Katherines	EFDC	315,530	585,553	191,272	268,589
Site 5	Water Lane - W Sumners	EFDC	22,500	322,500	260,349	345,356
Site 6	Gilston - Villages 1-6	EHDC	22,500	322,500	-119,698	151,013
Site 7	Gilston - Villages 7	EHDC	22,500	322,500	431,575	534,809
Site 8	Gilston 1	EHDC	22,500	322,500	463,049	463,049
Site 9	Gilston 2	EHDC	22,500	322,500	474,864	474,864
Site 10	Gilston 3	EHDC	22,500	322,500	575,048	575,048
Site 11	Gilston 4	EHDC	22,500	322,500	452,089	452,089
Site 12	Gilston 5	EHDC	22,500	322,500	593,407	593,407
Site 13	Gilston 6	EHDC	22,500	322,500	545,560	545,560

Source: HDH (March 2019)

12.119 The Residual Value is somewhat greater when the costs of strategic infrastructure and mitigation are spread over the delivery of the projects. This is particularly the case where Gilston – Villages 1-6 are considered as a single site.

Varied Developer Contributions

12.120 Generally, the strategic infrastructure and mitigation costs tested are at the top of the range normally found – and are about twice that anticipated in the Harman Guidance. The initial analysis assumes that the sites fund all their own infrastructure. It would be normal for such infrastructure to be funded from a range of sources, including from County Council funds, national funding schemes (in this regard the Councils are currently working together to submit a Housing Infrastructure Fund (HIF) bid), funds raised through New Homes Bonus, Community Infrastructure Levy (CIL) and the like.

12.121 Whilst the above is the correct starting point of the analysis, in order to give the Councils a greater understanding of how developer contributions impact on viability, a further set of appraisals have been run in the full policy on scenario, but with varied developer contributions up to £70,000/unit.

Table 12.14 Residential Development – Residual Value.

FULL POLICY REQUIREMENTS – VARIED DEVELOPER CONTRIBUTIONS

[illegible]

Source: HDH (March 2019)

12.122 The above indicates that generally, the tipping point in terms of viability is somewhere around £40,000/unit. Very approximately, an increase of £2,500/unit in developer contributions results in a fall in the Residual Value of about £40,000/ha. This is a very significant swing illustrating that a small change in the s106 costs can have a significant impact on the results of the viability testing.

Affordable Housing v Developer Contributions

12.123 The essential balance for the plan-making process is the relationship between affordable housing and developer contributions. The base appraisals assume the locally appropriate (30% / 40%) affordable housing and the full strategic infrastructure and mitigation costs as informed by the most recent updated IDP. Further appraisals with affordable housing from 0% to 40% (on all sites – including those within Harlow) and developer contributions from £0 per unit to £70,000 per unit were run. All other policy requirements are assumed to apply.

12.124 As would be expected, as the level of affordable housing is reduced, the sites' ability to bear developer contributions improves. This will give the Councils confidence that the sites are deliverable.

12.125 In the previous analysis it was identified that an increase of £2,500/unit in developer contributions results in a fall in the Residual Value of about £40,000/ha. This analysis now shows that a 5% increase in the affordable housing results in a fall in the Residual Value of about £70,000/ha. It is clear that when changes are made to both the affordable housing requirements and s106 requirements, the changes in the Residual Value can be very significant.

12.126 The mix of affordable housing has an impact on viability. The results show that where the affordable housing requirement is 30%, a 10% increase in the amount of intermediate housing / 10% reduction in the amount of Affordable Rent results in, on average, an increase in the Residual Value of about £20,000/ha. Where the affordable housing requirement is 40%, a 10% increase in the amount of intermediate housing / 10% reduction in the amount of Affordable Rent results in, on average, an increase in the Residual Value of just under £30,000/ha.

12.127 Where viability is challenging, flexibility around the tenure mix of affordable housing sought may allow the overall affordable housing target to be achieved.

Older People's Housing

12.128 As well as mainstream housing, we have considered the sheltered and extracare sectors separately. All the Councils are seeking a mix of housing to be delivered from these large Harlow and Gilston Garden Town sites. The policies, as drafted, are not prescriptive in this regard to the amount of such speciality housing to be included in the sites. Appraisals are run with both the 30% and 40% affordable housing targets at a range of developer contributions.

12.129 The above analysis assumes that specialist older people's housing would be subject to similar levels of developer contributions (when calculated on a £/unit basis) as general housing. This is unlikely as such housing does not normally contribute to education.

12.130 This analysis shows that at around £40,000 per unit of developer contributions most schemes are likely to produce a Residual Value (on a £/ha basis) that is comparable to general housing. From this it can be concluded that the presence of specialist older people's housing is unlikely to impact seriously on viability and the delivery of the large Harlow and Gilston Garden Town sites.

Non-Residential Appraisals

12.131 Financial appraisals were also run for the non-residential development types. When testing the non-residential development types, we have not run multiple sets of appraisals for different levels of policy requirement as the Councils do not seek to impose layers of policy requirements on these types of development. Further, when it comes to developer contributions it is assumed that these will be borne entirely by residential development.

12.132 All the Councils are seeking a mix of uses to be delivered from these large Harlow and Gilston Garden Town sites. The policies, as drafted, are not prescriptive as to the amount of other uses to be included in the sites.

12.133 Office development is not shown as viable, similarly, industrial development is shown as being unviable. The results are not reflective of the local market where development is coming forward. Where development is coming forward (and it is coming forward), it tends to be from existing businesses for operational reasons – rather than to make a return through property development.

12.134 It is notable that agents operating in the local market have reported that, over the last 18 or so months, that there has been a change in sentiment and an improvement in the market, and that this is expected to continue.

12.135 The analysis in this report is carried out in line with the Harman Guidance and in the context of the NPPF and PPG. It assumes that development takes place for its own sake and is a goal in its own right. It assumes that a developer buys land, develops it and then disposes of it, in a series of steps with the sole aim of making a profit from the development. As set out in Chapters 2 and 3 above, the Guidance does not reflect the broad range of business models under which developers and landowners operate. Some developers have owned land for many years and are building a broad income stream over multiple properties over the long term. Such developers are able to release land for development at less than the arms-length value at which it may be released to third parties and take a long-term view as to the direction of the market based on the prospects of an area and on wider economic factors. Much of the development coming forward in the area is 'user led' being brought forward by businesses that will use the eventual space for operational uses, rather than for investment purposes.

12.136 Some office and industrial/distribution development is challenging in the current market, but it is improving. We would urge caution in relation to setting policy requirements for employment uses that would unduly impact on viability.

Conclusions and findings

12.137 There is no doubt that the delivery of any large-scale development is challenging. The analysis in this report shows that it will be necessary for the Councils to continue to work with promoters of the key sites that make up the Harlow and Gilston Garden Town.

12.138 The Councils can be confident that the sites are deliverable, however on some of the sites that it may be necessary to discuss the details around viability. As shown, flexibility around the timings of infrastructure payments and the mix of affordable housing can have a significant impact and improve viability notably. Such an approach would allow a fully policy-compliant scheme to be delivered, albeit with some compromise over timing.

12.139 If there is a reduction in the overall developer contributions (affordable housing and financial etc.) to below the full policy requirements, it is recommended that consideration is given to incorporating a review process into any final planning agreements. Such an approach is in line with paragraph 10-009-20180724 of the PPG and in line with the requirement '*to ensure policy compliance and optimal public benefits through economic cycles*'.

HDH Planning and Development Ltd is a specialist planning consultancy providing evidence to support planning authorities, land owners and developers. The firm is regulated by the RICS.

The main areas of expertise are:

- Community Infrastructure Levy (CIL)
- District wide and site specific Viability Analysis
- Local and Strategic Housing Market Assessments and Housing Needs Assessments

HDH Planning and Development have clients throughout England and Wales.

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HARLOW & GILSTON GARDEN TOWN

Guidance Note: 01/20190417

A Harlow & Gilston Garden Town 'How To' Guide for ...

Planning Obligations, Land Value Capture and Development Viability

Harlow and Gilston Garden Town

Harlow District Council (**HDC**), East Hertfordshire District Council (**EHDC**), Epping Forest District Council (**EFDC**), Hertfordshire County Council (**HCC**) and Essex County Council (**ECC**) are working together to bring forward transformational growth in and around Harlow through the promotion of the Harlow and Gilston Garden Town (**the Garden Town**) as [designated](#) by the Ministry for Homes, Communities and Local Government in January 2017.

The Garden Town will comprise existing neighbourhoods in Harlow together with new communities to the east, west and south and new villages to the north all set in attractive countryside, with transformative investment in transport and community infrastructure to create a long term sustainable place in accordance with a shared [Harlow and Gilston Garden Town Vision](#)¹, as follows:-

“The pioneering New Town of Gibberd and Kao will grow into a Garden Town of enterprise, health and sculpture at the heart of the UK Innovation Corridor. Harlow and Gilston will be a joyful place to live with sociable streets and green spaces; high quality homes connected to fibre optic broadband; local centres accessible by walking and cycling; and innovative, affordable public transport. It will set the agenda for sustainable living. It will be adaptable, healthy, sustainable, innovative.”

1. Introduction

- 1.1. This Guide sets out how the Councils intend to ensure that a consistent approach is adopted to support growth and deliver the necessary infrastructure to ensure the sustainability and long term stewardship of the Garden Town as a whole in line with the [Garden City Principles](#) and [Harlow and Gilston Garden Town Vision](#). This will include the capture of development land value through the use of planning obligations.

¹ Adopted by the Garden Town (November 2018)



2. Garden City Principles

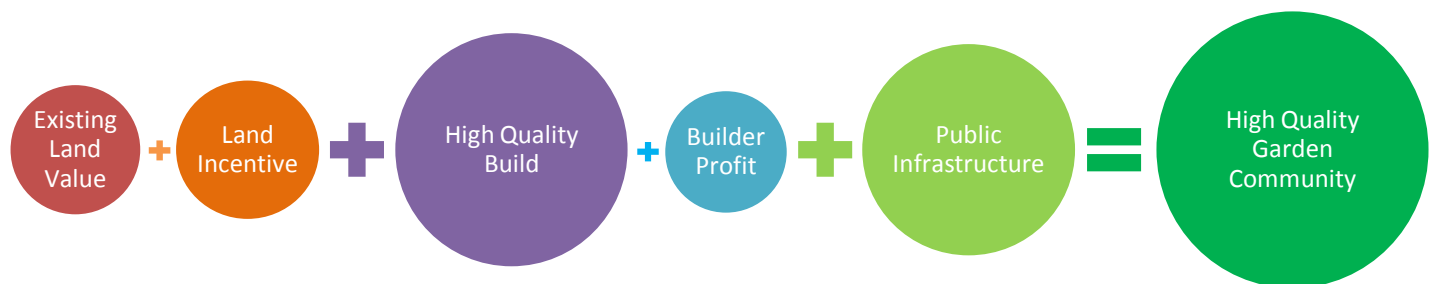
2.1. The Garden Town is being planned, delivered and regenerated in accordance with [Garden City Principles](#). These include:-

- I. Land value capture for the benefit of the community.
- II. Strong vision, leadership and community engagement.
- III. Community ownership of land and long-term stewardship of assets.
- IV. Mixed-tenure homes and housing types that are genuinely affordable.
- V. A wide range of local jobs within easy commuting distance of homes.
- VI. Beautifully and imaginatively designed homes with gardens, combining the best of town and country to create healthy communities, and including opportunities to grow food.
- VII. Development that enhances the natural environment, providing a comprehensive green infrastructure network and net biodiversity gains, and that uses zero-carbon and energy-positive technology to ensure climate resilience.
- VIII. Strong cultural, recreational and shopping facilities in walkable, vibrant, sociable neighbourhoods.
- IX. Integrated and accessible transport systems, with walking, cycling and public transport designed to be the most attractive forms of local transport.



3. Land Value Capture

- 3.1. When the use of land changes, for example from agricultural to residential, the value of that land changes. [National Planning Practice Guidance \(PPG\) on Viability](#) sets out how the value of land should be considered (Reference ID: 10-013-20180724 and 10-019-20180724). Provided that the value generated by a development is more than the cost of developing it and that a sufficient incentive exists to provide the land and build the development, then the scheme is viable. The aim is to ensure an approach that balances reasonable landowner incentive and developer profit with appropriate benefits to the public through high quality development and infrastructure.
- 3.2. Provision of these benefits is what is referred to as Land Value Capture. In the Garden Town the Councils will ensure that any increases in land value that arise from the granting of planning consents are used to ensure that high quality development proposals are delivered that are supported by necessary infrastructure. Illustrated simply:-



- 3.3. The form that this equitable Land Value Capture may take is varied and will include a combination of the following:-
- I. Achieving high quality design – through collaborative engagement on masterplans and planning applications between Councils, developers, stakeholders and the community on the appearance and form development takes in response to its surroundings. Investment in high quality design by the developer enhances the overall value of the development;
 - II. Delivering infrastructure on-site – through approval of design details via applications, planning conditions and planning obligations in **Section 106** agreements (see below) including affordable housing and education, health and community facilities. These are necessary to make development acceptable and are funded by the developer and landowners;
 - III. Contributing to Garden Town infrastructure – through planning obligations in Section 106 agreements including public transport and highway improvements. Contributions to Garden Town infrastructure may come from more than one development and there is also the possibility of additional funding from external sources (see below);
 - IV. Providing services, endowments/assets and governance arrangements to support on-going stewardship – through planning obligations in Section 106 agreements and planning conditions including measures to support active healthy sustainable transport such as subsidised public transport and cycle hire, provision of assets or funds into a management body for the long-term stewardship of the development and its buildings and spaces. Garden City Principles state that Stewardship should include community ownership.

4. Joint Working

4.1. The successful delivery of the Garden Town growth needs to be underpinned by a comprehensive package of infrastructure delivered in a coordinated way. The Councils are supporting this in a number of ways. This includes:-

- I. Garden Town Board and officer working groups, which are the forums for co-operation in the preparation of guidance and the sharing of evidence and which also facilitate the collective consideration of matters to support the delivery of the Garden Town;
- II. Co-ordination of Local Plan policies underpinning the delivery of the Garden Town and seeking to promote cross-boundary policy guidance where appropriate;
- III. Garden Town Infrastructure Delivery Plan (**IDP**) identifying the package of key infrastructure necessary to achieve the Garden Town growth and Vision and the phased delivery approach to support sustainable growth and healthy communities. This is supported by a viability study which provides a high-level viability assessment for each of the new Garden Communities ensuring that the growth and the infrastructure package required is deliverable (see below);
- IV. Garden Town Transport Strategy supporting the delivery of a network of Sustainable Transport Corridors (**STC**) that encourage safe, convenient and healthy walking, cycling and public transport as the most attractive choice. These STC are a key element of the infrastructure required to integrate the new Garden Communities with the existing neighbourhoods and surrounding villages, including a revitalised Town Centre, and are required to achieve the necessary targets of 60% of all journeys within and to/from the new Garden Communities being undertaken by active healthy sustainable options and 50% for all journeys within the Garden Town;
- V. Strategic masterplans for each of the new Garden Communities of East Harlow, Latton Priory and the Water Lane Area, village masterplans for the Gilston Area and an Area Action Plan for the Town Centre. This will establish in more detail the high quality design and specific infrastructure that will be required to support their growth;
- VI. Seeking additional funding from external sources such as the [Road Investment Strategy \(RIS\)](#) funding that has been secured to deliver the new M11 Junction 7A and the [Housing Infrastructure Fund \(HIF\)](#) for which a bid has been submitted to support the early stages of development in the Garden Town, including commencing delivery of the STC and mitigate impacts on the highway network. The Councils will continue to seek out opportunities to secure external funding where this will benefit the Garden Town.

4.2. Funding from external sources can enable forward-funding of infrastructure and/or address gaps in funding need but will not be a substitute for the funding captured from developments through the uplift in land value. Where external funding allows the early delivery of infrastructure, the Councils will still collect contributions from developments to reimburse the forward funding investment. This funding will in turn be put towards addressing the next priority for forward funding and/or address a funding gap through the creation of a 'rolling infrastructure fund' which will be used to deliver the next piece of prioritised infrastructure identified to support the Garden Town delivery.



5. Infrastructure Requirements and Local Planning Policy

- 5.1. All three District Councils benefit from Local Plan policies, which are either adopted or are currently being taken through the examination process, that support the delivery of the Garden Town. As indicated above the authorities have also commissioned a joint **IDP** that sets out the infrastructure that will be required to deliver the planned level of housing and employment growth in the Garden Town.
- 5.2. The IDP draws on previous work undertaken by the Councils; in particular, the District-level IDPs produced to support the Local Plans, and aligns and updates this information. The IDP will support further joint work with respect to the Garden Town area, and provide further evidence for the formulation of Section 106 agreements through ensuring an equitable division of responsibility for funding Garden Town infrastructure. The IDP will be updated periodically as a “live” document.
- 5.3. The District Councils set out Policies for Planning Obligations within their respective Development Plan Documents as follows:-
- I. [Harlow Local Development Plan \(Pre-Submission Publication May 2018\)](#)² Policy IN6;
 - II. [East Herts District Plan \(adopted 23 October 2018\)](#) Policy DEL2;
 - III. [Epping Forest District Plan \(Submission Version 2017\)](#)³ Policy D1.
- 5.4. The Counties also provide guidance on Planning Obligation requirements as follows:-
- I. [Essex Planning Protocol \(May 2018\)](#);
 - II. [The ECC Developers’ Guide to Infrastructure Contributions \(Revised Edition 2016\)](#);
 - III. [Essex Local Viability Protocol \(June 2018\)](#);
 - IV. [Planning Obligations Guidance - Toolkit for Hertfordshire \(January 2008\)](#).⁴
- 5.5. The above set out the Councils’ respective requirements on the scope and range of contributions and costing information for infrastructure which may be sought to make development acceptable in planning terms.
- 5.6. This ‘How To’ Guide sets out a collective position in respect to the approach that will be taken for securing planning obligations in the Garden Town to ensure the obligations are secured in a co-ordinated and comprehensive manner.
- 5.7. It has been identified by the Councils that further Guidance in the form of a Joint Supplementary Planning Document (**SPD**) on Planning Obligations for the Garden Town may also be required.⁵

² The current development Plan is the Adopted Replacement Harlow Local Plan (July 2006).

³ The current development Plan is the combined policies of Epping Forest District Local Plan (1998) and Alterations (2006).

⁴ HCC is currently updating the Planning Obligations Toolkit with anticipated consultation in Summer 2019.

⁵ The Councils may also prepare and adopt SPD independently to cover their respective District’s needs.

6. Use of Section 106 Agreements across the Garden Town.

- 6.1. The [PPG on Planning Obligations](#) states these assist in mitigating impact of development to make it acceptable in planning terms (Reference ID: 23b-002-20190315) entered into by landowners and developers (and others) through Section 106 agreements (Reference ID: 23b-001-20190315). Under [Section 106 of the Town and Country Planning Act \(1990\)](#) a planning obligation may:-
- I. Restrict the development or use of the land in any specified way;
 - II. Require specified operations or activities to be carried out in, on, under or over the land;
 - III. Require the land to be used in any specified way;
 - IV. Require a sum or sums to be paid to the authority on a specified date, dates or periodically.
- 6.2. The [National Planning Policy Framework \(NPPF\) \(February 2019\)](#) (Paragraph 56) and Regulation 122(2) of the [Community Infrastructure Levy \(CIL\) Regulations \(2010\)](#) stipulate that Planning Obligations must only be sought where they meet the following tests:-
- I. Necessary to make the development acceptable in planning terms;
 - II. Directly related to the development; and
 - III. Fairly and reasonably related in scale and kind to the development.
- 6.3. Where Planning Obligations are necessary, the Councils require applicants for major development within the Garden Town area to enter into appropriate agreements that capture the value of land for consented development to deliver required infrastructure on site and across the Garden Town. Applicants are required to support their applications at submission stage with:-
- I. Proposed draft Heads of Terms for a Section 106 agreement including itemised schedule of infrastructure, phasing, cost and responsibility for delivery based upon the Policy, the IDP⁶ and as identified through engagement with the Councils. This should reflect requirements of the Template Section 106 Agreement (below) or, for smaller sites, such other agreed process;
 - II. A Statement of Delivery. This statement will confirm the Applicant's position in relation to the viability and deliverability of the development (see Section 8 below).

Template Section 106 Agreement

- 6.4. In terms of the approach to the drafting of the Planning Obligations, the Councils have jointly appointed the Garden Town Legal Advisor to develop a standard format agreement (**the Template Agreement**) which will be used for all of the new Garden Communities and, at the Councils' discretion, for any development proposals in the Garden Town area. Whilst there may be some minor variations in agreements reflecting the particular requirements of individual developments, the aim will be to ensure a consistency of approach as far as practicable.

⁶ An IDP represents a point in time and costs and provisions may change based upon new evidence.



6.5. Dependent upon any site-specific requirements and the nature and scale of the development, matters to be dealt with in the Template Section 106 agreement may include:-

- I. A delivery table identifying key infrastructure provision and delivery phasing;
- II. Requirements for affordable housing including number of homes, tenure and how and when these will be provided;
- III. Requirements for all other provisions including but not limited to education, health, community and leisure facilities including how and when these will be provided;
- IV. The package of measures intended to achieve the 60% mode share target for active healthy sustainable travel and measures for monitoring and managing the 60% mode share target, including any interim phased targets (on the understanding that the general approach should be to establish this mode share from the outset in order to encourage and support behavioural change as new residents arrive). Provision should also be made for taking further measures should these be necessary to address any shortfall against these targets;
- V. The approach to delivering high quality design and build where not specifically dealt with in the development proposals and any associated conditions;
- VI. Triggers for delivery of on-site infrastructure and caps on the commencement/occupation of development until that has been agreed/delivered. This will include which infrastructure will be directly delivered and which will be funded through contributions in cash or in kind;
- VII. Triggers for delivery of off-site infrastructure and caps on the commencement/occupation of development until that infrastructure has been agreed/delivered. This will include mechanisms to ensure infrastructure delivery where dependent upon contributions or actions from third parties;
- VIII. Approach to stewardship and estate management including any provision of assets or funds into a management body to ensure its long-term financial health and viability and the mechanism for agreeing that such management body includes representation from the community and meets key principles for stewardship;
- IX. Stages or circumstances in which viability may be re-appraised (see section 8 below);
- X. The approach to monitoring generally (see section 7 below).

6.6. The intention is to promote a consistent approach to the negotiation of Section 106 agreements to provide certainty for those who are engaging with the Councils. Measures will include:-

- I. Drafting will be undertaken by the Garden Town Legal Advisor based upon the Template Section 106 agreement working with identified lead case officer(s) for the application. Developers will be required to meet the legal costs associated with drafting S106;
- II. In the case of planning applications or off-site infrastructure that cross local authority boundaries, a single Section 106 agreement will be negotiated with an identified protocol for how each of the Councils will discharge its responsibilities under the agreement.

7. Monitoring

- 7.1. Given the scale of growth proposed across the Garden Town area, monitoring arrangements are important in order to ensure the appropriate delivery of housing, infrastructure and local services. To this end, it is expected that monitoring data will be collected and compiled of the rate and mix of housing, service and infrastructure delivery, in addition to data showing the annual level of contribution made through the Section 106 process. This will form part of a Monitoring Framework which will track how the requirements in the IDP are being addressed.
- 7.2. In accordance with the [PPG](#) (Reference ID: 10-023-20180724) a copy of any planning obligation together with any details of any modification or discharge of the planning obligation will be made publically available by the local authorities; and (Reference ID: 10-022-20180724) monitoring information will be regularly published so that communities are able to easily see where contributions towards infrastructure and affordable housing have been secured and spent. To achieve this the following steps will be undertaken:-
- I. A copy of any signed Section 106 Agreement will be published on the website of the Local Planning Authority that determined the application along with any modification to the Section 106 or statement confirming discharge of any of the planning obligations;
 - II. A Monitoring Framework will be published on the website of the District Councils, or on an equivalent Garden Town website established for this purpose, which will set out where contributions towards infrastructure and affordable housing have been secured and spent within the Garden Town;
 - III. This Monitoring Framework will be overseen by a Garden Town Infrastructure Officer Group reporting to the Garden Town Board, or equivalent body established for this purpose, to assist monitoring by the respective Councils;
 - IV. Subject to clarification with regard to monitoring fees for Section 106 as [proposed](#)⁷ by the government, the Councils will seek proportionate and reasonable costs from developers through Section 106 agreements to support the ongoing monitoring of planning obligations.

⁷MHCLG technical consultation on draft regulations for reforming developer contributions (Dec 2018).



8. The Approach to Development Viability

- 8.1. All considerations and approaches to assessing Viability will be based upon the context of the guidance set out in the [PPG on Viability](#) and Paragraph 57 of the [NPPF \(February 2019\)](#).
- 8.2. The need to deliver strategic infrastructure items across the Garden Town including on a 'pooled' basis, through co-ordinated contributions of land and/or infrastructure costs, such as the STC, mean that it is important to adopt a consistent and transparent approach to viability assessment.
- 8.3. Alongside the Garden Town IDP and as a part of the respective District Plan-making processes, viability assessment for each of the new Garden Communities has been undertaken in order to determine the appropriate level of developer contributions to be sought given the need to deliver the necessary infrastructure whilst ensuring that the sites remain viable and deliverable.
- 8.4. For the new Garden Communities, or any major development (applications for 10 or more homes or 1,000m² for non-residential development) within the Garden Town, unless otherwise advised by the respective Local Planning Authority, applicants will be required to demonstrate that the application will meet requirements of policies and is considered viable and deliverable. This should be through the provision of a Statement of Delivery (see paragraph 6.3 above) comprising:-
- I. Gross Development Value for the application scheme*;
 - II. Benchmark Land Value based upon existing use value (EUV) plus the assumed Landowner Premium (EUV+)*;
 - III. Development Costs including build costs, site-specific infrastructure costs, total cost of meeting Policy requirements including contributions to Garden Town infrastructure set out in the IDP, General Finance Costs, Professional Fees, and any project contingency costs as well as any assumed provision of external funding*;
 - IV. A comprehensive development programme indicating assumed phasing and/or timing associated with the delivery of infrastructure and, specifically, where such phasing and/or timing does not accord with policy, the IDP⁸ or requirements identified as necessary through engagement with the Councils for reasons of viability this should be supported by a details of development cash flow;
 - V. List of Abnormal Costs that the applicant has identified which have been taken into account when defining the Benchmark Land Value;
 - VI. Financial return assumed by the Developer.

* The Applicant will be required to include explicit agreement to the assumptions of the most recent viability assessment published for the District or Garden Town or, alternative assumptions where clear evidence is provided to demonstrate what has changed since that viability assessment was undertaken.

⁸ An IDP represents a point in time and costs and provisions may change based upon new evidence.

- 8.5. The Statement of Delivery should reflect the requirements set out in Policy, the IDP and as otherwise agreed through engagement with the Councils and should, wherever appropriate, include explicit agreement to the assumptions within the most recent viability assessment published for the District or Garden Town. Where the applicant wishes to rely upon different assumptions these must be clearly evidenced so that they can be assessed by the Council.
- 8.6. The Councils recognise that delivery of growth in the new Garden Communities will extend over many years during which, from time to time, external factors could improve or reduce viability of development. The viability of development may also be affected by the accuracy of assumptions made at the stage of assessment which may vary during planning for outline or detailed/reserved matters stages and again at the commencement of, and during, the construction phase.
- 8.7. As set out in PPG (Reference ID: 10-009-20180724) the potential risk to developers is already accounted for in the assumptions for developer return in the viability assessment. Realisation of risk does not in itself necessitate further viability assessment or trigger a review mechanism. Review mechanisms are not a tool to protect a return to the developer, but to strengthen local authorities' ability to seek compliance with relevant policies over the lifetime of the project. As a general rule, re-appraisal of policy compliant schemes in the Garden Town will not be entertained.
- 8.8. Where Applicants fail to demonstrate full compliance with policy requirements through reasons of viability they will be required to provide detailed information to support all assumptions made within the Statement of Delivery in order that the Council can assess the case. As set out in the PPG (Reference ID: 10-009-20180724), the applicant will also be required to commit to re-appraisal and agree a clear process and terms of engagement for how and when viability will be reassessed over the lifetime of the development to ensure policy compliance and optimal public benefits through economic cycles. Circumstances where re-appraisal will be undertaken may include:-
- I. Detailed planning stage (if viability only assessed at plan-making or outline planning stage);
 - II. Change in scheme proposals, where the Council deem this to have a bearing upon viability;
 - III. Change in market conditions, where the Council deem this to have a bearing upon viability;
 - IV. Approximately every 3 to 5 years, or the occupation of 500 homes or completion of an agreed phase on the development since the last viability appraisal, whichever the Council deem to establish new market evidence to be considered;
 - V. Provision of any external funding contributions which may reduce the apportionment of infrastructure costs, or improve cash flow, for the development.
- 8.9. Mechanisms for re-appraisal will be written into Section 106 agreements where schemes are agreed to be unviable. If viability improves sufficiently, applicants will be required to rectify any short fall in later stages of the development.
- 8.10. Statements of Delivery, viability evidence and viability re-appraisal will be reviewed by the Councils supported by the jointly appointed Garden Town Viability Advisor.
- 8.11. In accordance with the PPG (Reference ID: 10-021-20180724) viability assessment will be made publicly available and should be prepared on that basis.



Other Documents and Guidance that are relevant to this 'How To' Guide

- [Harlow and Gilston Garden Town Vision \(November 2018\)](#)
- [Harlow and Gilston Garden Town Design Guide \(November 2018\)](#)
- Harlow and Gilston Garden Town IDP (April 2019)
- Harlow and Gilston Garden Town Strategic Viability Assessment (April 2019)
- [National Planning Policy Framework \(NPPF\) \(February 2019\)](#)
- [National Planning Practice Guidance \(PPG\) Planning Obligations](#)
- [National Planning Practice Guidance \(PPG\) Viability](#)

Engagement on this 'How To' Guide

This Guide has been prepared co-operatively with the Garden Town Officer Working Group including [Harlow](#), [East Herts](#) and [Epping Forest](#) District Councils and [Essex](#) and [Hertfordshire](#) County Councils and [Homes England](#).

Endorsement of this 'How To' Guide

This Guide has been endorsed by the Garden Town Member Board including Councillors from [Harlow](#), [East Herts](#) and [Epping Forest](#) District Councils and [Essex](#) and [Hertfordshire](#) County Councils.

Monitoring and Review of this 'How To' Guide

'How To' Guides may periodically be reviewed, please check the Council websites for the latest version of all Guides.

Author(s) of this 'How To' Guide

Bob Pritchard, [Weightmans LLP](#) (Legal Advisor to the Garden Town);
Simon Drummond-Hay, [HDH Planning & Development Ltd](#) (Strategic Viability Advisor to the Garden Town);
Andrew Jones, [BPS Chartered Surveyors](#) (Development Viability Advisor to the Garden Town); and
Adam Halford, [East Herts](#) Senior Planning Project Officer, on behalf of the Garden Town.

For further details on this 'How To' Guide please contact the Councils

planning.services@harlow.gov.uk

planning@eastherts.gov.uk

contactus@eppingforestdc.gov.uk

Agenda Item 6

EAST HERTS COUNCIL

EXECUTIVE – 4th JUNE 2019

REPORT BY BEN WOOD, HEAD OF COMMUNICATIONS, STRATEGY
AND POLICY

REPORT TITLE: EAST HERTS COUNCIL ANNUAL REPORT 2018/19

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- This report provides to Executive members the content of the Council's Annual Report 2018/19. The information falls under two categories:
- A summary of key achievements for the year (see ERP B).
- a more detailed update on the key actions and performance indicators which support the Council's Corporate Strategic Plan priorities (see ERP C and D).

<u>RECOMMENDATIONS FOR THE EXECUTIVE:</u>	
That the Executive:	
(A)	Notes the content of the Annual Report 2018-19.

1.0 Background

- 1.1 At the end of each financial year East Herts Council produces an Annual Report, providing an update on the key achievements across the year which have supported the Council's key priorities under the Corporate Strategic Plan.

1.2 This report provides the Executive with a copy of the Annual Report 2018/19 for noting.

1.3 In addition to the summary of achievements (see ERP B), the Executive receives a progress update on the performance indicators and the key actions in the departmental Service Plans, which support the priorities of the Corporate Strategic Plan (see ERP C and D).

1.4 These priorities are:

- **People (Improve the health and wellbeing of our communities)**
- **Place (Enhance the quality of people's lives)**
- **Business (Enable a flourishing economy)**
- **Supporting all (Corporate Health)**

2.0 Implications/Consultations

2.1 The Annual Report 2018/19 provides a summary of the Council's key achievements and progress on the Council's key actions and performance indicators aligned to Corporate Strategic Plan priorities. Any implications and consultations are considered separately through the Council's usual project planning and reporting processes.

Background Papers

ERP A – Implications / Consultations

ERP B – Draft Summary of Achievements 2018/19

ERP C – Performance Indicators contributing to Corporate Strategic Plan priorities

ERP D – Departmental Service Plan actions contributing to Corporate Strategic Plan priorities

Contact Member: Linda Haysey – Leader of the Council
linda.haysey@eastherts.gov.uk

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and Policy
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benjamin.wood@eastherts.gov.uk

Report Author: Kirsty McKenzie – Policy Officer
kirsty.mckenzie@eastherts.gov.uk

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	All: Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy (contributes to all by providing a general update on corporate plan priorities)
Consultation:	None
Legal:	None
Financial:	None
Human Resource:	None
Risk Management:	None
Health and wellbeing – issues and impacts:	None
Equality Impact Assessment required:	None

Some fact and figures from 2018/19 and what our customers think



221

affordable homes delivered



642

participants in
Forever Active schemes



over

200

participants in
Social Prescribing scheme



277

households prevented from
becoming homeless



22kg

less waste produced per
household than last year



Top 5 pages:

- Planning portal (to make comments on a planning application or decision)
- Planning
- Council Tax
- Bins/waste/recycling
- Waste collection calendars



2,263,981

visits to our website since it
launched in May 2017

Some quotes from our customers:

"Can you please pass on our appreciation for another year's excellent service to the refuse collectors who cope with all sorts of weathers and difficult situations. Also to all the background people who we don't see but help make the service work"

"You have all been fantastic and always have been there for me even when I have had a silly simple question or some advice."

On Hertford Theatre: "We're fortunate to have such an excellent small theatre on our doorstep. We come here as often as we can to see some enjoyable performances at extremely reasonable prices."

"I would like to say that I am very impressed with the website presentation of information under the Local Government Transparency Code and detail regarding the attendance of Councillors at meetings."

"I have moved into my new home and we are very happy. I just wanted to thank the Housing Options Team for being so helpful."

Annual Report for 2018/19

Update from Cllr Linda Haysey, Leader of the Council

2018/19 has been another dynamic and productive year in East Herts. Councillors have built on the successes of previous years and we continue with our forward-thinking and progressive approach to providing high quality services for residents.

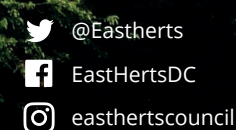
The East Herts District Plan was adopted in October 2018, and sets out our vision for ambitious and sustainable growth in the district through new homes, jobs, facilities and infrastructure. The Plan will help us to support the local economy by ensuring that the right land is available at the right times for development and infrastructure. It sets out our resolve to deliver 18,000 new dwellings for the district by 2033. This will be done through new sites at Harlow and Gilston Garden Town, to the north of Harlow; Gresley Park, to the east of Stevenage; and Birchall Garden Suburb, to the east of Welwyn Garden City. We recognise the difficulties that many young people in East Herts face in getting on the housing ladder in their neighbourhoods. We have provided 221 affordable homes this year, significantly above our target of 140. This is the highest number of affordable homes completed in a single year in the district since 2006/07. We are working closely with neighbouring councils and developers to ensure that the rural character of our district is preserved and that the quality of our natural environment is protected and enhanced.

We have made significant progress in planning for improvements to our town centres, and the redevelopment of important urban sites. In Hertford, we have carried out extensive improvements on The Wash, Bull Plain and Maidenhead Street, creating a more welcoming environment for pedestrians and shoppers and encouraging investment into this part of the town centre. In Bishop's Stortford, plans for the Northgate End development have been approved, which will create a residential and commercial block, along with a much-needed multi-storey car park. This redevelopment will free up and transform the land in the heart of Bishop's Stortford at Old River Lane for cultural, residential and business use, including a new arts centre with a 500 seat theatre, four cinema screens and café/bar. Detailed masterplanning, involving residents and stakeholders, will take place later this year.

We recognise the work our small businesses do in creating vibrant town centres and a flourishing rural economy, and we are committed to supporting their work. This year we have helped the Bishop's Stortford Business Improvement District (BID) set themselves up. The BID will focus on improving the public realm, creating a better trading environment and supporting the local economy. We have continued to operate the Launchpad at Bishop's Stortford, which has been used by over 100 local businesses and individuals this year. Our Discretionary Business Rates Relief scheme has provided financial support to over 25 small businesses either in their first year of trading, or looking to expand within the district. Over the last three years we have successfully managed the European Funded Rural Development Programme, working in partnership with councils across the Eastern region. The programme has supported 8 rural businesses across the district to deliver initiatives such as farm diversification, tourism, and cultural and heritage activity through accessing match funding.

This year we will say goodbye to our outgoing Chief Executive, Liz Watts, whose motivation and determination have transformed our ways of working. We look forward to welcoming our new Chief Executive, Richard Cassidy, who brings with him a wealth of local government experience, having worked for over 30 years at councils in London and across the Eastern region. The Council carries out a huge variety of work, and this report provides just a brief overview of our successes over the past year. We recognise and value the contributions of all our colleagues, councillors and partners.

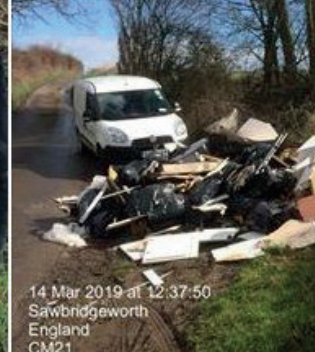
Cllr Linda Haysey
Leader



01279 655261

www.eastherts.gov.uk





The following highlights some of our successes within each of our corporate theme areas:

PRIORITY 1: Improve the health and wellbeing of our communities

We have started planning for our leisure centres – a completely new centre at Grange Paddocks in Bishop's Stortford and the refurbishment of Hartham in Hertford and Ward Freman in Buntingford.

Our Social Prescribing scheme has received over 200 referrals, providing support for those affected by isolation and mild depression in the district.

Our new Community Transport Strategy was agreed in December 2018, recognising the challenges that accessing appropriate transport for essential and social journeys is challenging for many people in the district.

The sports schemes and activities set up through our Forever Active programme have been supported to become self-sustaining.

PRIORITY 2: Enhancing the quality of people's lives

Our District Plan was adopted in October 2018, identifying how East Herts will grow and develop to become an even more desirable and prosperous place to live, work and visit.

The new Homelessness and Rough Sleeping Review and Strategy was adopted by the Council in March 2019, setting out our intentions to sustain tenancies and protect and increase local housing options.

We have carried out extensive improvements on The Wash, Bull Plain and Maidenhead Street in Hertford.

In Bishop's Stortford, plans for the Northgate End development have been approved, which will create a residential and commercial block, along with a much-needed multi-storey car park, and free up the land at Old River Lane for transformation.

PRIORITY 3: Enabling a flourishing economy

We have supported the Bishop's Stortford Business Improvement District (BID) to set themselves up. The BID will focus on improving the public realm, creating a better trading environment and supporting the local economy.

We have provided support to 20 small businesses through our Business Rates Discretionary Relief Scheme.

The Bishop's Stortford Launchpad, providing serviced office space to enable start up enterprise, has been used by over 100 business and individuals.

A note from the Chief Executive

East Herts has pursued its ambitious and forward-thinking goals this year, working to ensure that the district remains one of the best places in the country to live and work.

We want East Herts residents to continue to thrive, by staying as healthy as possible and receiving support when it is needed. This year we have developed a Health and Wellbeing Strategy, which sets out how we will work with others to help our residents to make healthy choices and live independently for as long as possible. We are determined to make the most of our open spaces and leisure facilities to achieve these aims. We have improved the play areas at Southern Country Park in Bishop's Stortford and Hillside Crescent in Stanstead Abbots and created connections between our open spaces, focussing on Hertford and the surrounding areas. We have started planning for our leisure centres – a completely new centre at Grange Paddocks in Bishop's Stortford and the refurbishment of Hartham in Hertford and Ward Freman in Buntingford - and we have been talking to local residents about our plans for improvements to Hartham Common which will be made over the coming year.

Our bid for Heritage Lottery and Big Lottery funding for Castle Gardens Park in Bishop's Stortford was successful – we have been awarded nearly £2m to combine Castle Gardens, owned by East Herts Council, and Sworders Field, owned by Bishop's Stortford Town Council, into one beautiful green space – Castle Park. We have established a Friends Group to ensure that local community groups and residents are involved in the park's development.

In partnership with Hertfordshire County Council and our residents, we have worked to improve air quality and reduce the levels of pollution across the district. Air pollution in three key areas has dropped in the past five years - Gascoyne Way in Hertford, Hockerill junction in Bishop's Stortford, and Stansted Road. We recognise that we still have more to do to ensure that all areas of the district meet national targets. To further improve we have introduced an e-car club with Council staff, before rolling out the scheme to residents in Hertford and Bishop's Stortford. Residents can also sign up to our new air alert service, which gives an alert when air quality is poor.

We are committed to supporting our most vulnerable residents when they need our help. This year we have developed a new Homelessness and Rough Sleeping Strategy, which will guide the ways in which we act swiftly to prevent the loss of accommodation, sustain tenancies and protect and increase local housing options. We have successfully introduced the use of 'Personal Housing Plans' for residents at risk of homelessness. The East Herts Social Prescribing Service for residents who are feeling lonely, isolated or living with mild depression and anxiety, launched in January 2018. The service has so far received over 200 referrals from GPs and other health professionals. Residents referred to the service are supported to join a range of local social and activity groups – and the majority of those attending say they are feeling better about their general wellbeing and happiness.

We recognise that many of our residents have busy lives and prefer to contact us online, and the digital transformation of Council services continues apace. Many services can now be accessed using online forms which has made most transactions significantly quicker and easier. We understand that some of our residents need to call us or come in to see us, and will continue to ensure that Council services are accessible to everyone.

In December 2018 we undertook a Peer Challenge, managed by the Local Government Association. This was a useful and informative process which recognised that East Herts is a high performing and well-respected Council, with a strong leadership team to push forward its ambitious targets.

This year I will be leaving East Herts after three and a half years as Chief Executive. The Council has many exciting ventures to look forward to, and dedicated and resourceful colleagues to drive them forward. It has been a privilege to work here and I am incredibly proud of what we have collectively achieved.

Liz Watts
Chief Executive

At the end of March 2019 the Council had

9,387
followers

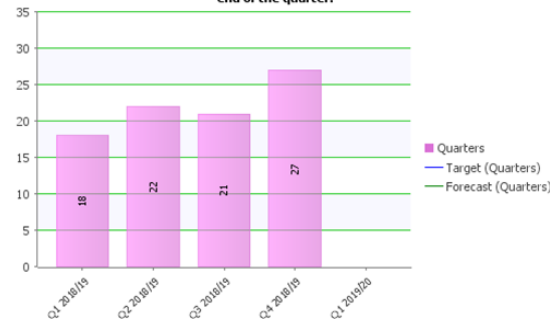
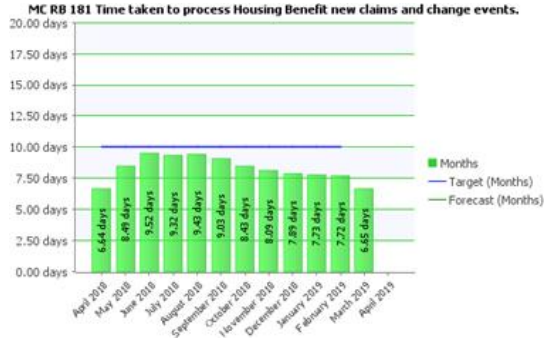
1,526
followers

1,205
users

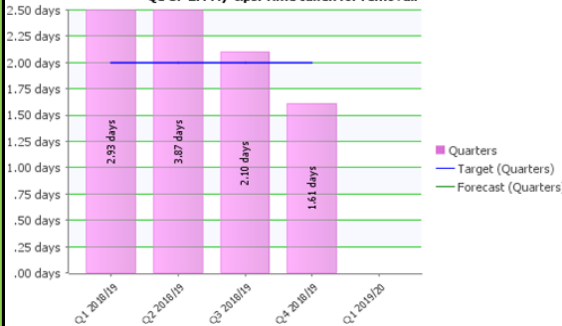
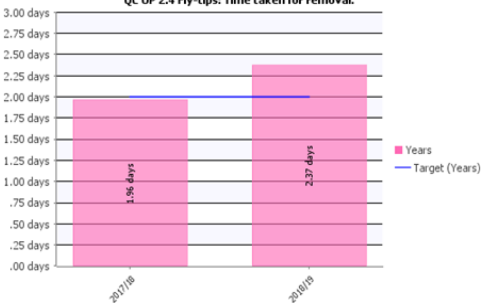
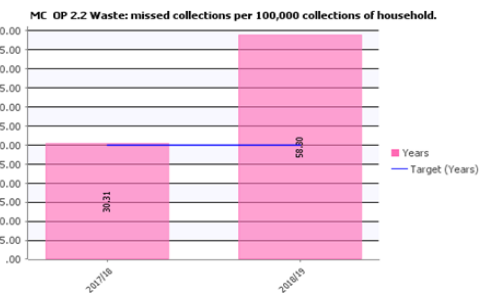
566
followers

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes																		
Priority 1 - People (5 Indicators)																								
Service Area Health and Housing																								
QC HH 140 Number of over 50s participating in 'Forever Active' programme (Cumulative figure)	N/A	N/A	N/A	QC HH 140 Number of over 50s participating in 'Forever Active' programme (Cumulative figure) <table><thead><tr><th>Quarters</th><th>Target (Quarters)</th><th>Forecast (Quarters)</th></tr></thead><tbody><tr><td>Q1 2018/19</td><td>193</td><td></td></tr><tr><td>Q2 2018/19</td><td>316</td><td></td></tr><tr><td>Q3 2018/19</td><td>446</td><td></td></tr><tr><td>Q4 2018/19</td><td>642</td><td></td></tr><tr><td>Q1 2019/20</td><td></td><td></td></tr></tbody></table>	Quarters	Target (Quarters)	Forecast (Quarters)	Q1 2018/19	193		Q2 2018/19	316		Q3 2018/19	446		Q4 2018/19	642		Q1 2019/20			N/A	As discussed during Q3 results, this two year program was being monitored by the conventional year rather than the financial year and the funding has ceased. The majority of classes are now self sufficient and has been an overwhelming success, exceeding set target by over 100 people
Quarters	Target (Quarters)	Forecast (Quarters)																						
Q1 2018/19	193																							
Q2 2018/19	316																							
Q3 2018/19	446																							
Q4 2018/19	642																							
Q1 2019/20																								
HC HH 148 Number of applicants on the housing register	2,016	trend only		HC HH 148 Number of applicants on the housing register <table><thead><tr><th>Half Years</th><th>Target (Half Years)</th></tr></thead><tbody><tr><td>H1 2018/19</td><td>2,057</td></tr><tr><td>H2 2018/19</td><td>2,016</td></tr><tr><td>H1 2019/20</td><td></td></tr></tbody></table>	Half Years	Target (Half Years)	H1 2018/19	2,057	H2 2018/19	2,016	H1 2019/20		N/A	At the end of March 2019 there were 2,016 households on the Housing Register. This is broken down by property size required as follows: 1 bed need - 1,020; 2 bed need - 644; 3 bed need - 294; 4+ bed need - 58. The net change of households being the difference between households being housed, applications not being renewed and new applications being accepted onto the Housing Register. The profile of the size of the properties required is broadly the same with one and bedroom homes being the greatest need.										
Half Years	Target (Half Years)																							
H1 2018/19	2,057																							
H2 2018/19	2,016																							
H1 2019/20																								

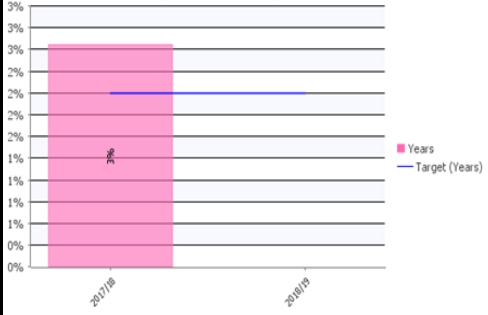
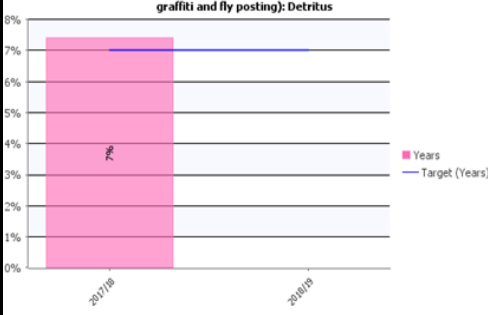
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes																				
QC HH 150 Number of homeless prevention cases across the year	277	200	N/A	<table><caption>QC HH 150 Number of homeless prevention cases across the year</caption><thead><tr><th>Quarter</th><th>Quarters</th><th>Target (Quarters)</th><th>Forecast (Quarters)</th></tr></thead><tbody><tr><td>Q1 2018/19</td><td>55</td><td>200</td><td>200</td></tr><tr><td>Q2 2018/19</td><td>155</td><td>200</td><td>200</td></tr><tr><td>Q3 2018/19</td><td>221</td><td>200</td><td>200</td></tr><tr><td>Q4 2018/19</td><td>277</td><td>200</td><td>200</td></tr></tbody></table>	Quarter	Quarters	Target (Quarters)	Forecast (Quarters)	Q1 2018/19	55	200	200	Q2 2018/19	155	200	200	Q3 2018/19	221	200	200	Q4 2018/19	277	200	200	N/A	By the end of the fourth quarter of 2018/19 the Housing Service prevented a total of 277 households becoming homeless. This is 77 households above the target for the year. This was achieved by a variety of housing options including the provision of housing advice to relieve homelessness or securing alternative accommodation through an offer of accommodation from the council's housing register, a referral to supported accommodation or by actively assisting applicants secure accommodation through the private sector with the council's rent deposit offer.
Quarter	Quarters	Target (Quarters)	Forecast (Quarters)																							
Q1 2018/19	55	200	200																							
Q2 2018/19	155	200	200																							
Q3 2018/19	221	200	200																							
Q4 2018/19	277	200	200																							

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
QC HH 151 Number of homeless households living in temporary accommodat ion at the end of the quarter.	27	trend only		QC HH 151 Number of homeless households living in temporary accommodation at the end of the quarter. 	N/A	At the end of March 2019 the council had 27 households in temporary accommodation . The council's temporary accommodation hostel had all 12 flats occupied. Six households were in B&B. Four were single person households unsuitable for the hostel and two were households with children waiting for a space in our hostel. Six single person households were in temporary supported accommodation for people with mental health conditions and three households were in longer term private leased self contained accommodation.
Service Area Revenues and Benefits						
MC RB 181 Time taken to process Housing Benefit new claims and change events.	7.63	10.00 days		MC RB 181 Time taken to process Housing Benefit new claims and change events. 	N/A	By the end of the year, time taken to process housing benefit had dropped dramatically

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes																																		
Priority 2 - Place (15 Indicators)																																								
Service Area - Planning & Building Control																																								
MC PB 205 % of site visits undertaken in relation to urgent cases within 2 workings days of 'start date'.	N/A (100%)	100%	N/A	MC PB 205 % of site visits undertaken in relation to urgent cases within 2 workings days of 'start date'. <table><caption>MC PB 205 % Performance Data (Months)</caption><thead><tr><th>Month</th><th>Performance (%)</th></tr></thead><tbody><tr><td>Apr 2018</td><td>0%</td></tr><tr><td>May 2018</td><td>100%</td></tr><tr><td>June 2018</td><td>100%</td></tr><tr><td>July 2018</td><td>100%</td></tr><tr><td>August 2018</td><td>100%</td></tr><tr><td>September 2018</td><td>100%</td></tr><tr><td>October 2018</td><td>100%</td></tr><tr><td>November 2018</td><td>100%</td></tr><tr><td>December 2018</td><td>100%</td></tr><tr><td>January 2019</td><td>100%</td></tr><tr><td>February 2019</td><td>100%</td></tr><tr><td>March 2019</td><td>100%</td></tr><tr><td>April 2019</td><td>100%</td></tr></tbody></table>	Month	Performance (%)	Apr 2018	0%	May 2018	100%	June 2018	100%	July 2018	100%	August 2018	100%	September 2018	100%	October 2018	100%	November 2018	100%	December 2018	100%	January 2019	100%	February 2019	100%	March 2019	100%	April 2019	100%	MC PB 205 % of site visits undertaken in relation to urgent cases within 2 workings days of 'start date'. <table><caption>MC PB 205 % Performance Data (Years)</caption><thead><tr><th>Year</th><th>Performance (%)</th></tr></thead><tbody><tr><td>2017/18</td><td>100%</td></tr><tr><td>2018/19</td><td>100%</td></tr></tbody></table>	Year	Performance (%)	2017/18	100%	2018/19	100%	For the first three months there were no site visits done. There were several months during this year where this was the case. For the months where there was, all visits were taken within set time frames.
Month	Performance (%)																																							
Apr 2018	0%																																							
May 2018	100%																																							
June 2018	100%																																							
July 2018	100%																																							
August 2018	100%																																							
September 2018	100%																																							
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February 2019	100%																																							
March 2019	100%																																							
April 2019	100%																																							
Year	Performance (%)																																							
2017/18	100%																																							
2018/19	100%																																							
MC PB 157A % Processing of planning applications dealt with in timely manner - Major applications (Majors under 13 weeks)	N/A (91%)	60.0%	N/A	MC PB 157A % Processing of planning applications dealt with in timely manner - Major applications (Majors under 13 weeks) <table><caption>MC PB 157A % Performance Data (Months)</caption><thead><tr><th>Month</th><th>Performance (%)</th></tr></thead><tbody><tr><td>Apr 2018</td><td>66.00%</td></tr><tr><td>May 2018</td><td>100.00%</td></tr><tr><td>June 2018</td><td>75.00%</td></tr><tr><td>July 2018</td><td>100.00%</td></tr><tr><td>August 2018</td><td>100.00%</td></tr><tr><td>September 2018</td><td>100.00%</td></tr><tr><td>October 2018</td><td>100.00%</td></tr><tr><td>November 2018</td><td>100.00%</td></tr><tr><td>December 2018</td><td>100.00%</td></tr><tr><td>January 2019</td><td>100.00%</td></tr><tr><td>February 2019</td><td>100.00%</td></tr><tr><td>March 2019</td><td>100.00%</td></tr><tr><td>April 2019</td><td>91.00%</td></tr></tbody></table>	Month	Performance (%)	Apr 2018	66.00%	May 2018	100.00%	June 2018	75.00%	July 2018	100.00%	August 2018	100.00%	September 2018	100.00%	October 2018	100.00%	November 2018	100.00%	December 2018	100.00%	January 2019	100.00%	February 2019	100.00%	March 2019	100.00%	April 2019	91.00%	MC PB 157A % Processing of planning applications dealt with in timely manner - Major applications (Majors under 13 weeks) <table><caption>MC PB 157A % Performance Data (Years)</caption><thead><tr><th>Year</th><th>Performance (%)</th></tr></thead><tbody><tr><td>2017/18</td><td>83.00%</td></tr><tr><td>2018/19</td><td>91.00%</td></tr></tbody></table>	Year	Performance (%)	2017/18	83.00%	2018/19	91.00%	There were 0 applications processed during March but in terms of a trend , targets have been exceeded every month and our annual position is better than in 2017/18
Month	Performance (%)																																							
Apr 2018	66.00%																																							
May 2018	100.00%																																							
June 2018	75.00%																																							
July 2018	100.00%																																							
August 2018	100.00%																																							
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Year	Performance (%)																																							
2017/18	83.00%																																							
2018/19	91.00%																																							

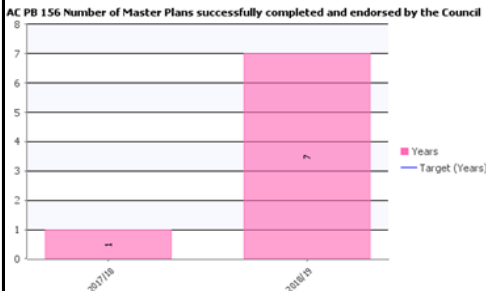
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes																																				
QC OP 2.4 Fly tips: Time taken for removal.	1.61 (2.37)	2.00 days		QC OP 2.4 Fly-tips: Time taken for removal.  <table><caption>QC OP 2.4 Fly-tips: Time taken for removal (Quarters)</caption><thead><tr><th>Quarter</th><th>Time taken (days)</th></tr></thead><tbody><tr><td>Q1 2018/19</td><td>2.23</td></tr><tr><td>Q2 2018/19</td><td>3.87</td></tr><tr><td>Q3 2018/19</td><td>2.10</td></tr><tr><td>Q4 2018/19</td><td>1.61</td></tr><tr><td>Target (Quarters)</td><td>2.00</td></tr></tbody></table>	Quarter	Time taken (days)	Q1 2018/19	2.23	Q2 2018/19	3.87	Q3 2018/19	2.10	Q4 2018/19	1.61	Target (Quarters)	2.00	QC OP 2.4 Fly-tips: Time taken for removal.  <table><caption>QC OP 2.4 Fly-tips: Time taken for removal (Years)</caption><thead><tr><th>Year</th><th>Time taken (days)</th></tr></thead><tbody><tr><td>2017/18</td><td>1.96</td></tr><tr><td>2018/19</td><td>2.37</td></tr><tr><td>Target (Years)</td><td>2.00</td></tr></tbody></table>	Year	Time taken (days)	2017/18	1.96	2018/19	2.37	Target (Years)	2.00	Time taken to remove has gradually reduced over the year and coincides with the implementation of new shared waste contract which took some time to get up to speed. As a result, the annual figure is worse than last year but over the short term, this is an improving picture																
Quarter	Time taken (days)																																									
Q1 2018/19	2.23																																									
Q2 2018/19	3.87																																									
Q3 2018/19	2.10																																									
Q4 2018/19	1.61																																									
Target (Quarters)	2.00																																									
Year	Time taken (days)																																									
2017/18	1.96																																									
2018/19	2.37																																									
Target (Years)	2.00																																									
MC OP 2.2 Waste: missed collections per 100,000 collections of household.	72.09 (58.80)	30		MC OP 2.2 Waste: missed collections per 100,000 collections of household.  <table><caption>MC OP 2.2 Waste: missed collections per 100,000 collections of household (Months)</caption><thead><tr><th>Month</th><th>Missed collections</th></tr></thead><tbody><tr><td>April 2018</td><td>33.56</td></tr><tr><td>May 2018</td><td>81.89</td></tr><tr><td>June 2018</td><td>89.00</td></tr><tr><td>July 2018</td><td>64.97</td></tr><tr><td>August 2018</td><td>49.58</td></tr><tr><td>September 2018</td><td>60.32</td></tr><tr><td>October 2018</td><td>53.71</td></tr><tr><td>November 2018</td><td>47.07</td></tr><tr><td>December 2018</td><td>44.38</td></tr><tr><td>January 2019</td><td>62.89</td></tr><tr><td>February 2019</td><td>51.73</td></tr><tr><td>March 2019</td><td>72.09</td></tr><tr><td>Target (Months)</td><td>30</td></tr></tbody></table>	Month	Missed collections	April 2018	33.56	May 2018	81.89	June 2018	89.00	July 2018	64.97	August 2018	49.58	September 2018	60.32	October 2018	53.71	November 2018	47.07	December 2018	44.38	January 2019	62.89	February 2019	51.73	March 2019	72.09	Target (Months)	30	MC OP 2.2 Waste: missed collections per 100,000 collections of household.  <table><caption>MC OP 2.2 Waste: missed collections per 100,000 collections of household (Years)</caption><thead><tr><th>Year</th><th>Missed collections</th></tr></thead><tbody><tr><td>2017/18</td><td>30.31</td></tr><tr><td>2018/19</td><td>58.80</td></tr><tr><td>Target (Years)</td><td>30</td></tr></tbody></table>	Year	Missed collections	2017/18	30.31	2018/19	58.80	Target (Years)	30	The missed collections has risen during March. Across the year, the missed bin rate has fluctuated with the implementation of a shared waste contract with a new contractor in May 2018 which has meant a change in the way that crews operate. There is lots of work being conducted in tackling this issue and it is anticipated that the indicator will fall inline with set targets in due course.
Month	Missed collections																																									
April 2018	33.56																																									
May 2018	81.89																																									
June 2018	89.00																																									
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2017/18	30.31																																									
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Target (Years)	30																																									

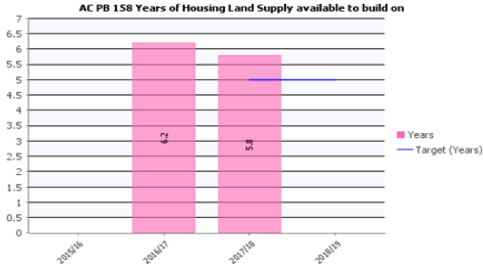
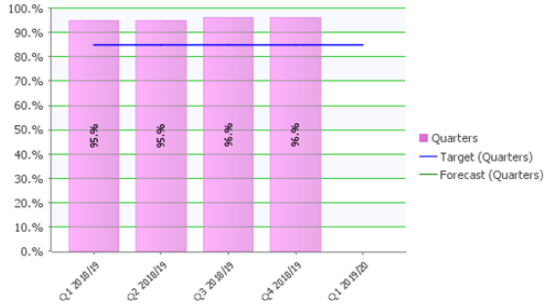
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
MC OP 191 Residual household waste per household.	401kg	trend only	N/A	MC OP 191 Residual household waste per household.	MC OP 191 Residual household waste per household.	Latest figures available in February show a reduction year on year of 22kg per household which is a good reduction
MC OP 192 % of household waste sent for reuse, recycling and composting.	50.32%	50%		MC OP 192 % of household waste sent for reuse, recycling and composting.	MC OP 192 % of household waste sent for reuse, recycling and composting.	Latest figures available in February show a reduction on the % recycling rate on the previous month but a slightly better % value than this time last year (50.07%)

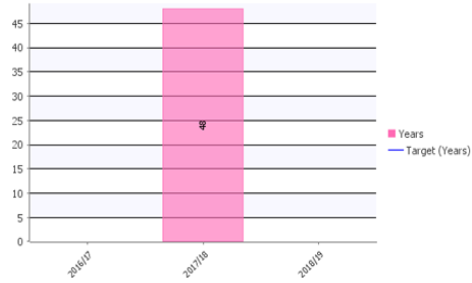
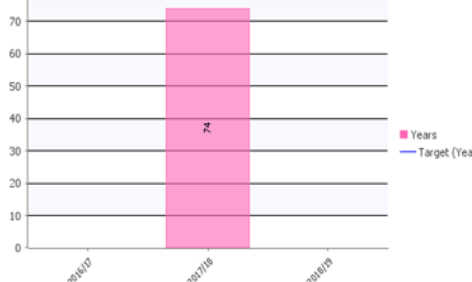
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
AC OP 195a Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Litter	N/A	2.00%	N/A	N/A	AC OP 195A Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Litter 	Due to the moved to a shared waste service and contract mobilisation these inspections have not been completed. Streets have been inspected and monitored but not as per this PI
AC OP 195b Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Detritus	N/A	7%	N/A	N/A	AC OP 195B Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting): Detritus 	Due to the moved to a shared waste service and contract mobilisation these inspections have not been completed. Streets have been inspected and monitored but not as per this PI
Service Area Health & Housing						

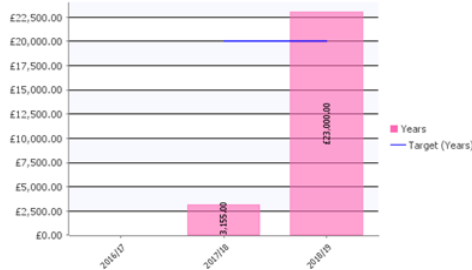
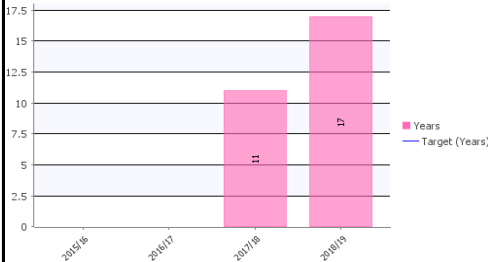
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes																								
QC HH 155 Number of affordable homes delivered (gross)	221	200	N/A	<table><caption>QC HH 155 Number of affordable homes delivered (gross)</caption><thead><tr><th>Quarter</th><th>Delivered (gross)</th><th>Target (Quarters)</th><th>Forecast (Quarters)</th></tr></thead><tbody><tr><td>Q1 2018/19</td><td>31</td><td>140</td><td>200</td></tr><tr><td>Q2 2018/19</td><td>86</td><td>140</td><td>200</td></tr><tr><td>Q3 2018/19</td><td>179</td><td>140</td><td>200</td></tr><tr><td>Q4 2018/19</td><td>221</td><td>140</td><td>200</td></tr><tr><td>Q1 2019/20</td><td>-</td><td>140</td><td>200</td></tr></tbody></table>	Quarter	Delivered (gross)	Target (Quarters)	Forecast (Quarters)	Q1 2018/19	31	140	200	Q2 2018/19	86	140	200	Q3 2018/19	179	140	200	Q4 2018/19	221	140	200	Q1 2019/20	-	140	200	N/A	A total of 221 new affordable homes (116 affordable rented homes and 105 shared ownership) were completed up to the end of the fourth of 2018/19. This is significantly above the target of 140 new affordable homes for 2018/19 and is the highest number of affordable homes completed in a single year in the district since 2006/07. The primary source of new affordable homes for 2018/19 is through Section 106 agreements between the council, developers and housing associations.
Quarter	Delivered (gross)	Target (Quarters)	Forecast (Quarters)																											
Q1 2018/19	31	140	200																											
Q2 2018/19	86	140	200																											
Q3 2018/19	179	140	200																											
Q4 2018/19	221	140	200																											
Q1 2019/20	-	140	200																											

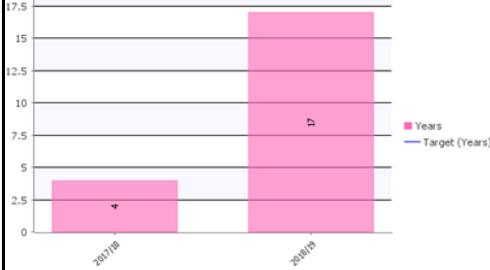
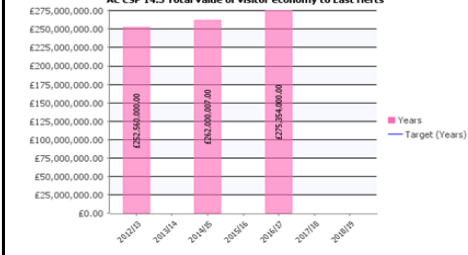
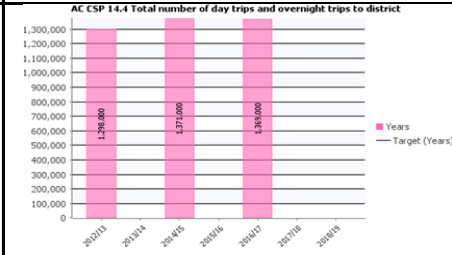
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PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
AC PB 156 Number of Master Plans successfully completed and endorsed by the Council	7	trend only		N/A		The following Master Plans have now been completed and endorsed by Council: SAWB2 - North of West Road, Sawbridgeworth - endorsed by Council on 25 July 2018 SAWB3 - South of West Road, Sawbridgeworth - endorsed by Council on 25 July 2018 BISH5 - Bishop's Stortford South - endorsed by Council on 25 July 2018 EOS1 - East of Stevenage - endorsed by Council on 17 October 2018 HERT2 - Mead Lane Area, Hertford - endorsed by Council on 19 December 2018 HERT3 - North of Welwyn Road, Hertford - endorsed by Council on 5 March 2019 HERT3 - South of Welwyn Road, Hertford - endorsed by Council on 5 March 2019

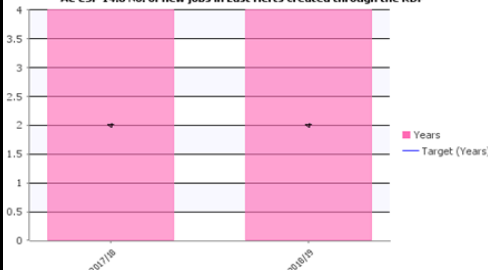
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
AC PB 158 Years of Housing Land Supply available to build on	5.8 (2017/18)	5		N/A		The 2017/2018 AMR shows that the Council can demonstrate land supply to deliver 5.8 years of deliverable housing sites. This value is above policy target although 18/19 values are not currently available as operates a year in arrears
Priority 3 - Business (15 Indicators)						
Service Area: Health & Housing						
QC HH 184 % of food premises in the area which are broadly compliant with food hygiene law	96%	85%			N/A	2018/2019 Qtr 4 - Target exceeded. 96% of registered food businesses in East Herts are broadly compliant with food law; this represents 1015 businesses.
Service Area - Communications Strategy & Policy						

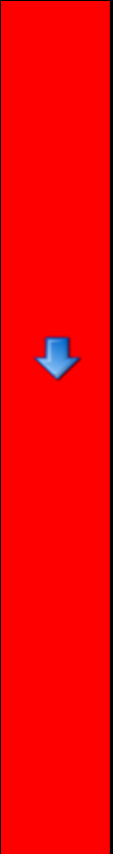
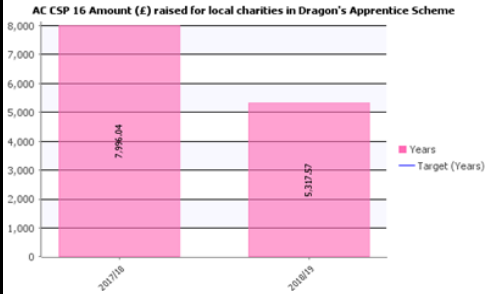
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
AC CSP 13.1 Total number of businesses using the Launchpad facility (target: 30) October Annually	48	30	N/A	N/A	AC CSP 13.1 Total number of businesses using the Launchpad facility (target: 30) October Annually 	Figures reported annually from October, for the first 6 months from October 17 - March 2018, there were 48 businesses. In October, the 18/19 figures will be available
AC CSP 13.2 Number of businesses using the Launchpad facility for more than 3 months (October Annually)	74	20	N/A	N/A	AC CSP 13.2 Number of businesses using the Launchpad facility for more than 3 months (October Annually) 	For the first full year (October 17 to October 18), 74 businesses had used Launchpad for over 3 months

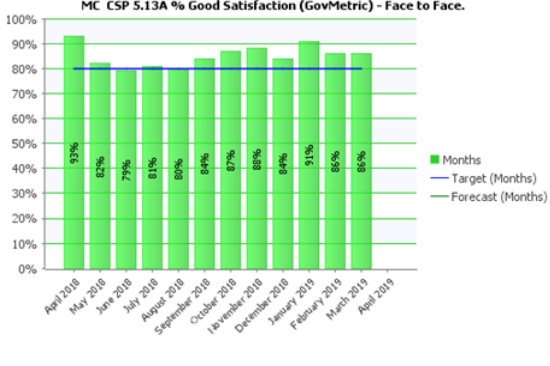
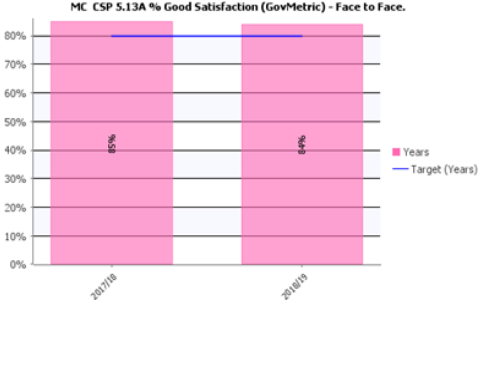
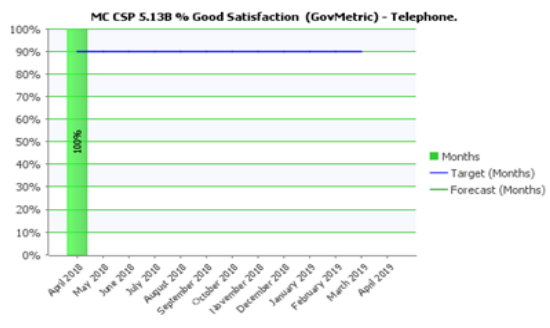
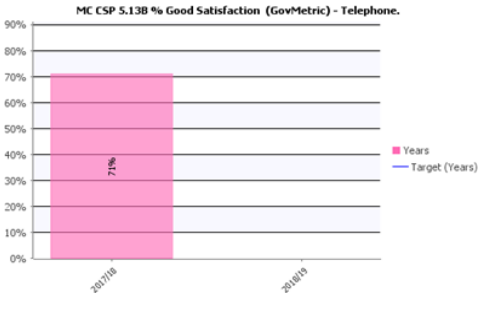
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes										
AC CSP 13.3 Total income from businesses using the Launchpad facility	£23,243	£20,000		N/A	AC CSP 13.3 Total income from businesses using the Launchpad facility (October Annually)  <table border="1"><thead><tr><th>Year</th><th>Income (£)</th></tr></thead><tbody><tr><td>2016/17</td><td>0</td></tr><tr><td>2017/18</td><td>3,155</td></tr><tr><td>2018/19</td><td>23,243</td></tr></tbody></table>	Year	Income (£)	2016/17	0	2017/18	3,155	2018/19	23,243	£23,243 was generated in 2018/19		
Year	Income (£)															
2016/17	0															
2017/18	3,155															
2018/19	23,243															
AC CSP 14.1 Number of successful applications to the Business Rate Discount Grant Scheme	17	trend only		N/A	AC CSP 14.1 Number of successful applications to the Business Rate Discount Grant Scheme  <table border="1"><thead><tr><th>Year</th><th>Number of Applications</th></tr></thead><tbody><tr><td>2016/16</td><td>0</td></tr><tr><td>2016/17</td><td>0</td></tr><tr><td>2017/18</td><td>11</td></tr><tr><td>2018/19</td><td>17</td></tr></tbody></table>	Year	Number of Applications	2016/16	0	2016/17	0	2017/18	11	2018/19	17	Increase on last year
Year	Number of Applications															
2016/16	0															
2016/17	0															
2017/18	11															
2018/19	17															

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes								
AC CSP 14.2 Number of additional jobs created as a result of awarding the scheme	17	trend only		N/A	AC CSP 14.2 Number of additional jobs created as a result of awarding the scheme  <table><tr><th>Year</th><th>Jobs Created</th></tr><tr><td>2017/18</td><td>4</td></tr><tr><td>2018/19</td><td>15</td></tr></table>	Year	Jobs Created	2017/18	4	2018/19	15	Increase on last year		
Year	Jobs Created													
2017/18	4													
2018/19	15													
AC CSP 14.3 Total value of visitor economy to East Herts	N/A	trend only	new indicator	N/A	AC CSP 14.3 Total value of visitor economy to East Herts  <table><tr><th>Year</th><th>Value (£)</th></tr><tr><td>2013/13</td><td>£252,500,000.00</td></tr><tr><td>2014/15</td><td>£262,000,007.00</td></tr><tr><td>2016/17</td><td>£274,354,000.00</td></tr></table>	Year	Value (£)	2013/13	£252,500,000.00	2014/15	£262,000,007.00	2016/17	£274,354,000.00	Latest results for this indicator are from 2016/17 of £274,354,000. This is an increase of the 2015 study (£262,000,007) This survey is normally done every over year so will next be done for the period of 2018/19 with results expected next year
Year	Value (£)													
2013/13	£252,500,000.00													
2014/15	£262,000,007.00													
2016/17	£274,354,000.00													
AC CSP 14.4 Total number of day trips and overnight trips to district	N/A	trend only	new indicator	N/A	AC CSP 14.4 Total number of day trips and overnight trips to district  <table><tr><th>Year</th><th>Trips</th></tr><tr><td>2012/13</td><td>1,268,000</td></tr><tr><td>2014/15</td><td>1,371,000</td></tr><tr><td>2016/17</td><td>1,369,000</td></tr></table>	Year	Trips	2012/13	1,268,000	2014/15	1,371,000	2016/17	1,369,000	Latest results for this indicator are from 2016/17 of £1,369,000. This is slight decrease of the 2015 study (£1371,000) This survey is normally done every over year so will next be done for the period of 2018/19 with results expected next year
Year	Trips													
2012/13	1,268,000													
2014/15	1,371,000													
2016/17	1,369,000													

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
AC CSP 14.5 Total number of jobs in district attributed to visitor economy	N/A	trend only	new indicator	N/A	AC CSP 14.5 Total number of jobs in district attributed to visitor economy	Latest results for this indicator are from 2016/17 of £5,164. This is slight decrease of the 2015 study (4,914) This survey is normally done every over year so will next be done for the period of 2018/19 with results expected next year
AC CSP 14.6 Number of Business awarded £ through the RDP programme	6	trend only		N/A	AC CSP 14.6 Number of Business awarded £ through the RDP programme	Same number of businesses awarded. This indicator will discontinue going forward as per the notes in the Performance Report
AC CSP 14.7 - Amount of £ invested in East Herts through the RDP	£572,672	trend only		N/A	AC CSP 14.7 Amount of £ invested in East Herts through the RDP	The investment increased significantly across 18/19. This was topped up with private investment levied in totalling approx. £800,000 with a total rural investment in East Herts of £1.3m

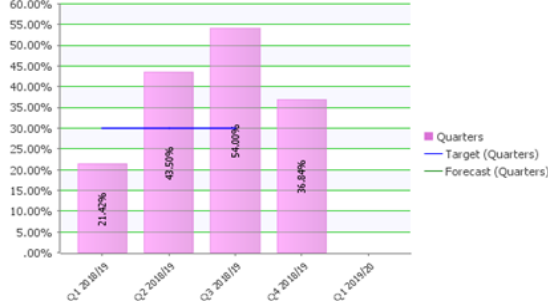
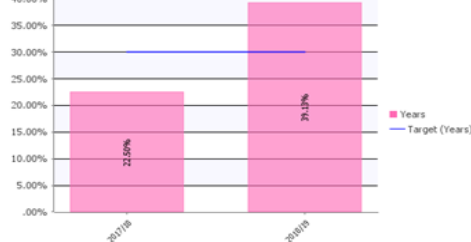
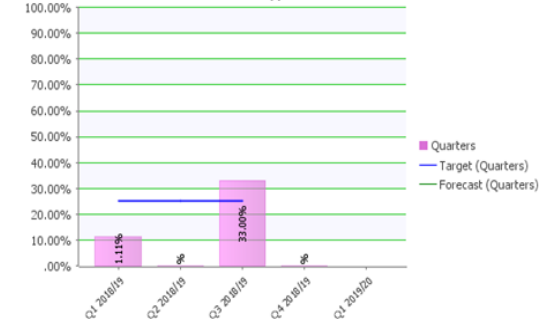
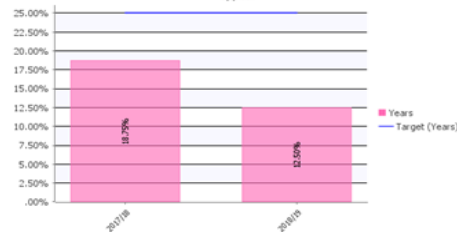
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
AC CSP 14.8 No. of new jobs in East Herts created through the RDP	4	trend only		N/A	AC CSP 14.8 No. of new jobs in East Herts created through the RDP  The chart displays two bars, one for 2017/18 and one for 2018/19, both reaching the value of 4 on the y-axis. A horizontal line at 4 represents the target. The legend indicates 'Years' for the bars and 'Target (Years)' for the line.	There were 4 jobs created directly out of the RDP program in 18/19 directly. The investment may lead to ability to be more sufficient and create more jobs as a result

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
AC CSP 16 Amount (£) raised for local charities in Dragon's Apprentice Scheme	£5,137.57	trend only		N/A		This year 5 teams took part in the senior dragon's apprentice programme. They were Freman College (£1357 raised for the charity guiding lights, Dragon was Councillor Jeff Jones), Bishop's Stortford High School (£60 raised for Carers Connected, Dragon was Councillor Graham McAndrew), Simon Balle (£161 raised, Dragon was Councillor Jan Goodeve), Chauncy (£955 raised for the Southern Maltings) and Herts and Essex High School (£2778 raised). An award ceremony took place at the Southern Maltings on 18th March, presented by Cllr Suzanne Rutland-Barsby. Although less than the amount raised last year the programme continues to generate money for local causes and teach young people key business skills.

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
MC CSP 5.13A % Good Satisfaction (GovMetric) - Face to Face.	86% (84%)	80%		 MC CSP 5.13A % Good Satisfaction (GovMetric) - Face to Face.	 MC CSP 5.13A % Good Satisfaction (GovMetric) - Face to Face.	102 or 86% of face to face scores were positive this month. Overall this indicator remains on target although there are marginal peaks and troughs through the year
MC CSP 5.13B % Good Satisfaction (GovMetric) - Telephone.	N/A (N/A%)	90%	N/A	 MC CSP 5.13B % Good Satisfaction (GovMetric) - Telephone.	 MC CSP 5.13B % Good Satisfaction (GovMetric) - Telephone.	This indicator will be removed for 2019/20 due to very little feedback ever provided via phone. We will look at the possibility of installing this Gov Metric Scoring system via email instead going forward

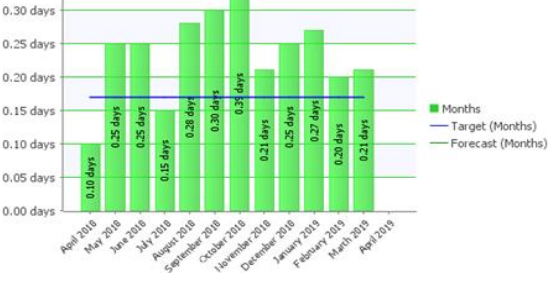
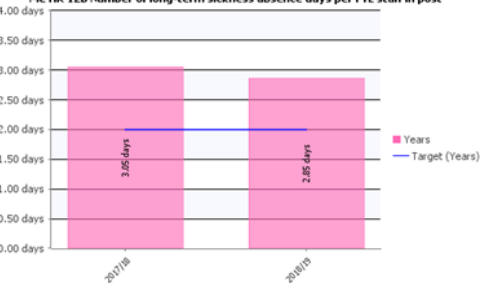
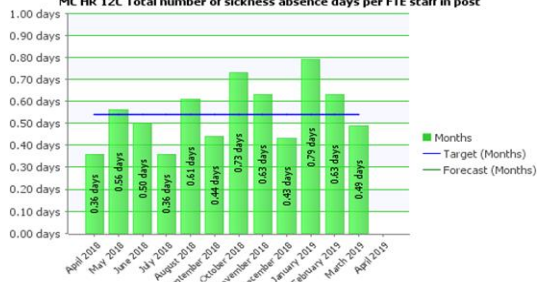
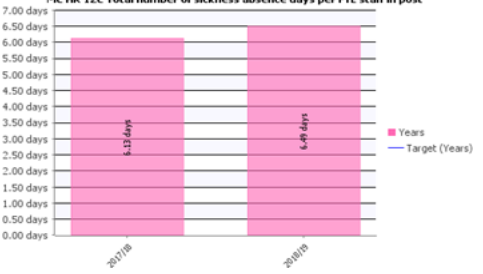
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
MC CSP 5.13C % Good Satisfaction (GovMetric) - Website.	32%(36%)	50%	↑	MC CSP 5.13C % Good Satisfaction (GovMetric) - Website.	MC CSP 5.13C % Good Satisfaction (GovMetric) - Website.	103 of 321 scores were positive which means the trend continues to fall. A new website with a new provider is due to launch in August and we envisage a major improvement in perception of our site and it will deliver on a number of key themes of frustration on our current website
AC DEH 5.10A % of key Services that are available via a digital channel	91.67%	trend only	↑	N/A	AC DEH 5.10A % of key Services that are available via a digital channel	Using the same methodology and set of variables as was proposed in 2016/17 review, we have moved up to 79 of 86 services now able to do online. A couple of key services are no longer available thus shouldn't be considered in the % terms such as requesting dog bins which are no longer being treated separately to general waste bins

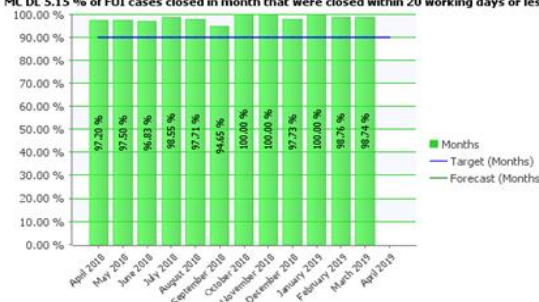
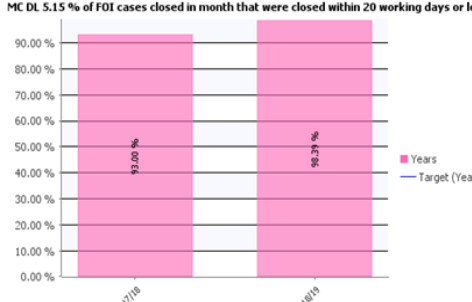
PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
AC DEH 5.10B Socitm (Society of IT Managers) rating for website usability / accessibility	N/A	trend only	N/A	N/A	AC DEH 5.10B Socitm (Society of IT Managers) rating for website usability / accessibility	Results will be published by Better Connected and it is anticipated to be published around June. The methodology of scoring will focus more on accessibility and this change is due to new EU regulations meaning Local Authorities need to adhere to much higher accessibility standards.
QC CSP 5.1 % of complaints resolved in 14 days (10 working days) or less.	61.90%	70.00%	↓	QC CSP 5.1 % of complaints resolved in 14 days (10 working days) or less.	QC CSP 5.1 % of complaints resolved in 14 days (10 working days) or less.	13 of the 21 complaints were resolved within 14 working days during Q4, missing the 70% target. The annual figure was slightly better than the previous year. Average performance for the year was 69.1% - narrowly missing the target of 70%. Further analysis of recent complaint data was reported to Overview and Scrutiny on 5th February 2019

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes																
QC CSP 5.2A % of complaints about the Council and its services that are upheld: 1st stage	36.84 (39.13%)	30.00%		QC CSP 5.2A % of complaints about the Council and its services that are upheld: 1st stage  <table><thead><tr><th>Quarter</th><th>% of complaints upheld</th></tr></thead><tbody><tr><td>Q1 2018/19</td><td>21.42%</td></tr><tr><td>Q2 2018/19</td><td>43.50%</td></tr><tr><td>Q3 2018/19</td><td>54.00%</td></tr><tr><td>Q4 2018/19</td><td>36.84%</td></tr></tbody></table>	Quarter	% of complaints upheld	Q1 2018/19	21.42%	Q2 2018/19	43.50%	Q3 2018/19	54.00%	Q4 2018/19	36.84%	QC CSP 5.2A % of complaints about the Council and its services that are upheld: 1st stage  <table><thead><tr><th>Year</th><th>% of complaints upheld</th></tr></thead><tbody><tr><td>2017/18</td><td>22.50%</td></tr><tr><td>2018/19</td><td>39.13%</td></tr></tbody></table>	Year	% of complaints upheld	2017/18	22.50%	2018/19	39.13%	7 of 19 complaints were upheld or partially upheld at stage one which is a reduction on the previous quarter. Three complaints were upheld to varying degrees within the planning team.
Quarter	% of complaints upheld																					
Q1 2018/19	21.42%																					
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QC CSP 5.2B % of complaints about the Council and its services that are upheld: 2nd stage - appeal	0% (12.5%)	25.00%		QC CSP 5.2B % of complaints about the Council and its services that are upheld: 2nd stage - appeal  <table><thead><tr><th>Quarter</th><th>% of complaints upheld</th></tr></thead><tbody><tr><td>Q1 2018/19</td><td>1.11%</td></tr><tr><td>Q2 2018/19</td><td>0%</td></tr><tr><td>Q3 2018/19</td><td>33.33%</td></tr><tr><td>Q4 2018/19</td><td>0%</td></tr></tbody></table>	Quarter	% of complaints upheld	Q1 2018/19	1.11%	Q2 2018/19	0%	Q3 2018/19	33.33%	Q4 2018/19	0%	QC CSP 5.2B % of complaints about the Council and its services that are upheld: 2nd stage - appeal  <table><thead><tr><th>Year</th><th>% of complaints upheld</th></tr></thead><tbody><tr><td>2017/18</td><td>18.75%</td></tr><tr><td>2018/19</td><td>12.50%</td></tr></tbody></table>	Year	% of complaints upheld	2017/18	18.75%	2018/19	12.50%	There were 2 complaints at stage 2 this quarter, of which none were upheld. There was also less complaints at stage 2 upheld than the previous year
Quarter	% of complaints upheld																					
Q1 2018/19	1.11%																					
Q2 2018/19	0%																					
Q3 2018/19	33.33%																					
Q4 2018/19	0%																					
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2017/18	18.75%																					
2018/19	12.50%																					

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes																												
QC 1A - D Volume + Proportion of Contacts by	see chart	trend only	N/A	■ Phone ■ Email ■ F2F ■ Webform <table border="1"><caption>Contact Proportions</caption><thead><tr><th>Method</th><th>Proportion</th></tr></thead><tbody><tr><td>Phone</td><td>65%</td></tr><tr><td>F2F</td><td>25%</td></tr><tr><td>Webform</td><td>7%</td></tr><tr><td>Email</td><td>3%</td></tr></tbody></table>		Method	Proportion	Phone	65%	F2F	25%	Webform	7%	Email	3%	The proportions of contact have moved slightly over the course of the year. In general there has been an increase in eforms being used rather than traditional email contact and F2F contact has declined over the year																		
Method	Proportion																																	
Phone	65%																																	
F2F	25%																																	
Webform	7%																																	
Email	3%																																	
Service Area: Revenues & Benefits																																		
MC RB 10.2 Council tax collection, % of current year liability collected.	98.10%	98.6%	N/A	<table border="1"><caption>MC RB 10.2 Council tax collection, % of current year liability collected.</caption><thead><tr><th>Month</th><th>Collection %</th></tr></thead><tbody><tr><td>April 2018</td><td>12.6%</td></tr><tr><td>May 2018</td><td>21.6%</td></tr><tr><td>June 2018</td><td>25.7%</td></tr><tr><td>July 2018</td><td>33.8%</td></tr><tr><td>August 2018</td><td>42.5%</td></tr><tr><td>September 2018</td><td>50.2%</td></tr><tr><td>October 2018</td><td>58.4%</td></tr><tr><td>November 2018</td><td>65.4%</td></tr><tr><td>December 2018</td><td>74.2%</td></tr><tr><td>January 2019</td><td>83.1%</td></tr><tr><td>February 2019</td><td>91.3%</td></tr><tr><td>March 2019</td><td>95.6%</td></tr><tr><td>April 2019</td><td>98.1%</td></tr></tbody></table>	Month	Collection %	April 2018	12.6%	May 2018	21.6%	June 2018	25.7%	July 2018	33.8%	August 2018	42.5%	September 2018	50.2%	October 2018	58.4%	November 2018	65.4%	December 2018	74.2%	January 2019	83.1%	February 2019	91.3%	March 2019	95.6%	April 2019	98.1%	N/A	Slightly under target. This is 0.2% less than last years figures
Month	Collection %																																	
April 2018	12.6%																																	
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PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes																																		
MC RB 10.4 NNDR (Business rates) collection, % of current year liability collected.	98.50%	97.5%	N/A	MC RB 10.4 NNDR (Business rates) collection, % of current year liability collected. <table><thead><tr><th>Month</th><th>Collection %</th></tr></thead><tbody><tr><td>April 2018</td><td>10.2%</td></tr><tr><td>May 2018</td><td>23.3%</td></tr><tr><td>June 2018</td><td>31.8%</td></tr><tr><td>July 2018</td><td>40.4%</td></tr><tr><td>August 2018</td><td>48.3%</td></tr><tr><td>September 2018</td><td>57.1%</td></tr><tr><td>October 2018</td><td>64.3%</td></tr><tr><td>November 2018</td><td>76.8%</td></tr><tr><td>December 2018</td><td>85.6%</td></tr><tr><td>January 2019</td><td>92.8%</td></tr><tr><td>February 2019</td><td>96.4%</td></tr><tr><td>March 2019</td><td>98.5%</td></tr><tr><td>April 2019</td><td>98.5%</td></tr></tbody></table>	Month	Collection %	April 2018	10.2%	May 2018	23.3%	June 2018	31.8%	July 2018	40.4%	August 2018	48.3%	September 2018	57.1%	October 2018	64.3%	November 2018	76.8%	December 2018	85.6%	January 2019	92.8%	February 2019	96.4%	March 2019	98.5%	April 2019	98.5%	N/A	Target was reached and exceeded, showing an improvement on the previous year (98.4%)						
Month	Collection %																																							
April 2018	10.2%																																							
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Service Area HR																																								
MC HR 12A Number of short-term sickness absence days per FTE staff in post	0.27 (3.64)			MC HR 12A Number of short-term sickness absence days per FTE staff in post <table><thead><tr><th>Month</th><th>Absence (days)</th></tr></thead><tbody><tr><td>April 2018</td><td>0.26</td></tr><tr><td>May 2018</td><td>0.32</td></tr><tr><td>June 2018</td><td>0.25</td></tr><tr><td>July 2018</td><td>0.21</td></tr><tr><td>August 2018</td><td>0.33</td></tr><tr><td>September 2018</td><td>0.15</td></tr><tr><td>October 2018</td><td>0.34</td></tr><tr><td>November 2018</td><td>0.41</td></tr><tr><td>December 2018</td><td>0.18</td></tr><tr><td>January 2019</td><td>0.51</td></tr><tr><td>February 2019</td><td>0.43</td></tr><tr><td>March 2019</td><td>0.27</td></tr><tr><td>April 2019</td><td>0.27</td></tr></tbody></table>	Month	Absence (days)	April 2018	0.26	May 2018	0.32	June 2018	0.25	July 2018	0.21	August 2018	0.33	September 2018	0.15	October 2018	0.34	November 2018	0.41	December 2018	0.18	January 2019	0.51	February 2019	0.43	March 2019	0.27	April 2019	0.27	MC HR 12A Number of short-term sickness absence days per FTE staff in post <table><thead><tr><th>Year</th><th>Absence (days)</th></tr></thead><tbody><tr><td>2017/18</td><td>3.28</td></tr><tr><td>2018/19</td><td>3.64</td></tr></tbody></table>	Year	Absence (days)	2017/18	3.28	2018/19	3.64	Number of short – term sickness absence days per FTE staff in post. The council's target for 2018/19 was 4.5 days. The actual was 3.64 days which is under target.
Month	Absence (days)																																							
April 2018	0.26																																							
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Year	Absence (days)																																							
2017/18	3.28																																							
2018/19	3.64																																							

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
MC HR 12B Number of long-term sickness absence days per FTE staff in post	0.21 (2.85)			MC HR 12B Number of long-term sickness absence days per FTE staff in post 	MC HR 12B Number of long-term sickness absence days per FTE staff in post 	Number of long – term sickness absence days per FTE staff in post. The council's target for 2018/19 was 2 days. The actual was 2.85 days which has not met the target.
MC HR 12C Total number of sickness absence days per FTE staff in post	0.49(6.49)			MC HR 12C Total number of sickness absence days per FTE staff in post 	MC HR 12C Total number of sickness absence days per FTE staff in post 	Total number of sickness absence days per FTE staff in post. The council's target for 2018/19 was 6.5 days. The actual was 6.49 days which is just under target.
Service Area Legal & Democratic Services						

PI Name	Latest Value (Annual Tar)	Target (annual target)	(+/-) since last	Short term Performance Trend	Long Term Performance Trend	Notes
MC DL 5.15 % of FOI cases closed in month that were closed within 20 working days or less	98.74% (98.39%)	90%		MC DL 5.15 % of FOI cases closed in month that were closed within 20 working days or less 	MC DL 5.15 % of FOI cases closed in month that were closed within 20 working days or less 	65 of 66 cases were closed within 20 working days. This continues to sit well above target and is in a much better position annually than it was last year

KEY

PI Status

Performance is 6% or more off target	
Performance is less than 6% or more off target	
Performance is on target or exceeding target	
No target to set performance against	Trend Only
Monthly/Q4/Annual data unavailable	

Movement since last period

Value is higher than previous period & this is positive movement	
Value is higher than previous period but this is negative movement	
Value is lower than previous period but this is positive movement	
Value is lower than previous period & this is negative movement	
Value is the same as previous period	
N/A -Cumulative so will always be above previous period	n/a

ERP D 2018/19 Service Plans

(PLEASE NOTE RED TEXT REFERS TO PERFORMANCE INDICATORS, INFORMATION FOR WHICH CAN BE FOUND IN THE SEPERATE PI DOCUMENT)

Corporate Priority: People				
Outcome: Communities engaged in local issues				
Action:	Performance measures or project milestones:	Deadline:	Lead Officer:	Progress by 31 March 2019
Increase stakeholder engagement through digital channels	- No. of Twitter followers & impressions - No. of Facebook likes & people reached - No. of Instagram followers and likes - No. of Gov delivery subscribers	31 March 2019	Communications and Digital Media Manager	The council's reach on social media continues to grow. Twitter and Facebook are the channels with the largest reach however LinkedIn is becoming increasingly important as a channel for recruitment but also awareness raising of events and initiatives. The council switched from using GovDelivery as the email marketing platform to mailchimp in 2018. This resulted in significant savings but also a drop in subscribers. As at 31 March 2019 we had: 9,387 Twitter followers (582 more than last year) 1,526 Facebook followers (454 more than last year) 1,205 Instagram followers (481 more than last year) 566 LinkedIn followers (135 more than last year) We also measure press coverage (in the Mercury and Bishop's Stortford Independent) in terms of whether it is negative or positive to give a proxy for public perception of the council. In 9 months of the 18/19 year coverage was positive overall however for 3 months it was negative. This was the result of stories relating to proposals for the Northgate End Multi Storey Car Park in Bishop's Stortford, works on Maidenhead Street in Hertford and litter along the A10.
Ensure successful transfer of Scott's Grotto to independent trust ownership	Transfer complete	31 March 2019	Head of Communications, Strategy and Policy	Approval to transfer ownership of the Grotto was granted by Executive in 2018. An independent Charitable Incorporated Organisation (Scotts Grotto Trust) was set up in November 2018 composed of nominees from East Herts Council and the Ware Society. The trust is now operating independently from the council and undertaking fund raising activities to keep the Grotto open as a local heritage asset.

Corporate Priority: People				
Outcome: Support for our vulnerable families and individuals				
Action:	Performance measures or project milestones:	Deadline:	Lead Officer:	Progress by 31 March 2019
Deliver the Community Safety Strategic Assessment and Action Plan	- Delivery key actions within the plan - Bid to the Police and Crime Commissioner's community safety fund in line with Community Safety Partnership priorities	31 March 2019 31 December 2018	Community Safety Officer	Review of assessment for 2019/20 to begin next period.
Ensure the council fulfils its Safeguarding responsibilities	Deliver the actions arising from the Safeguarding Adults Self-	31 March 2019	Service Manager – Community Wellbeing and Partnerships	Safeguarding action log sent to HCC at the end of each quarter.

	- Assessment - Deliver the annual programme of safeguarding training	31 December 2018		Follow up audit undertaken in Jan 2019 with no areas for concern. Safeguarding training to commence April 2019 with training for members in Sept 2019.
Minimise time elapsed to process new claims and changes in circumstances.	Time taken to process Housing Benefit new claims and change events achieved (10 days)	31 March 2019	Head of Revenues and Benefits	7.63 days (against a target of 10 days). Time taken to process housing benefit has dropped dramatically.
Work with partners to provide support to customers in difficulty.	- Utilise discretionary Housing Payments to alleviate transitional difficulties - Proactively work to avoid fraud and to ensure suspected cases are investigated	31 March 2019	Head of Revenues and Benefits	This is considered to be an on-going part of the job and not an action that has a start and end point so will be monitored. This is considered to be an on-going part of the job and not an action that has a start and end point so will be monitored.
Work with partners to assist customers through the transition into universal credit	Customers assisted and signposted appropriately when transitioned into universal credit.	31 March 2019	Head of Revenues and Benefits	This is considered to be an on-going part of the job and not an action that has a start and end point so will be monitored.

Corporate Priority: People

Outcome: residents living active and healthy lives

Action:	Performance measures or project milestones:	Deadline:	Lead Officer:	Progress by 31 March 2019
Implement new homelessness prevention duties in line with the Homelessness Reduction Act 2017	- Introduce 'Personal Housing Plans' for those threatened with homelessness training all members of the team - Review and restructure the approach to homelessness prevention work	31 March 2019	Service Manager – Housing Services	Bespoke personal housing plans (PHP) are drawn up and agreed for all applicants threatened with homelessness or homeless on the council's software LOCATA. The PHP is then provided to the applicant and can be updated by both the applicant and the officer via an online portal.
Review the Homelessness Strategy	- Number of prevented homeless applications - Number of homeless households living in temporary accommodation	31 January 2019	Service Manager – Housing Services	Homelessness and Rough Sleeping Strategy adopted by Council on 5th March 2019. By the end of the fourth quarter of 2018/19 the Housing Service prevented a total of 277 households becoming homeless. This is 77 households above the target for the year. This was achieved by a variety of housing options including the provision of housing advice to relieve homelessness or securing alternative accommodation through an offer of accommodation from the council's housing register, a referral to supported accommodation or by actively assisting applicants secure accommodation through the private sector with the council's rent deposit offer. At the end of March 2019 the council had 27 households in temporary accommodation. The council's temporary accommodation hostel had all 12 flats occupied. Six households were in B&B. Four were single

	Number of applicants on the housing register			person households unsuitable for the hostel and two were households with children waiting for a space in our hostel. Six single person households were in temporary supported accommodation for people with mental health conditions and three households were in longer term private leased self-contained accommodation. At the end of March 2019 there were 2,016 households on the Housing Register. This is broken down by property size required as follows: 1 bed need - 1,020; 2 bed need - 644; 3 bed need - 294; 4+ bed need - 58. The net change of households being the difference between households being housed, applications not being renewed and new applications being accepted onto the Housing Register. The profile of the size of the properties required is broadly the same with one and bedroom homes being the greatest need.
Deliver air Quality Action Plan	- Review the East Herts Air Quality Action Plan, deliver key actions - Deliver Clean Air Day 2018	31 March 2019 17 June 2018	Senior Environmental Officer (Environment)	Existing plan reviewed and updated in May. Claire Spendley is now working to deliver a throughout revised version in order to achieve full Defra adoption.
Promote use of E-taxis within the district	Measure to be developed	31 March 2019	Service Manager – Licensing and Enforcement	Strategy agreed and work started on the actual project to deliver this. New vehicle age & emissions policy in place, EVolve assessment underway and locations for rapid chargers being considered.
Deliver a successful social prescribing pilot	Review success and identify options for sustaining project beyond initial 18 month funding period	31 March 2019 31 December 2018	Healthy Lifestyles Programme Officer	1st year complete with over 200 referrals. Social Prescribing project extended to March 2020.
Maximise health and wellbeing outcomes	- Deliver staff wellbeing, volunteering and new activities programme (in combination with the council's support for Hertfordshire County Council's Year of Physical Activity) - East Herts residents & East Herts Council employees registered with Team Herts Volunteering scheme - Ensure the sustainability of the Forever Active programme beyond the Sports England funding period - Review the outcomes of the Active In programme - Number of over 50s participating in 'Forever Active' programme	31 December 2018 31 March 2019 31 August 2018	Head of Housing and Health	Events have been happening each month including reflexology sessions, walking groups. Team now working on Christmas period activities. Review of the previous year activities were review and paper presented to LT in March 2019 for approval to continue with project for a further year. Approval given. Completed. Review meeting booked. 642 participants at end of Q4 2018/19. This two year program was being monitored by the conventional year rather than the financial year and the funding has ceased. The majority of classes are now self-

				sufficient and has been an overwhelming success, exceeding set target by over 100 people
Procure a leisure operating and DBOM contract	OJEU notice issued	30 May 2018	Leisure and Environment Manager	The DBOM procurement process went live on 18 May 2018, however due to a change in the market position and site sensitivities, the procurement was ceased and the council has decided to split it into two parts; a design and build project and a separate leisure operator procurement. This means a contractor will be procured to design and build the new Grange Paddocks and refurbish / extend Hartham – we are currently considering some options and hope to make a decision on a supplier within the next 2 weeks. We won't have a revised timeline for this project until the contractor has been appointed and reviewed the work undertaken to date. In parallel with this we will procure a new leisure management contract – we are at an early stage of this but it is anticipated that this new contract will commence on 1 January 2020.
Invest in our parks and open spaces to encourage health and fitness including improvements to Hartham Common, Southern Country Park and Hillside Crescent	Consider delivery of initial actions identified in management plan for Hertford Castle Grounds in partnership with the Town Council. Continue process to deliver connected links between open spaces focussing on Hertford and Beyond walking routes following grant application in 2017. Improve Hartham Common by: - Develop outline concept and estimated viable costs of a project to improve Hartham Common entrance area and identify potential and sufficient funding. Link improvements directly with plans to develop new leisure centre. - Delivering a new destination play area at Hartham Common. - Deliver play area improvements at Southern Country Park and	31 March 2019 31 March 2019 March 2019 31 March 2019 TBC	Leisure and Parks Development Manager	Management Plan fully drafted and considered by Town Council at Committee in October. Town Council still unable to commit to working in partnership to deliver the plan due to their long term ambitions to take ownership of the park. TC have progressed with their plans to replace interpretation boards around the park. We have decided for the time being that it would not be prudent to invest in further EHC improvements given the uncertainties. Hertford and Beyond works are well under way. Final completion however is slightly delayed due to some access issues across private sections of the routes. The maps have therefore been redesigned with alternative routes and the notice boards purchased. CMS will complete the project in May/June with their financial contribution. Project slipped to 19/20 following a need to evaluate the impact of the leisure centre improvements before concluding the design specification. Tender going out next week for the play area design at Hartham Common having completed initial consultations with the crowd funding group of residents and establishing the impact of the leisure centre project on the site. Consultation under way with group of residents to engage in crowd funding. This action will now be moved to proposed completion within the 2019/20 year. Revamp of Hillside Crescent complete and well received by residents, bringing this play area up to a good standard of play value and community asset. Improvements at Southern Country Park currently

	Hillside Crescent.			being installed on site with a blend of landscape and drainage modifications and increased play value for young children. Despite some issues with wet weather the project should be complete on target before the end of the financial year (first two weeks in April). The design will enhance the appearance and the functionality of this area of the park, creating an interesting space to sit and view the wider park whilst supervising children and by establishing a stronger physical boundary to encourage dog owners to keep their animals out of the space.
	Seek grant funding from Heritage Lottery fund (HLF) to commission an archaeological and access project at Pishiobury Park, Sawbridgeworth.	31 March 2019		An application has been submitted to Heritage Lottery Fund to fund an archaeological and access improvement project at Pishiobury Park the outcome of which should be known in June.
	Review overarching Parks and Open Spaces Strategy	31 March 2019		This completion of this action is now due to be completed within the 2019/20 corporate action plan.

Corporate Priority: Places				
Outcome: Attractive Places				
Action:	Performance measures or project milestones:	Deadline:	Lead Officer:	Progress by 31 March 2019
Implementation of Master Planning process for all significant development sites	- Number of Master Plans successfully completed and endorsed by the Council - Achievement of policy objectives identified in District Plan	31 March 2019	Service Manager (Policy & Implementation)	See performance data for more details
Harlow and Gilston Garden Town Development	- Successful engagement with Garden Town - Successful outcome of Gilston Concept Framework and Master Planning processes - Continuing community engagement - Commencement and	31 March 2019	East Herts Garden Town Lead	A project co-ordinator has recently been appointed and will join the team in June 2019. Additional consultancy support is also being put in place. Engagement continues through officer and Member working group and board. With more resources in the HGGT team a programme for the delivery of the Concept Framework has been addressed. Delivery will run through into June 2020. Master Planning will take place relating to each of the village settlements and following outline permission. Community engagement continues through the Gilston Steering Group, forthcoming Charter work and other workshops. Action remains in progress. Planning Applications anticipated in May

	implementation of development			2019. Policy framework being enhanced through work of the Harlow and Gilston Garden Town team.
Effective planning enforcement	• % visits undertaken in relation to urgent cases within 2 workings days of 'start date' • Quantitative and qualitative customer feedback	31 March 2019	Service Manager (DM)	See performance data for more details
Proactive Conservation and Urban Design service	• Completion of remaining Conservation Area Assessment work	30 Sept 2018	Service Manager (DM) Major Applications	See performance data for more details
Produce community transport strategy for East Herts	• Strategy produced	31 July 2018	Service Manager – Community Wellbeing and Partnerships	Complete.
Reduce the amount and cost of fly tipping to the Council (raise awareness of Duty of Care and householders responsibilities. Publicise successful enforcement actions so public aware of the consequences. Increase ongoing enforcement actions undertaken where evidence)	• Fly tips – time taken for removal • Participate in County wide Media Campaign on fly tipping	31 March 2019	Enforcement & Inspection Team Manager	A range of actions / interventions have been undertaken including: Updated the website with new information including a duty of care video for householders, links to the Hertfordshire flytipping group information .Prepared for the re-launch of the #scrapflytipping campaign which commenced 1 April, through the Hertfordshire flytipping group . Have drafted a report to implement Fixed Penalty Notices for domestic 'duty of care' offences. Ongoing joint working with the police and other agencies re Operation Acura. The enforcement team have been attending parish council meetings and have met with farmers and landowners to raise awareness. Ongoing enforcement training for officers from the Mallard Consultancy.
Co-ordination and promotion of the arts and cultural offer in East Herts.	• Completed audit of cultural activities which promote health, social and the economic well-being of East Herts Residents. • Identify ways to increase engagement in arts and cultural activities.	31 March 2019	Theatre Director	A light touch audit and mapping exercise of the cultural offer across East Herts has been completed. This will inform any future development work (Project and Capital) and potentially provides the starting point for an EHC cultural strategy.
Hertford Theatre – Develop business models for expansion	• Outline Business Plan received and taken through decision making processes	31 May 2018	Theatre Director	Outline business case approved by Full Council - action completed.
Deliver successful Heritage Lottery Fund (HLF) Stage 2 bid for Castle Park, Bishop's Stortford (provide improve facilities for the local community of Bishop's Stortford in partnership with the Town Council. Improve the attractiveness of the town as a place to visit).	• Develop proposals	31 March 2019	Leisure and Parks Development Manager	Stage 2 bid submitted to HLF in Aug 2018 and planning application also submitted. This will determine whether the HLF grant will be approved for the construction phase of the work. – decision due December 2018.
Re-tendering of Grounds Maintenance Contract	• New contract in place	31 Dec 2019	Leisure and Parks Development Manager	Field narrowed following financial assessments, initial evaluation complete and negotiation meetings set for 1st week in April. HCC still on board in principal on basis of ball park costs. Quality of bids good, assessment of prices ongoing and will potentially change at final tender stage mid-May.
Review provision of dog and litter bins across district (Review number,	• Review complete and options identified	31 March 2019	Leisure and Parks Development Manager	This target was revised in light of discussions at soft market testing with potential tenderers for the GM contract. The provision of dog and

location, cost and effectiveness across district. Assess potential for cost savings and service improvements which might be secured from alternating bin size, merging dog and litter waste, adapting collection frequencies and/or adopting a no bin policy in some parks)				litter bins has been considered and written into the new GM contract regarding the merging of waste at collection to ensure any savings are secured. The concept of dual purpose bins will be considered through a consultation process once the new contract has bedded in. Any more significant changes would be potentially unattractive to the market. A review as part of the contract development process with the new contractor will be more effective in terms of partnership working and a better time to consult with the public. The number and location of bins are calculated and preliminary work undertaken to assess the usefulness of each bin has been carried out.
Fitness and Play Audit (Deliver 10 year re-audit of play areas across district with addition of open space fitness provision to measure success of improvements and to determine future projects.	Audit complete and options identified	31 March 2019	Leisure and Parks Development Manager	Play and Fitness areas have been audited and the results will now be used to inform use of the £50k capital budget, add to the section 106 forward plan and to establish a new protocol for refurbishment.
Deliver effective waste collection services	Less than 30 missed bins per 100,000	31 March 2019	Joint Waste service Manager	The missed collections have risen during March. Across the year, the missed bin rate has fluctuated with the implementation of a shared waste contract with a new contractor in May 2018 which has meant a change in the way that crews operate. There is lots of work being conducted in tackling this issue and it is anticipated that the indicator will fall in line with set targets in due course.
Maintain recycling rates above 50%	- Residual household waste per household % of household waste sent for reuse, recycling and composting	31 March 2019	Joint Waste service Manager	See performance data for more details
Introduce trade waste recycling	Trade waste recycling introduced to one town/Business area	31 March 2019	Joint Waste service Manager	The trade waste recycling project has commenced but collection most likely won't commence until June July. Initial collections will begin in Buntingford. Trade waste rounds have now been balanced and ready to accept recyclables.

Corporate Priority: Places				
Outcome: Future development best meets the need of the district and its residents				
Action:	Performance measures or project milestones:	Deadline:	Lead Officer:	
Support and develop future input into strategic planning role	- Strategy to consider development post 2031 across Hertfordshire through HIPP - Continued engagement through Co-op for Sustainable Development Board (with Harlow, Uttlesford and Epping Forest).	31 March 2019	Head of Planning and Building Control	Engagement in various technical workstreams to consider future strategic planning beyond 2031. Memorandum of Understanding for Strategic Planning in North, Central and Eastern Hertfordshire signed in November 2018. Ongoing attendance at the Co-operation for Sustainable Development Officer group and Member board meeting.
Completion of District Plan	- Plan Adoption - Housing Land Supply	End June 2018	Service Manager, Policy and Implementation	District Plan adopted at Council of 23 October 2018.
Programme of Planning Policy work	- Formulation of work programme - Delivery of agreed work programme	31 March 2019	Service Manager, Policy and Implementation	A programme of work for the preparation of planning policy documents is set out in the Council's Local Development Scheme (March 2019).
Effective Development Management service	% Processing of planning applications dealt with in timely manner- Other applications (Others under 8 weeks). % Processing of planning applications dealt with in timely manner - Minor applications (Minors under 13 weeks) % Processing of planning applications dealt with in timely manner - Major applications (Majors under 13 weeks) - Engagement through pre-application and PPA processes in accordance with PIs	31 March 2019	Service Manager (DM)	See performance data for more details. PPAs either in place, or being negotiated, for all District Plan strategic site allocations.
Establish Housing Company	- Property Investment Company to commence trading - Determine feasibility of housing development by a Company - Subject to there being a feasible business case, seek member approval for development	April 2018 July 2018 September 2018	Head of Housing and Health	Millstream Property Investments Ltd was incorporated in February 2018 and started trading in September 2018. The 30 year Business Plan was approved by Council (the company's shareholder) in December 2018. The Business Plan includes a programme of five properties acquired in 2019/20 (at May 2019 four properties acquired/in process of acquisition) and commencement of a development scheme at Kingsmead, Hertford.

Encourage appropriate downsizing in tenures	• Deliver key actions in the line with the Housing Service's report into under-occupation in East Herts • A review of the issues, challenges and potential solutions	31 March 2019	Housing Development and Strategy Manager	New properties with an age restriction have been developed and advertised through choice based lettings. The Housing service is continuing to work with partners to identify opportunities for attracting downsizers through dialogue on policies and new developments.
Provide affordable housing (review options for maximising affordable housing and community-led housing delivery, revise the Affordable Housing Supplementary Planning Document in line with the District Plan timetable)	• % of Affordable homes delivered on section 106 developments in Towns against a 40% cumulative Planning Policy target • % of Affordable homes delivered on section 106 developments in Villages	30 September 2018	Housing Development and Strategy Manager	The Housing Team are implementing the Affordable Housing Policy to maximise delivery. Total of 162 affordable homes delivered in 2017/18 against a target of 116 for 17/18. A report on Community Led Housing will be ready to publish in June 2018 and is a joint report with Harlow, Epping and Uttlesford. Officers from Housing and Planning have drafted the SPD and undergone a 6 week public consultation exercise from 2/1/2019 to 13/2/2019. Currently responding and amending the SPD in response to comments received. Anticipate document being considered at Council in July 2019 for full sign-off.
Extra care housing	• Investigate the feasibility of delivering an extra care scheme in East Herts	31 December 2018	Head of Housing and Health	The case for Extra Care housing in the district has been made; East Herts and HCC have drawn up a specification for Extra Care schemes in the district. Both parties are now working on prospectus to put to the market.

Corporate Priority: Businesses				
Outcome: Support for our businesses and the local economy				
Action:	Performance measures or project milestones:	Deadline	Lead Officer	Progress by 31 March 2019
Deliver the Launchpad pilot and build a business case for a permanent business incubator facility in Bishop's Stortford	- Total number of businesses using the facility (target: 30) - Number of businesses using the facility for more than 3 months (target: 20) - Total income from businesses using the facility (target £20,000)	30 September 2018	Business Engagement Manager	The initial pilot for the Launchpad (1800 sq foot of 'easy in, easy out' hotdesking space in Charrington's House) which ran from October 2017 – October 2018) was successful in demonstrating there is demand for flexible working space in Bishop's Stortford. The facility will remain open for the foreseeable future (acknowledging that a new venue will need to be found as part of the Old River Lane development. A smaller Launchpad facility (720 sq ft of space) is due to open in Ware Priory in late May 2019. This will be a joint venture by the council and Ware Town Council.
Deliver the Discretionary Business Rates' Grant Scheme to support businesses expanding their premises or opening up a new premise in the district (total available: £150,000)	- Number of successful applications to the Business Rate Discount Grant Scheme - Number of additional jobs created as a result of awarding the scheme - Qualitative feedback from businesses about how it has made a difference	31 April 2019	Business Engagement Manager	In February 2017 the Council's Executive decided to set aside £150,000 from reserves to offer discounts of up to 50% on one year's worth of business rates' liability. This was aimed at businesses looking to set up new premises in the district or expand their current operations. The scheme closed 31 March 2019 and 17 businesses (mostly town centre based retail businesses) have benefitted from this. Qualitative feedback has been positive from those businesses in terms of enabling them to be more viable. However only £76,000 of the original amount set aside has been used so an evaluation will be taking place in April/ May to look at why demand was less than expected. The scheme itself has been superceded by the Chancellor's announcement in the Autumn 2018 budget statement to offer small business rate relief by up to a third over the next 2 years.
Work with Visit Herts to increase the profile of local attractions and support businesses in their supply chains	- Total value of visitor economy to East Herts - Total number of day trips and overnight trips to district - Total number of jobs in district attributed to visitor economy	31 December 2019	Business Engagement Manager	SLA with Visit Herts successful for another year. Visit Herts had destinations featured in their website in January, June and September 2018 (Henry Moore Studios, Hanbury Manor, Hertford Theatre) and 7 businesses in the district are investor partners. Activities throughout 2018 promoted a range of East Herts businesses (e.g. big weekend included Down Hall Hotel and Spa, Foxholes Farm, Tewin Bury Farm, Ventura Wildlife Park) other promotions have supported Hertford Camping and Caravanning Club, Standon Calling, Bennington Chilli Festival, Hertford music festival and local businesses such as the Falcon in Buntingford have been promoted as part of the gourmet garden trail project.
Deliver the Eastern Plateau Rural Development Programme (RDP) administering EU structural funds (total fund of €1.8m), to rural businesses for increasing productivity, farm diversification, tourism, cultural and heritage activity	- No. of East Herts businesses successful in applying to RDP - Amount of £ invested in East Herts through the RDP - No. of new jobs in East Herts created through the RDP	31 March 2019	Head of Communications, Strategy and Policy	This is an EU funded grant programme for rural businesses. Businesses within the Eastern Plateau (non urban parts of East Herts, Uttlesford, Epping and North Herts) were eligible and grants were used for things such as business diversification and buying new agricultural equipment. All the money has now been allocated and the next 12 months will focus on ensuring the funds are spent and not returned to the EU. 8 businesses in the district benefitted from grants. Other areas nationally have struggled to spend their allocations and the Rural Payments Agency have therefore redistributed grant allocations from different areas rather than lose it. The Eastern Plateau is the second highest performer in terms of

Action:	Performance measures or project milestones:	Deadline	Lead Officer	Progress by 31 March 2019
				grant applications and as a result was awarded an extra £202,356. There is a pipeline of 6 projects waiting to be evaluated so there is no risk of not spending it (1 from East Herts). In addition a further £200,000 will be available due to exchange rates' falling. Further projects will be considered for this funding and the entire project will be closed by early 2020.
Sponsor the CVS "dragons apprentice" event for entrepreneurs in schools	Amount (£) raised for local charities	31 March 2019	Head of Communications, Strategy and Policy	This is a scheme to encourage young people at primary and secondary school level to develop entrepreneurial skills. The Council for Voluntary Services run it on our behalf and Councillors often get involved by working with the schools. The school teams are given £100 seed money, paired with a local charity and asked to turn this into as much money as possible. Every year between £5k - £10k is raised for local charities. This year a team from Chauncy School in Ware won the event, raising almost £1,000 for the Southern Maltings. More details can be found here: http://www.cvsbeh.org.uk/our-projects/dragons-apprentice-challenge/
Review the Environmental Health 'offer' to local businesses	Review opportunities and produce options paper	30 June 2018	Service Manager – Environmental Health	The Herts and Beds Environmental Health Officers Group commissioned a consultant to survey all authorities and draw up an options paper. This paper was presented to the Group on 9th October 2018. A series of next steps were agreed which, for East Herts, consisted on further participating in a Herts/Beds-wide review of environmental health which could be 'traded' between authorities and, more importantly, the forming of a sub-regional grouping of East Herts, Stevenage, North Herts and Welwyn Hatfield to look at the potential for joint working on a more local level. A review, among members of this smaller group, of the areas of strength and potential under capacity was conducted in December. The sub-group will shortly be meeting again to identify options for greater collaboration based on the findings of this review.
Introduce revised element of the Statement of Licensing Policy relating to licensed properties	- New policy in place % of food premises in the area which are broadly compliant with food hygiene law	31 December 2018	Service Manager – Licensing and Enforcement	This was approved by Licensing Committee in November 2018 and Council in December 2018.
Cross-boundary working taxi enforcement	- Carry out cross-boundary taxi enforcement work - Promote more consistent taxi licensing convictions policies across the region through the Herts and Beds Licensing Group	March 2019 September 2018 September 2018	Service Manager – Licensing and Enforcement	A number of operations have been carried out with neighbouring authorities and TfL. Work continues with the Herts & Beds Licensing Group with a new plan and targets being formulated for 19/20. Work on the shared Suitability Policy is complete with EHDC consultation starting early May. It will then be for the other authorities involved to adopt the same policy.

Action:	Performance measures or project milestones:	Deadline	Lead Officer	Progress by 31 March 2019
	Promote higher taxi standards from companies operating out of Stansted airport through joint work with Uttlesford District Council the Stansted Airport Consultative Group			The first wave of changes have been consulted upon and approved by Committee and Full Council. Implementation starts from 1st May 2019.
Optimisation of on-street parking within existing Resident Permit Zones.	Implement 'shared use' parking in 'Chantry' area of Bishop's Stortford (subject to Committee approval).	April 2018	Parking Manager	Scheme is live and permits are actively being sold. To all intents and purposes this Action can be regarded as fully met.
Re-tendering of parking enforcement contract	Commencement of contract	31 January 2019	Parking Manager	New contract with ACPOA launched in January 2019.

Corporate Priority: Businesses				
Outcome: Vibrant town centres				
Action:	Performance measures or project milestones:	Deadline:	Lead Officer:	Progress by 31 March 2019
Develop Old River Lane site: No 1 The Causeway (demolition and construction of a temporary car park) Old River Lane mixed use development scheme (masterplanning, viability assessment, consultations, design, planning, procurement, construction) and Multi-Storey Car Park (land negotiations, design, planning, procurement, construction) Work in partnership with Rhodes Trust and Town Council to develop detailed business case and operating model for new Art Centre	Measures initially to be completion of key phases within the overall project: - Detailed masterplan for whole site and associated viability assessments - Agreed delivery model (joint venture/developer/council led) and potential development partner identified - Planning application for MSCP granted	31 March 2019	Chief Executive	Following Council approval on 5 th March 2019 a development partner for the Old River Lane has been appointed. Planning application for Northgate End was approved by Development Management Committee on 13 th Feb.
Hertford Urban Design Study: - Deliver improvements to Maidenhead Street and surrounding areas, including pedestrianisation and resurfacing. - Support the delivery of the wider Hertford Urban Design Strategy.	- New TROs in place - Delivery of Maidenhead St project	31 December 2018	Chief Executive	This action has been completed with some small tasks outstanding that revolve around implementation of the TRO that will be actioned from May 13 th .
Bishop's Stortford Business Improvement District	Successful ballot	31 July 2018	Business Engagement Manager	The council supported the feasibility, ballot and set up of stage of the Bishop's Stortford BID. The ballot closed mid-July and businesses voted in favour of setting up a BID company which was incorporated in late 2018. The Company is now up and running, having recently received its first instalment of additional business rate levy payments and has employed a BID manager. The company is aiming to deliver its business plan objectives over the next 4 years.
Working with town councils seek to devolve responsibility for managing markets	Market service costs reduced	31 March 2019	Enforcement & Inspection Team Manager	Ware and Hertford Markets now full under street trading arrangements. Proposals for handover or market rights to BSTC due to be considered by BSTC in early June. Arrangements for traffic regulation orders to accompany the handover currently under negotiation with HCC and BSTC.

Corporate Priority: Businesses				
Outcome: Working with others, to have achieved the right infrastructure for our businesses and communities				
Action:	Performance measures or project milestones:	Deadline:	Lead Officer:	Progress by 31 March 2019
New: Implement sustainable transport initiatives	• Modal shift of East Herts staff commuting patterns (% of journeys by car, bike, train, foot etc.) • Resident commuting and travel patterns (actual and proxy data available through HCC) • Number of sustainable transport interventions progressed in the district through Section 106 contributions	31 June 2019	Head of Communications, Strategy and Policy	This action came out of the 2017/18 Sustainable Transport Task and Finish Group. A sustainable transport officer was employed on secondment from Herts County Council for 18 months to progress a number of project, chief of which related to green travel plans for staff. This was sponsored by the Chief Executive and focused on behaviour change incentives (i.e. proposals to charge for the use of Wallfields car park). Several workshops took place mapping staff commuting routes and raising awareness of alternative means of getting to work. Introduction of e-pool cars and car sharing schemes have changed some behaviours however the full impact on green travel will not be known until another survey is undertaken in June 2019. Part of this initiative was to reduce pressure on Gascoyne Way use in Hertford to allow shoppers and town centre businesses to have more capacity for parking (especially since Bircherley Green car park has shut).
Review CCTV provision	• Proposals for new provision identified	31 December 2018	Service Manager – Community Wellbeing and Partnerships	Review of CCTV provision has been completed. Options to move forward have been presented and approved. Project to implement proposals will now be commenced.

Actions not directly relevant to residents but key to the Council running effective and efficient services)				
Action	Measure/Milestones:	Deadline	Lead Officer	Progress by 31 March 2019
Implement Single Customer Services Team Structure (integrate first points of contact for Operations, Planning, Revenues and Benefits)	- Reduction in cost - Volume and proportion of customer contacts by: - Email - Face to face - Calls - Web based/ web forms	31 March 2019	Head of Communications, Strategy and Policy	Project continues to delayed. Staff sickness and turnover has impeded ability to integrate new processes. However £70k was saved in 18/19 from salary budget. Project in place from May 2019 to bring revenues and benefits first points of contact into the team.
Deliver the Digital East Herts Programme	% accessible services via digital channels - Proportion of demand by channel - Savings delivered (as a proportion of overall target)	31 March 2019	Head of Communications, Strategy and Policy	Director with responsibility for the programme left the organisation in early 2018. Programme has continued to be delivered and savings to date are £170k from a target of £500k. A further £280k is planned for the 19/20 financial year.
Ensure consistent quality of response at first points of contact across all channels	- Satisfaction with council services (web, telephony, face to face) measured via govmetric % complaints responded to within 10 working days % complaints upheld at stage 1 - Qualitative feedback from mystery shop exercises	31 March 2019	Customer Services Manager	Satisfaction with council services tends to be consistently high for face to face interactions and less so for web based interactions. The new website (see below) will hopefully improve the user experience. Complaints dealt with in a timely manner at stage 1 has been close to target over the past year (and in the last quarter of 2018/19 missed the target). A paper with more details on the complaints process was taken to Overview and Scrutiny on 5 th February 2019.
Ensure website meets needs of customers	- No. of page views - Socitm rating - Satisfaction rating 50% for website	31 March 2019	Communication and Digital Media Manager	New website due to launch September 2019. Work has been on-going since September 2018 to build and test the content with our chosen supplier, Webcurl.
Increase employee engagement through the new intranet	No. of page views	31 March 2019	Communication and Digital Media Manager	Following the launch of the new intranet in early 2018 it has become a strong tool in sharing information amongst staff. Average page views per month are around 15,000. Team update (the monthly staff magazine updating on new activities, policies, new starters and leavers) is downloaded around 200 times each month.
Manage the council's reputation through social media and traditional media	- Social media sentiment/ favourability score - Press favourability score	31 March 2019	Communication and Digital Media Manager	Social media continues to grow as a platform for understanding residents' perception of the council, with Twitter fast becoming a channel of choice for customers. The decline in local press outlets is also having an effect, as residents search for alternative channels for local news. We've had some successes in the press and in broadcast, with features on Old River Lane, Castle Park, Harlow and Gilston Garden Town and business grants. Some negative press scores have mostly been the result of letter pages, which do not allow a right of reply. In 2018/19 these have focused on proposals for a multi-storey car park at Northgate End, disruption on Maidenhead Street in Hertford and litter along A10/A414.
Provide policy support and analysis for the Council's Executive and Leadership	Qualitative feedback	31 March 2019	Policy Officer	The role of policy officer in 2018/19 focused on supporting the Brexit task and finish group to identify issues for East Herts Council, supporting

Actions not directly relevant to residents but key to the Council running effective and efficient services)				
Action	Measure/Milestones:	Deadline	Lead Officer	Progress by 31 March 2019
Team				development of the council's financial sustainability strategy and developing the 3rd tier (ie. town and parish council) devolution policy.
Supporting Transformational Change and Innovation - create a responsive culture, here to help. Create more capacity through improving our productivity	- Accommodation review – lead the culture strand, maximising current workspace and flexible working arrangements. - Digital EHC – support delivery of programme and HR led projects to ensure employees have the skills/knowledge to work in a current/future digital environment - Grow commercial side of the service - providing HR services to partners, ensuring value for money, generate income. - To deliver the Organisational Development (OD) Strategy 2015-2019. - To develop the new OD Strategy 2019-2022 - To work with LT on delivery of outcomes of the employee survey 2017 EHPI 12a – Number of short – term sickness absence	2018/2019 – as detailed in specific programme/project plans 2018/2019 – as detailed in specific programme/project plans 2018/19 31 March 2019 2018 to commence 1 April 2019 2018/2019 – as detailed in specific programme/project plans Reported quarterly	Head of HR and OD/HR Officers	- A 'Principles of hot desking' document has been produced and agreed by the accommodation review steering group but has not yet been rolled out. Flexible working arrangements have been promoted and a greater level of working from home is being used to aid both space and green travel. 1st floor – work has begun and the CEO and Deputy offices have been removed along with Head of Legal with all 3 staff now hot desking - MyView has been implemented to allow employees and managers to self-serve elements of the HR system – namely annual leave, logging absences and processing expenses – training was provided on roll out and is ongoing, this needs to expand to members in 19/20. HR has also supported other services in terms of Digital in terms of participating in training on new systems and supporting training organisation. HR are also reviewing previous or existing processes and removing these where the digital solution provided is working effectively e.g. not keeping our own invoice ledger when we can access this through finance systems. - With the appointment of new Head of service the priority is to get the HR service improved internally i.e. through system development, team structure, policy development, HR procedure, manager development before considering any further opportunities for income generation beyond the existing arrangement with Hertford Town Council which has recently seen an increase in support required. - The organisational development strategy was implemented across the organisation. Development opportunities have supported staff to develop in their roles and as individuals through a range of opportunities including attending bitesize events, e-learning, work shadowing, mentoring, coaching, studying towards a qualification, lunch time sessions etc. - The Interim Head of HR was unable to start this piece of work before leaving and it was then determined that the new OD Strategy should be produced for 2020-2023 by the new Head of HR & OD after the Corporate Strategic Plan for 2020-2024 to ensure the new OD strategy supports the corporate plan allowing the new CEO to have an input during its development - With regard to the employee survey, targeted action plans are in place for each service area, led by each Head of Service; regularly reviewed and monitored by HR, one to one meetings and departmental meetings have been re-established, back to the floor initiative implemented– all LT involved in shadowing staff, open Q&A sessions led by LT at staff briefings, "You Said, We Did" initiative implemented, review of and improvements to our recruitment methods, commitment to "grow our own", and Increase in career graded posts

Actions not directly relevant to residents but key to the Council running effective and efficient services)				
Action	Measure/Milestones:	Deadline	Lead Officer	Progress by 31 March 2019
	days per FTE staff in post - EHPI 12b – Number of long – term sickness absence days per FTE staff in post - EHPI 12c – Total number of sickness absence days per FTE staff in post	Reported quarterly Reported quarterly		
Sustaining a skilled, flexible and motivated workforce –to deliver quality services which meet current and anticipated service needs	- Delivery of L&D plan 2018/19 - Implement reward and benefit packages that give choice to our workforce and support work life balance. - Implement national pay conditions including NLW. - Review current terms and conditions. - Review current pay grading model.	31 March 2019 TBA QTR 1 QTR 1-2 QTR 2	Head of HR and OD/HR Officers/Payroll Manager/HR team	The 18-19 plan has been delivered and will inform the plan for 19/20 alongside PDR and LT feedback. My rewards is fully implemented and supports other benefits i.e. Flexi-time, Overtime, Standby and Toil. Consideration by the HRO to the buying and selling of leave has identified this is going to be too difficult to administer through our HR systems and is also against work-life balance in terms of selling leave, CEO (LW) has agreed not to progress, HR will consult with LT about allowing greater unpaid leave if this is desired as part of a review of the General Leave Policy. The childcare scheme is now closed in line with legal changes to new entrants. A wellbeing program has been introduced to support staff and provide further benefits as well a staff recognition scheme and enhanced EAP scheme. The council also has a Staff Suggestion scheme which rewards staff who put forward suggestions that help improve things for residents or employees. The Head of HR and OD with support from others including the HR and Payroll team, EELGA, the interim Head of HR and LT has developed and implemented all of the required changes from NLW, NJC and JNC agreements as well as EHC pay proposals and T&C changes which were agreed with Unison with a 73% vote in favour. These changes which include a revised set of increment points across grades which both reduce the length of grades to a more appropriate level and remove significant cross over between grades were implemented with effect from 1/4/19
Planning for the workforce – develop and implement workforce planning; supporting recruitment and retention issues	- Deliver workforce planning (focusing on hard to fill, retention, career paths, skills, learning and development) - Develop and deliver Apprenticeship programme 2018 – creating career paths; supporting workforce planning	QTR 1 QTR 1	Head of HR and OD/HR Officers	This is an on-going piece of work as the recruitment challenges are ongoing, EHC is being creative and using the methods identified on a case by case basis including career graded posts, professional study, recruitment campaigns, apprentice roles and reviewing golden hellos etc. As reported in the previous update a successful apprenticeship recruitment process has been used for 18/19 taking on further apprentices and supporting development, Levy Pot is being utilised and LT will be consulted re new potential apprentices for September 19 to maintain this position.

Actions not directly relevant to residents but key to the Council running effective and efficient services)				
Action	Measure/Milestones:	Deadline	Lead Officer	Progress by 31 March 2019
	- To work with LT on delivery of savings ideas to support targets - Develop innovative recruitment and retention initiatives	2018/19 2018/19		This work is on-going in line with system developments (project mgt of this will come from HR). A review of agency use is expected to identify EHC wide savings from staffing in terms of agency fees this needs to be part of the 19/20 plan. The HR Officers have supported restructures within the service areas that they business partner in order to achieve savings targets. HR have developed a new range of recruitment images approved by LT for use on LinkedIn and other social media as well as improving the job advert template and this is being used to support recruitment. Different recruitment providers and Google clicks are being used and alternative recruitment providers are currently being explored. HR is keen to share learning across services and provide greater central support to improve recruitment - this is on-going. The council has implemented a Buddy Scheme for new starters to ensure they quickly settle into the council and therefore helps with retention. Turnover is monitored on a monthly, quarterly and annual basis.
Building leadership and management capacity – managers that lead, motivate and encourage innovation	- Deliver year 2 of Management development programme - Deliver new managers development programme - Deliver talent management programme	July 2018 QTR 2-4 QTR 2-4	Head of HR and OD/HR Officers	A decision was taken to refocus the management development programme to ensure that it was still meetings the needs of the Senior Managers. The programme was adapted and more bitesize sessions arranged and a new management development programme was suggested by the New Head of HR and OD to be delivered in 2020. The new Head of HR consulted with LT and Service Managers at the most recent quarterly session (25/3/19) and has agreed to develop the following – delivery of the management training is likely to begin in January 2020 as the competence and policy development needs to be completed first and be approved in line with our committee structures. - Build on EH Values to develop set of staff and management competences - Incorporate competences into PSs and PM system - Create additional framework and tool to Code of Conduct and Objectives Key Formal Policies and Procedures developed: - Code of Conduct - Probationary - Disciplinary - Poor performance/Capability - Sickness and Attendance - PDR / Appraisal process/forms (1 2 1s) (Ensure they work together) 5 Days Line Manager training with EH Tools (delivered internally by HR) - Recruitment and Selection (1 day) - Performance Management, Staff Development and Managing Change (2 days)

Actions not directly relevant to residents but key to the Council running effective and efficient services)				
Action	Measure/Milestones:	Deadline	Lead Officer	Progress by 31 March 2019
				(Includes Probation, PDRs, Coaching and Capability) - Managing difficult behaviour and discipline - Managing Attendance
Promoting positive performance – practices and policies support modern, effective and efficient ways of working	- Process review - Streamline and automate processes - Compliance of HR data and processes with GDPR - Modernise HR policies, developing and reviewing policies in terms of best practice and legislation changes; supporting delivery of new intranet - Delivery of HR and Payroll system modules	2018/19 QTR 1-2 2018/19 As detailed in specific programme plan 2018/2019	Head of HR and OD/Payroll Manager/HR Officers/HR team	The new Head of HR needs to review where we are and is currently looking into phase 1 work to ensure it is fully effective and making some small changes to improve users' MyView experience. The current HR Apprentice's role is going to be developed to a trainee role with a clear focus on system development. Discussions are taking place with Stevenage to restore the joint working arrangements and shared development costs. A plan will be produced by end of June with milestones set. Due to the development of the recruitment module initially purchased there are additional costs that need to be considered as the budget is determined going forward. This will include consultancy/development time from the provider to assist in the phased delivery. In terms of compliance with GDPR this has been done and includes all paper files replaced with electronic files or destroyed in line with retention. HR policy development is ongoing the following were updated/developed and agreed in 18/19: - Flexible Working Scheme - Appeals Policy - Buddy Scheme Minor updates were made in line with the agreed pay proposals and T&C changes to: - Redundancy Policy - Redeployment Policy - Disturbance Allowance Scheme - General Leave Policy (the annual leave will be updated in due course to align to minimum of 25 days) As covered in management development above policies are being developed and then management training will follow.
Promoting Equality, diversity, health and wellbeing – supporting our employees	- Delivery of Green travel Plan including rollout of staff car parking charges - Support delivery of health and wellbeing programme - Ensure compliance with health and safety regulations	As detailed in specific programme plan 2018/2019 As detailed in specific programme	Head of HR and OD/HR Officers	The increased take up following various communications of car sharing has meant that parking charges have not at this stage been implemented; the push towards greener travel needs to continue and be kept developing. The Head of HR is part of the steering group and has ensured that the majority of the HR service are all car sharing on regular basis as well as avoiding travel through appropriate home working. A full staff travel to work survey will be undertaken in June 2019 in order to compare progress against the 2018 survey. In partnership with the Community Wellbeing & Partnerships

Actions not directly relevant to residents but key to the Council running effective and efficient services)				
Action	Measure/Milestones:	Deadline	Lead Officer	Progress by 31 March 2019
	Support equality and diversity agenda	plan 2018/2019 Reported quarterly Reported annually		Team, various activities have been implemented in 2018/19 to support the delivery of employees' health and wellbeing including: training 22 Mental Health First Aiders to support employees experiencing difficulties, implementing a free onsite flu vaccination programme, promoting wellbeing information on MyRewards, offering onsite wellbeing sessions e.g. reflexology, offering TED talks on e.g. mindfulness, launch of a Wellbeing page on the intranet to include advice and further sources of support, organised lunchtime walks - The Health and Safety Officer has continued to work with officers to ensure compliance across the council by continuing the programme to review and streamline the Health and Safety Policy arrangements. While supporting the council contracts from the tender process through to the compliance and monitoring. New evacuation chairs have been purchased and installed and two defibrillators have been procured and training delivered. Collaborative and partnership working continues to be developed to ensure good practice and the best use of budgets. - Equalities data is collected during the recruitment process, the job advert has been updated to include an equalities statement and all full-time jobs are advertised as 'part-time working and job-share considered'. The council is also a Disability confident Employer. Equalities information is analysed on a quarterly and annual basis and reported to HR Committee. EqlAs are produced for all HR policies and projects. The Gender pay gap report is produced annually in line with government requirements and the resulting action plan is taken forward with progress reported to HR Committee.
Deliver the Accommodation Review	Measures TBC	31 March 2019	Head of Strategic Finance and Property	The accommodation review focused on making Wallfields more fit for purpose in terms of enabling green travel, supporting more hotdesking and releasing more meeting space. Work is due to be completed on 28 May 2019 which will see a new staff hub on the ground floor, new shower block and changing facilities, new meeting rooms and informal meeting spaces along with hotdesking arrangements for the Chief Executive and Deputy Chief Executive.
Maximisation of in-year council tax collection.	Council tax collection, % of current year liability collected achieved.	31 March 2019	Head of Revenues and Benefits	See performance data for more details – marginally below target. Analysis of results is pending.
Maximisation of in-year council tax collection.	Council tax collection, % of current year liability collected achieved.	31 March 2019	Head of Revenues and Benefits	See performance data for more details – target exceeded.
Maximisation of collection of prior year arrears.	Level of outstanding arrears reduced.	31 March 2019	Head of Revenues and Benefits	Achieved.
Provision of support and advice to	Customers sustain repayment	31 March	Head of Revenues and Benefits	Continuous activity. Working closely with CAB and DWP partners on all

Actions not directly relevant to residents but key to the Council running effective and efficient services)				
Action	Measure/Milestones:	Deadline	Lead Officer	Progress by 31 March 2019
customers experiencing difficulty in paying their liability.	arrangements thus avoiding enforcement action.	2019		areas but particularly focussing on the roll out and implications of 'full service' universal credit since October 2018.
Proactive anti-fraud and avoidance activity to minimise loss of liability.	Reliefs and discounts are reviewed and monitored using data matching etc. where appropriate.	31 March 2019	Head of Revenues and Benefits	Work continues in this area. Data matching and anti-fraud work with the shared anti-fraud service supports it.
Maximisation of new liability.	Regular monitoring of all localities to identify and verify the timely inclusion of new builds and other developments into the rating list is carried out throughout the year.	31 March 2019	Head of Revenues and Benefits	Work continues in this area. County-wide contract for external support for this has been removed.
Provision of a professional and appropriate service to all customers needing to engage with the service.	Customer satisfaction levels.	31 March 2019	Head of Revenues and Benefits	This action continues. Staff in Business rates continue professional training to ensure service provides high level of knowledge and advice.
Introduce mobile working app for Uniform to improve service delivery and drive efficiencies	Mobile app rolled out to appropriate Environmental Health officers	30 June 2018	Service Manager – Environmental Health	Despite extra resources being allocated to this project, there are still issues with the software not working. This issue is currently with our suppliers to sort, but at the moment, there is no revised completion date.
Successful contracts in place for: - Parking Contract - Grounds Project - Leisure Contract - Theatre & Leisure development projects - Joint Waste Contract with North Herts	Milestones TBC	31 March 2019	Head of Operations	New waste contract launched May 2018. New parking and enforcement contract launched January 2019.
Develop the role of legal services to deliver advice and guidance in a timely and cost effective manner and reducing the council spend on external legal advice	Increase in staff and decrease in external reliance for legal support	31 March 2019	Head of Legal and Democratic Services	This action has a revised completion date that will fall into 2019/20 service plans.
Publication of Register of Electors	Successful publication	31 December 2018	Head of Democratic and Legal Services	The revised register of electors is due for publication on 1 December 2018 after the annual canvass. Discussion with facilities, in relation to a Saturday opening. We have undertaken a procurement exercise and awarded the canvass print contract to Electoral Reform Services. We have artwork and a print timetable agreed with ERS.
Support the Digital East Herts programme by increasing the range of online services available in ModGov	More paperless Member/Officer participation at meetings, reduction in printing/courier costs, development of online Member resources, such as submission	31 March 2019	Head of Democratic and Legal Services	All committee meetings paperless as of May 2019. All councillors offered laptops.

Actions not directly relevant to residents but key to the Council running effective and efficient services)				
Action	Measure/Milestones:	Deadline	Lead Officer	Progress by 31 March 2019
	of interests and expenses, training records, NKD consultations			
Emergency planning	Review all emergency plan documentation	June 2018	Service Manager – Community Wellbeing and Partnerships	All documents are now uploaded onto Resilience Direct and all members of LT have access rights. Recruitment day for volunteer staff in the event of a major incident taking place on 9th August.

EAST HERTS COUNCIL

EXECUTIVE – 4 JUNE 2019

REPORT BY LEADER OF THE COUNCIL AND THE EXECUTIVE MEMBER
FOR PLANNING AND GROWTH

STATEMENT OF COMMUNITY INVOLVEMENT (SCI): DRAFT
DOCUMENT FOR PUBLIC CONSULTATION

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To seek Members' agreement to publish the draft revised Statement of Community Involvement (SCI) for public consultation.

<u>RECOMMENDATIONS FOR EXECUTIVE:</u> To recommend to Council that:	
(A)	The draft Statement of Community Involvement, as set out in Essential Reference Paper 'B', be agreed and published for a six-week period of consultation.

1.0 Background

- 1.1 A Statement of Community Involvement (SCI) explains how a local authority intends to involve the community in the preparation, alteration or review of local planning policies or in determining planning applications. The planning system can be complex and the SCI aims to address uncertainty by setting out how the Council will engage with people at various stages of the planning process.

- 1.2 The preparation of an SCI is a legal requirement of the Planning and Compulsory Purchase Act 2004 (section 18) as amended by the Planning Act 2008, the Localism Act 2011 and the Neighbourhood Planning Act 2017. The legislation requires the Council to prepare a statement setting out how it will notify and consult the community and other stakeholders in the preparation and of a review of the Local Plan, supplementary planning documents and neighbourhood plans, and in the consideration of planning applications.
- 1.3 The Council's first SCI was published in 2008 and was subsequently revised in 2013. Since the current SCI was adopted over five years ago the District Plan has been adopted, there have been changes to legislation and some of the Council's procedures have been updated. It is therefore important that the SCI is revised to reflect these changes:
- There is now a statutory requirement to review the SCI every five years;
 - An SCI must include policies for giving advice or assistance on making and modifying neighbourhood development plans;
 - The introduction of the General Data Protection Regulations (2018) means there are changes to how the Council stores and handles personal data;
 - The Council's increased use of electronic communications.
- 1.4 A copy of the draft Statement of Community Involvement (SCI) is attached at **Essential Reference Paper 'B'**.
- 2.0 Report
- 2.1 The new SCI has been prepared to ensure that it addresses both the current national legislative position and internal procedural changes to Council operations that may affect how consultations relating to planning matters are undertaken.

- 2.2 The preparation of all planning related documents that the Council produces must comply with the adopted SCI. Failure to comply could mean that an inspector may recommend that a draft document is withdrawn or that the Council would be open to challenge on decisions taken. It is therefore important that the processes outlined in the document are reflective of practices that the Council operates.
- 2.3 The Council wants to involve all sectors of the community in the planning process and is committed to always either meeting or exceeding the minimum legal requirements for consultation set out in the Planning Regulations. The approach in the SCI to engage with people at each stage of the planning process reflects the East Herts District Council's Corporate Plan (2016-2020) , which has a priority to improve the wellbeing of communities by ensuring communities are engaged in local issues. The SCI has been written so that people who are new to planning should find it an accessible document.
- 2.4 In seeking both to streamline consultations, thereby reducing potential delay to the process concerned, and to achieve cost-effectiveness for the district's residents for both planning policy and development management consultation procedures, the revised document seeks to maximise the increased usage of electronic communications, in these processes. This includes the use of social media, which may encourage people to engage who seldom get involved in planning matters.
- 2.5 In section 3 the SCI sets out the ways in which the Council will consult on the planning policy documents it produces. This includes any review of the Local Plan (i.e. a successor to the current District Plan) and Supplementary Planning Documents. It details who will be consulted at each stage and how this will happen. A range of engagement methods are described, which will be considered by the Council as appropriate for each consultation. A flexible approach is used to ensure minimum regulations are met whilst at the same time being mindful that

the resources available for consultation are used appropriately and as effectively as possible.

- 2.6 Section 4 provides more detail about neighbourhood planning than the previous SCI. The requirement for the SCI to include information relating to neighbourhood planning has been introduced by the Neighbourhood Planning Act. The SCI sets out the different consultation stages and how the Council will advise and assist. There is an explanation about the different responsibilities of the Council and the neighbourhood plan groups in the engagement of these plans. To help streamline the process it is proposed that some stages in the development of neighbourhood plans are approved by the 'non-key decision' route instead of the committee process.
- 2.7 Section 5 relates specifically to proposals at Harlow and Gilston Garden Town. The production of the Gilston Area Development Charter SPD and any planning applications relating to sites within East Herts District must comply with the statutory requirements and general consultation principles set out in the previous sections of this SCI. However, given the cross-boundary implications with the other local authorities involved in the garden town development, it is considered important that the SCI explains the governance arrangements and key consultation principles that have been set up to ensure collaborative working.
- 2.8 Consultation on planning applications is governed by the Town and Country Planning (Development Management Procedure) Order 2015. These requirements are met by the Council's approach towards consulting on planning applications as set out in section 6.

Consultation

- 2.9 It is intended that there should be a six week period of public consultation on the draft revised SCI, which will take place in June and July. This will be carried out primarily via the

Council's consultation portal and the results of the consultation will inform the final version of the revised SCI in due course.

- 2.10 As there is no longer a requirement for SCIs to be independently examined, the draft SCI will be presented and considered by Council for adoption in the autumn 2019.

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Essential Reference Papers

- A- Corporate Issues and consultation information
- B- Draft Statement of Community Involvement
- C- Equalities Impact Assessment

Background Papers

- The Town and Country Planning (Local Planning) (England) Regulations 2012
<http://www.legislation.gov.uk/uksi/2012/767/contents/made>
- The Town and Country Planning (Local Planning) (England) (Amendment) Regulations 2017
<http://www.legislation.gov.uk/uksi/2017/1244/made>
- Equality Act 2010
<http://www.legislation.gov.uk/ukpga/2010/15/contents>
- Neighbourhood Planning (General) Regulations 2012
<http://www.legislation.gov.uk/uksi/2012/637/contents/made>
- Neighbourhood Planning (General) and Development Management Procedure (Amendment) Regulations 2017
<http://www.legislation.gov.uk/uksi/2017/1243/made>
- National Planning Policy Framework 2019
<https://www.gov.uk/government/publications/national-planning-policy-framework--2>

- Planning and Compulsory Purchase Act 2004
<http://www.legislation.gov.uk/ukpga/2004/5/contents>
- Neighbourhood Planning Act (2017)
<http://www.legislation.gov.uk/ukpga/2017/20/contents/enacted>
- Town and Country Planning (General Permitted Development) Order 2015
<http://www.legislation.gov.uk/uksi/2015/596/contents/made>
- Town and Country Planning (Development Management Procedure) (England) Order 2015
<http://www.legislation.gov.uk/uksi/2015/595/contents/made>
- The Planning (Listed Buildings and Conservation Areas) Regulations 1990 (as amended)
<http://www.legislation.gov.uk/ukpga/1990/9/contents>
- National Planning Policy Framework 2019
<https://www.gov.uk/government/publications/national-planning-policy-framework--2>
- East Herts District Plan 2018
<https://www.eastherts.gov.uk/districtplan>

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IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	Consultation on the draft SPD will be undertaken between during June/July 2019.
Legal:	It is a legal requirement for the Council to produce an SCI and to carry out consultation on planning policies and planning applications in line with the SCI. The draft SCI reflects current planning legislation. There is also a legal requirement to revise the SCI every five years. Given that the District Plan was adopted in October 2018 and the current SCI was adopted in 2013, the SCI needs updating.
Financial:	There are no financial implications arising for this report.
Human Resource:	There are no human resource implications arising from this report.
Risk Management:	The SCI allows for more resource-intensive methods of consultation to be used when appropriate and if budgets allow, but the document does not commit the Council into carrying out any additional consultation beyond the requirements of planning regulations.
Health and wellbeing – issues and impacts:	The link between planning and health has long been established. The built and natural environments are major determinants of health and wellbeing. By setting out simply how and when people can get involved in the planning process, it is hoped this will encourage people to engage with proposals for

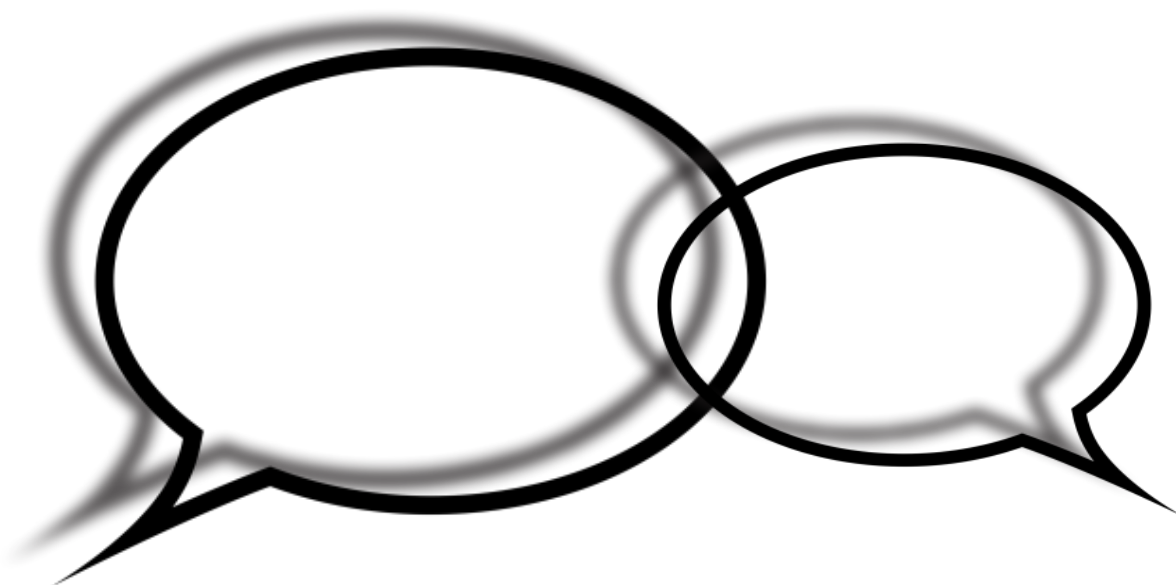
	development within the local area. Community involvement and an inclusive approach to consultation can help enhance community well-being.
Equality Impact Assessment required:	Yes- see ERP C



Statement of Community Involvement

Consultation Draft:

20 June 2019 - 1 August 2019



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1 Introduction

What is the Statement of Community Involvement?

- 1.1** This Statement of Community Involvement (SCI) explains how East Herts District Council will involve the community in plan-making and in the consideration of planning applications. The planning system can be complex and the SCI aims to address uncertainty by setting out how the Council will engage with people at the various stages of the planning process.

The SCI sets out:

WHEN the community will be consulted on planning policy documents

HOW the Council will involve the community in the planning process, take into account views and provide feedback to those who engage

WHAT the Council involve the community on

WHO will be involved

Why prepare an SCI?

- 1.2** Planning shapes the places where people live and work. Community engagement is fundamental to ensuring that stakeholders and the local community are involved with the planning system and have the opportunity to influence a wide range of planning decisions. The NPPF (2019) requires that local planning authorities engage early, proportionately and effectively.
- 1.3** The Council wants to involve all sectors of the community in the planning process and is committed to always either meeting or exceeding the minimum legal requirements for consultation set out in the Planning Regulations⁽¹⁾. This approach is in accordance with East Herts District Council's Corporate Plan (2016-2020), ⁽²⁾ which has a priority to improve the wellbeing of communities by ensuring communities are engaged in local issues. As the Local Planning Authority (LPA), the Council has a legal duty to prepare an SCI in accordance with the requirements of the Planning and Compulsory Purchase Act 2004 (section 18)⁽³⁾

¹ Currently the Town and Country Planning (Local Planning) (England) Regulations 2012; the Town and Country Planning (Local Planning) (England) (Amendment) Regulations 2017; The Town and Country Planning (Development Management Procedure) (England) Order 2015 (as amended); Neighbourhood Planning (General) Regulations 2012; Neighbourhood Planning (General) (Amendment) Regulations 2015; The Neighbourhood Planning (General) and Development Management Procedure (Amendment) Regulations 2017; The Town and Country Planning (General Permitted Development) (England) Order 1995.

² <https://www.eastherts.gov.uk/article/34767/Vision--Corporate-Priorities>

³ As amended by the Planning Act 2008, the Localism Act 2011 and the Neighbourhood Planning Act 2017



Why revise the current SCI?

- 1.4** The Council's first SCI was published in 2008 and revised in 2013. Since then there have been changes to legislation and the District Plan has been adopted. There is now a statutory requirement to review the SCI every five years and also to include policies for giving advice or assistance on making and modifying neighbourhood development plans. Also, the Council's use of social media has increased over recent years and it is important that the SCI is updated to reflect this.

Contacting us

Planning policy

- 1.5** If you have any questions on the SCI or any other policy issues, please contact the planning policy team on 01279 655261 or via email to planningpolicy@eastherts.gov.uk. You can also contact us by post at East Herts District Council, Wallfields, Pegs Lane, Hertford, SG13 8EQ.

Development Management Service

- 1.6** If you have any questions about the planning application process, please contact the development management team on 01279 655261 or via email to planning@eastherts.gov.uk. You can also contact us by post at East Herts District Council, Wallfields, Pegs Lane, Hertford, SG13 8EQ.



2 Guiding Principles

What are the guiding principles?

- 2.1** There are a number of principles that underpin the Council's approach to planning consultation, which reflect the aim to inform, consult and involve the community.
- 2.2** We will seek to ensure that:
- Consultation publications are clear and concise, making it obvious what is being proposed; how and when people can get involved; and with planning jargon used only where absolutely necessary;
 - It is easy for groups and individuals with little or no knowledge of the planning process to get involved;
 - Effective consultation is used as early as possible in the process;
 - Appropriate consultation methods are used in order to maximise opportunity for community involvement, including those who are hard to reach or seldom heard, while making sure that these processes are proportionate, i.e. cost and time effective;
 - We promote electronic methods of consultation, including email, website and social media, to make involvement easier, quicker and more cost effective;
 - We inform people how their consultation responses will be taken into account; how they can view the Council's response to issues they have raised; and also of opportunities to become further involved at any later stages;
 - Planning decisions are carried out in a transparent way;
 - Involvement will be open to all regardless of background and personal circumstance;
 - We involve representatives of a cross-section of stakeholders, ensuring that different needs and a view of different sections or groups of the community are considered;



- Written information (such as publications and leaflets) will be made available on request in accessible formats such as large print, Braille, audio, electronic format or translated into another language;
- All responses to consultations will be handled in accordance with the Council's Data Protection Policy and Guidelines, which are designed to ensure that the activities of the Council comply with the General Data Protection Regulation (2018) which came in to force on 25th May 2018.

2.3 It is recognised that some parts of the community are less likely to get involved in some activities and may, as a result, be underrepresented in the consultation process. In East Herts our 'hard to reach' or 'seldom heard' groups may include young people, students, the elderly, ethnic minorities, Gypsies and Travellers, homeless people, single parent families, and people with disabilities. They may also include whole sections of the community living in the rural areas or more deprived areas of the district. We must also consider those who have difficulties accessing information and those with limited time to become further involved.

2.4 Therefore, the way in which we consult is important to ensure that we try to encourage hard-to-reach groups to become fully involved in consultations from an early stage. These guiding principles set out the inclusive engagement methods that the Council will use (making use of current guidance and good practice) to encourage participation by people of all backgrounds. Examples of specific engagement we have used before include presentations at local schools to engage younger people and the use of summaries to make information more accessible.

2.5 It is important to note that the Council reserves the right not to consider or include in its documentation any inappropriate comments submitted as a result of its consultations. These may include, but not be limited to:

- Discriminatory comments;
- Offensive or inflammatory remarks;
- Personal information - this will be redacted where needed.

2.6 The SCI aims to ensure that all consultation is carried out in a professional, cost effective and coordinated way. The central role of elected council members as representatives of their community is unaffected by the SCI; councillors are important as representatives of the Council and the local community. Their knowledge of, and role within, the community can be used to great advantage and should be regarded as central to the determination and implementation of both consultations and policy decisions.



3 Planning Policy Documents

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Introduction

3.1 This section outlines when, how and who the Council will consult when plan making. The planning policy framework for East Herts is set out in two types of document:

- **Development Plan Documents (DPDs)** - The Local Plan, together with the Minerals and Waste Local Plans for Hertfordshire and any adopted Neighbourhood Plans form the Development Plan for East Herts. These documents (as set out in Figure 1) are the basis upon which planning applications will be decided, unless there are material planning considerations that indicate otherwise. They are subject to various stages of community involvement and examination by an independent Inspector.
- **Supplementary Planning Documents (SPDs)** – These provide guidance to supplement the policies and proposals in the District Plan. They are not part of the development plan, but are a material consideration in planning decisions. SPDs cover a range of issues including topic based advice and site development briefs. They are subject to consultation but not to examination.

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Figure 1: Overview of planning policy documents



3.2 Both development plan documents and SPDs must accord with national planning policy, be supported by technical evidence and informed by the views of residents, businesses and stakeholders, as appropriate.

3.3 East Herts Council is responsible for producing the Local Plan, which sets out how the District will develop over the next 15 years. The most recent Local Plan, the East Herts District Plan was adopted in October 2018. It contains strategic policies and site allocations alongside detailed policies for determining planning applications. Minerals and Waste Local Plans are



produced by Hertfordshire County Council so East Herts Council is a statutory consultee but not directly involved in their production. The County Council has produced its own SCI for matters which it is responsible for.

3.4 Neighbourhood Plans are led by Parish and Town Councils or Neighbourhood Forums. However, East Herts Council has a legal responsibility to advise or assist in the preparation of Neighbourhood Plans. Consideration of this role and the consultation involved is set out in section 4 of this SCI.

3.5 Alongside the Development Plan and SPDs the Council also produces a number of other supporting documents:

- Statement of Community Involvement
- Local Development Scheme - A timetable setting out when documents will be produced
- Authority Monitoring Report - An annual report setting out the Council's progress against targets and policies

Who will we consult?

3.6 The Council wants to know the opinions of the people who live, work and visit East Herts. We are required to consult a wide range of statutory organisations and stakeholders during the process of preparing our planning policies. However the Council is also committed to involving as many local people, groups and organisations as possible in the preparation of the Local Plan and SPDs.

Specific and General bodies

3.7 We are legally required to consult a range of specific and general consultees who are relevant to the document being prepared. These are groups with particular knowledge in certain areas or those that represent specific interest groups. These statutory consultees are defined in appendix A but include:

- Hertfordshire County Council
- Adjoining local authorities
- Parish or town councils
- Organisations that represent business interests in East Herts
- Voluntary organisations that represent the interests of specific parts of the community
- Infrastructure providers
- National agencies or bodies



Other consultees

3.8 Legally the Council must also notify and consult, as appropriate, local residents and businesses - those that live, work and carryout business in the area. This includes those that have asked to be consulted. The Council recognises that the views of the wider community are important and consults a range of groups and individuals as relevant to the scope and subject of the planning document. These include the following:

- Community groups
- Social, economic and environmental organisations
- Businesses or members of the general public who have asked to be consulted
- Developers and landowners

3.9 The Council maintains a database of people and organisations and will consult them where relevant. Individuals, groups and organisations who want to be involved in future planning policy consultations can be added to the database. They can register on the Council's consultation portal <http://consult.eastherts.gov.uk/portal> or contact the Planning Policy Team. Consultees on the database will also be emailed copies of the District Planning Bulletin as new editions are published.

3.10 The purpose of holding your personal information is to assist in preparing Development Plan Documents and other Supporting Documents such as SPDs.

Duty to Cooperate

3.11 In accordance with the Localism Act 2011, East Herts Council has a 'duty to cooperate' with neighbouring authorities and various public bodies on strategic matters that cross administrative boundaries. These bodies are engaged throughout the plan preparation process and play a key role in delivering local aspirations. Cooperation is vital to ensure planning policies are effective. Duty to Co-operate bodies are listed in appendix A and include:

- Hertfordshire County Council
- Adjoining District/Borough Councils
- The Environment Agency
- Historic England
- Civil Aviation Authority
- Homes England
- Clinical Commissioning Group
- National Health Service
- Office of Rail Regulation
- Highways England



- Hertfordshire Local Nature Partnership
- Hertfordshire Local Enterprise Partnership

When will we consult?

- 3.12** The Council will undertake consultation at various stages in the plan preparation process. The main opportunities for community involvement are set out in tables 1 and 2. These are in accordance with the Town and County Planning (Local Planning) England) Regulations 2012 as amended⁽⁴⁾. As a minimum, we will ensure we comply with the planning regulations but consult more widely where it is relevant and appropriate to do so.

Table 1: Stages in the preparation of the Local Plan

Stage	Consultation opportunities
Preparation and evidence gathering	Early consultation with relevant stakeholders may be used to inform research and evidence gathering.
Regulation 18 - Public participation in preparation of the plan	Key opportunity to engage the community in the emerging Local Plan Minimum 6 week consultation
Regulation 19 & 20 - Publication and consultation on Submission Local Plan	After taking into account representations (comments) and considering the previous draft, the Council will publish the 'submission' version of the Local Plan. This is essentially the final draft of the Local Plan. Minimum 6 week consultation. At this stage representations must relate to the soundness of the plan prior to submission to the government.
Regulation 22 - Submission to the Government	The Local Plan will then be submitted to the government for examination.

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Stage	Consultation opportunities
	A summary of all the consultation, the main issues raised and how these were taken into account will be submitted alongside the Plan.
Regulations 23 to 25 - Examination	An independent Inspector will be appointed to examine the Local Plan. Relevant consultees and those who made a representation at the submission consultation stage (Reg 20) will be notified of the Examination.
Regulation 26 - Adopt	Following the Examination the Inspector will publish a report which assesses the 'soundness' of the planning document. If considered to be significant 'material changes' the Inspector can advise a further round of public consultation. East Herts Council will incorporate the Inspector's recommendations and then formally adopt the Local Plan.

3.13 Supplementary Planning Documents do not have to go through the formal examination process, but consultation with stakeholders and the wider community is still a vital part of the preparation process. The scope of consultation and decision on who will be consulted will reflect the nature of the SPD.

Table 2: Stages in the preparation of the Supplementary Planning Documents

Stage	Consultation opportunities
Preparation and evidence gathering	Depending on the content and scope of the SPD early consultation with relevant stakeholders may be used to inform research and evidence gathering.
Regulations 12 & 13 - Public participation in preparation of the plan	Key opportunity to engage the community in the emerging SPD. Minimum 4 weeks of consultation.



Regulation 14 - Adoption

After taking into account representations, the Council will formally adopt the SPD.

How will we consult?

3.14 The Council can use a variety of methods to engage and consult with the community as and where appropriate. The scope of the planning document and the availability of resources will influence how the Council consult. The list below is not definitive, but it includes the statutory requirements and sets out some of the effective and practical methods we will consider throughout the plan making process:

- Notify relevant consultees in writing (including email) when a document is published for consultation. Encourage the use of email where possible to reduce costs.
- Email updates from the Planning Policy database about consultation and other relevant planning matters. This could include the planning newsletter 'Planning Bulletin'.
- Ensure planning policy consultations are publicised and available to view on the council's website www.eastherts.gov.uk. People can comment on documents online using the consultation portal during consultation periods.
- Make sure paper copies of consultation documents are available on display at specific locations across the District.
- As appropriate, use different media types to inform residents, local groups and organisations about planning consultations as well as publicising the methods of responding to a consultation. Methods could include social media, local newspapers, Link magazine, the planning bulletin, posters, leaflets, exhibitions.
- Increase use of social media (such as Twitter, Facebook and Instagram), in accordance with corporate guidelines, as an important tool for publicising consultation and involving the wider community in planning discussions.
- Where appropriate, hold stakeholder meetings and workshops to inform evidence gathering and the plan development.
- Where appropriate, organise or support other consultation events, such as community based planning meetings. These events will be at accessible times and locations.
- Appropriate feedback from councillors will be sought by taking the documents to relevant committee meetings.

How should people respond to consultations?

3.15 Comments can be made as follows:



- using the Council's online consultation portal <http://consult.eastherts.gov.uk>
- by email planningpolicy@eastherts.gov.uk
- by post to East Herts District Council, Wallfields, Pegs Lane, Hertford, SG13 8EQ

3.16 It is easy to register and respond via the online consultation portal and all the consultation documents and sections can be easily viewed and downloaded in pdf format. You can then submit comments against the relevant part of the document. The portal is particularly useful for managing a high volume of consultation responses efficiently. The Council can provide help on how to use it if required.

How will we respond to comments?

3.17 The Council will take account of all comments received within the consultation period. Once comments are received we will:

- Send confirmation that comments have been received;
- Publish all comments received as soon as feasible;
- Comments received in hard copy format will be made available online in an appropriate format where practicable (either scanned or typed up), or if not practicable, the original documents will be available for viewing at the Council offices upon request;
- Petitions will be addressed in accordance with council policy. Details about the process are set out on the website: www.eastherts.gov.uk/petitions;
- Standard responses will be considered collectively;
- We will respond to comments or a summary of the main issues raised by the comments, explaining how these have been considered. This process will be reported to either the District Planning Executive Panel or Executive and subsequently recommendations will be agreed by Full Council.



- At the required stages we will produce a consultation statement setting out who was consulted, the main issues raised and how those issues have been addressed.
- We will inform all those people who have requested to be notified of the adoption of future development plan documents and SPD's, when they have been adopted, including details of where and when they can be inspected.



4 Neighbourhood Planning

Introduction

4.1 Neighbourhood planning in East Herts is led by Parish and Town Councils or designated Neighbourhood Forums. However, East Herts District Council has a legal responsibility to advise or assist in the preparation of Neighbourhood Plans. The main aspects of Neighbourhood Planning are:

- Neighbourhood Development Plans - a local framework for guiding the future development, regeneration and conservation of an area;
- Neighbourhood Development Orders - a way for Town and Parish Councils or designated Neighbourhood Forums to grant planning permission for certain kinds of development within a specified area;
- Community Right to Build Orders - a special kind of Neighbourhood Development Order, which grant planning permission for certain development schemes.

4.2 A Neighbourhood Development Plan has to follow a similar process to that carried out by the Council for a Local Plan, including public consultation and an examination process. However, there is an additional step of a local referendum whereby if more than half the vote is in favour, the plan must then be adopted by the Council. Once brought into legal force, a Neighbourhood Plan will form part of the statutory Development Plan and decisions on whether or not to grant planning permission in the Neighbourhood Area will need to be made in accordance with it, unless material considerations indicate otherwise.

4.3 There are currently five adopted Neighbourhood Plans in East Herts and one non-adopted Plan that has reached statutory stage. Details about the production of all Neighbourhood Plans is set out on the Council's Neighbourhood Planning webpage, which is updated regularly: <https://www.eastherts.gov.uk/neighbourhoodplanning>

When and how are we involved in plan consultation?

4.4 The process for preparing Neighbourhood Plans and Orders is set out in the Regulations⁽⁵⁾. We have published our own guidance on Neighbourhood Planning which is available on the Council's website and outlines the key stages of the preparation process and how the Council will work with groups to prepare Neighbourhood Plans. The Locality Neighbourhood Plans Roadmap Guide also provides additional advice and is available on its



website. A summary of the plan preparation process and how we guide and assist the neighbourhood planning process is set out in table 3. Where the Council consults on the NP, the guiding principles outlined in section 2 will be applied.

Table 3: Stages in advising and assisting Neighbourhood Plan groups

Stage	Consultation opportunities and who leads on the consultation
Regulation 6 & 9 - Receipt of a Neighbourhood Area Designation	The Council will consult for a minimum of 6 weeks. We will publish the application on the website and inform local people in the relevant locality.
Regulations 7 & 10 - Publishing designation of Neighbourhood Area/ Forum	If the Council approves the application, we will publicise the decision on the website. If refusing, the Council will publish the reasons for the decision and details about where it can be viewed.
Regulation 14 - Publicity of a Neighbourhood Development Plan prior to submitting to the Council (Reg 14)	Led by the Parish/ Town Council or Neighbourhood Forum. The NF can determine how to consult at this stage but they must draw up a consultation statement, setting out who and how they have consulted for the next stage of the process. They will consult for a minimum of 6 weeks. Ensure that they consult the relevant consultation bodies and bring the plan to the attention of people who live, work or carry on business in the area to which the plan relates. Send to East Herts District Council. The Council will advise on the content of the Neighbourhood Plan and provide advice

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	on key assessments such as the Strategic Environmental Assessment (SEA) or other evidence.
Regulation 16 - After Neighbourhood Plan is submitted to the Council.	If the Council agrees that the Neighbourhood Plan meets the legal requirements we will publicise the final version of the Plan for a minimum of 6 weeks.
Examination, referendum and adoption	The Plan will be examined by an Inspector and a report issued. The results of the examination will be published. The Council will decide if the Plan should move forward to a referendum, publicise that decision and the reasons for it and then coordinate a referendum. Following a successful referendum the Council will adopt the NP and notify any person that has asked to be notified.

How does the Council make decisions at each stage?

- 4.5** The District Council, as noted in Table 3, needs to make a number of decisions to support a Neighbourhood Development Plan through the process. Table 4 below clearly sets out the different decision-making process behind each of the steps. The Non-key decision process is explained in the glossary.

Table 4: Decision-making stages for Neighbourhood Plan process

Stage	Decision-making Process/Body
Regulation 7 & 10	Executive Committee
Regulation 14 Comments	Non-key Decision
SEA	Non-key Decision
Consideration of Examiners report and decision to proceed to referendum	Non-key Decision
Making the Neighbourhood Plan	Full Council



How do I respond to a Neighbourhood Plan consultation?

- 4.6** Whilst the first statutory (Regulation 14) consultation is run by the Parish Council or Neighbourhood Forum, the second (Regulation 16) is run by East Herts District Council and so is the initial consultation for the application for designation of a neighbourhood area. During these consultations, comments must be made in writing either in hard-copy form or digitally via email.
- 4.7** All comments submitted by email should be sent to: planningpolicy@eastherts.gov.uk
- 4.8** All comments sent by the post should be sent to: Planning Policy, East Herts District Council, Wallfields, Pegs Lane, Hertford, SG13 8EQ
- 4.9** At the Regulation 16 stage all representations made will be submitted to the examiner for their consideration.



5 Harlow and Gilston Garden Town

Introduction

- 5.1** Harlow and Gilston was designated as a Garden Town in 2017 by the Ministry for Homes, Communities and Local Government. A significant amount of development is proposed in this area within East Herts, Epping Forest and Harlow Districts. The three local authorities, together with Hertfordshire and Essex County Councils are working together to deliver growth at the Garden Town which reflects local priorities. The individual Councils remain the decision-makers for both policy documents and planning applications within their local authority area, but the current governance and management arrangements have been set up to help ensure collaborative working:
- **Garden Town Board** – comprising members and officers from each of the five authorities, for discussion of joint matters. Board members can consider and endorse technical studies, policy guidance and other emerging work relating to the Garden Town and can make recommendations back to their separate authorities. The Garden Town Board is not a decision-making body and will typically not engage separately with stakeholders or the community. It is represented in that respect by those individual authorities who remain the decision-makers in terms of their respective functions and duties.
 - **Garden Town officer groups** – comprising officers from each of the five authorities and other stakeholders where appropriate as a forum for joint-working, including preparing and sharing technical studies, policy guidance and other emerging work relating to the Garden Town. Documents may subsequently be considered by the Member Board and then for adoption or approval by the individual authorities.
 - **Garden Town Quality Review Panel** – a design panel which can review any emerging work relating to the Garden Town, including development proposals from landowners / developers. The Panel provides an independent critique in relation to matters presented to it. Its recommendations and observations may then be considered by applicants or the local authorities.



- **Garden Town Developer Forum** – comprising landowners, developers and promoters active in the Garden Town, for discussion and engagement in relation to planning policies, guidance, evidence and the sharing of information in respect of masterplans and planning applications.
- **Gilston Area Steering Group** – comprising representatives of the local authorities, parish councils, neighbourhood plan groups and developers in the Gilston Area in accordance with the terms of engagement set up for the Steering Group. The group is a forum for discussion and for co-ordination of community engagement.

5.2 However, given the cross-boundary implications of development at Gilston, the Council has agreed the following consultation principles with Harlow and Epping Forest Councils.

Agreed consultation principles

5.3 The following consultation principles should be taken into account when consulting on policy and other documents and planning applications relating to land and sites which form part of the Garden Town:

- We will consult statutory consultees, and as appropriate, engage as proactively as possible with relevant local stakeholders and the community in and around the Garden Town, including across district boundaries. The extent of consultation will reflect the scope of a proposal or document.
- We will consult on planning applications for at least the statutory period, but for a longer timescale when appropriate.
- Developer, business or community forums and engagement may be set up/undertaken to assist the joint working and delivery of the Garden Town.
- Masterplans, design coding and application proposals will be taken to the Garden Town Quality Review Panel for independent design advice and critique.
- Documents relating to the Garden Town may be endorsed by the Garden Town Board to indicate that they should be taken into account when shaping and informing planning proposals. However, they will need to be approved by the individual local authorities if they are to be considered material planning considerations in planning decision-making



6 Planning Applications

Introduction

- 6.1** For many people, the submission of a planning application is the first experience of the planning system, either as an applicant submitting an application, or in relation to applications on a neighbouring or nearby site. While some development can be carried out as Permitted Development,⁽⁶⁾ a significant amount of new development in East Herts will require planning permission.
- 6.2** There are a number of different types of planning application, with the type of application determined by the size, scale and nature of the proposed development. Whilst the process for consulting on all types of planning application is similar, there are some differences. As a minimum the relevant statutory requirements will always be met.
- 6.3** There are four key stages to the planning application process:
- **Pre-application-** before an application is submitted, a developer is encouraged to engage with the Council, stakeholders and the community about its proposals.
 - **Application-** a planning application is submitted to the Council.
 - **Decision-making-** a decision is made either by a planning committee or delegated officer.
 - **Appeals-** the application has a right to appeal if they disagree with the decision to refuse permission.
- 6.4** This section of the SCI therefore sets out the Council's approach to consulting and notifying statutory bodies and the wider community before and after planning applications are submitted.

Who will we consult?

- 6.5** The Government sets out minimum requirements for consultation in the Town and Country Planning (Development Management Procedure) (England) Order 2015 (as amended) and The Planning (Listed Buildings and Conservation Areas) Regulations 1990 (as amended).
- 6.6** The legislation identifies statutory consultees that the council must engage with. These include environmental organisations (such as Natural England, the Environment Agency and Historic England) and local services and infrastructure providers (including Highways Agency, Hertfordshire County

⁶ Permission to carry out certain limited forms of development without the need to make an application to a local planning authority, as granted under the terms of the Town and Country Planning (General Permitted Development) Order. The Planning Portal website is a useful resource for explaining when planning permission is required.



Council and utilities companies). The local community is also engaged as appropriate. The scale of consultation reflects the type and stage of the planning application.

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How and when will we consult?

Masterplan process

- 6.7** All significant development proposals in the district are required to prepare a masterplan because the Council is committed to delivering well designed growth. They should deal with a range of issues including landuse, infrastructure and design and once endorsed by the Council they are used as the basis by which planning applications on site will be determined.
- 6.8** Policy DES1 of The East Herts District Plan (2018) outlines the approach that will be taken to masterplanning. The significance of a development will be measured not only on its scale, but on the potential impact on the community and the local character of a place. Generally a threshold of fifty homes or more will apply, however in some cases a smaller scale of development may be considered to have a significant effect.
- 6.9** Masterplans must involve collaboration with East Herts District Council, other stakeholders and the local community, including town/ parish councils. Engagement from an early stage should inform the development of the master plan. Wider public participation methods, such as community events or displays, may also be used if required. An approach to masterplanning was agreed by Full Council in October 2017 and details are explained online: www.eastherts.gov.uk/masterplans

Pre-application advice

- 6.10** Before submitting a planning application, we advise and encourage potential applicants to seek pre-application advice from the Council.⁽⁷⁾ It is not a statutory requirement, but it allows for the identification of any issues, concerns and constraints at an early stage. This may help avoid delays or a refusal once a planning application has been submitted.
- 6.11** This service allows the Council to provide advice and guidance to potential applicants on development proposals prior to the submission of any application. Subsequently, in accordance with the advice provided, amendments can be made to proposals prior to the submission of a planning application. Free advice may be available depending on the application type. However, for other application types there is a charge due to resource

⁷ It should be noted that, in respect of the pre-application service, any advice given at this stage is not binding and there are no statutory requirements for pre-application discussions. Because of the resources involved in providing pre-application advice, in many cases it is necessary to charge a fee for this service



implications. Details of the pre-application process is set out on website: <https://www.eastherts.gov.uk/preapplicationservice> A duty planner is also available at certain times to provide general planning advice.

- 6.12** The advice provided by case officers during the pre-application process is based on the professional judgement of the officer and is therefore informal and not binding on any subsequent formal decision made by the Council. If a scheme progresses to a formal submission it will be subject to consultation and any formal decision will take the results of that consultation into account.
- 6.13** The submission of a request for pre-application advice and the advice provided is generally treated as private and confidential. Therefore, the submitted information is not made available to the public via our online portal of applications, nor are any surrounding neighbours notified⁽⁸⁾. Therefore, the public are generally not provided with the opportunity to comment upon such enquiries.

Pre-application consultation

- 6.14** We do not tend to consult statutory consultees on requests for pre-application advice. However, there may be instances where consultation with other teams within the Council is required to aid the advice provided, for example on proposals which relate to Listed Buildings or major development proposals.
- 6.15** Pre-app consultation is not legally required for most types of development. It is however strongly encouraged that applicants involve the community in formulating their proposals as early as possible, particularly if the site is particularly sensitive or would have a significant impact on local communities. This is advised to assist in addressing any issues that may arise from the community and may help to avoid unnecessary objections during the consideration of a planning application.
- 6.16** For large scale major developments, it is expected that the applicant carries out pre-application consultation which may involve:
- public meetings and exhibitions
 - Individual letters or leaflets
 - Engagement with parish/ town councils
 - Engagement with Design Review Panels
 - Social media



Application stage

- 6.17** Once an application has been submitted, East Herts District Council will always meet its statutory consultation requirements as a minimum. The formal consultation period will normally last for 21 days.
- 6.18** Formal consultation on planning applications will be undertaken in accordance with article 15 of The Town and Country Planning (Development Management Procedure) (England) Order 2015 (as amended) and regulations 5 and 5A of The Planning (Listed Buildings and Conservation Areas) Regulations 1990 (as amended) or any amending orders, and any relevant consultation directions⁽⁹⁾. Table 5 sets out the consultation methods used by the Council.

Table 5: Consultation methods used to publicise planning applications

Type of application	Site notice	Site notice or neighbour notification letter/ email	Press notice in local paper	Parish Council notification	Website	Ward member notification
Major development		√	√	√	√	√
Minor Development		√		√	√	√
Householder Applications		√		√	√	√
Applications subject to EIA which are accompanied by an Environmental Statement		√	√	√	√	√
Applications that do not accord with the development plan	√	√	√	√	√	√



Listed Building applications and applications affecting the setting of a Listed Building		√	√	√	√	√
Applications relating to an advertisement				√	√	√

6.19 Where an application falls within a Conservation Area, a site notice may be required, the council will advise. Prior Notification applications will be publicised as set out in the relevant regulations, the council will advise. There is no statutory requirement to consult on the following types of applications:

- Certificates of Lawfulness of proposed use or development;
- Certificates of Lawfulness of existing use or development;
- Approval of details/ discharge of conditions;
- Non-material amendments.

6.20 People can respond to applications online. Alternatively comments can be made by email or post.

How will the Council deal with consultation responses?

6.21 All comments received will be made publicly available. It is important to note that the Council reserves the right not to consider or include in its documentation any inappropriate comments submitted as a result of its consultations.

6.22 The Council will take account of all responses received as a result of its consultations on planning applications where the issues raised are material planning considerations. These comments will be considered in the officer's report.

6.23 All relevant planning issues raised within the consultation period will be taken into account in the Planning Officer's report to help inform the recommendation.



Amendments to applications during the consideration of the application

- 6.24** Following the initial period of consultation, it may be that further additional consultation on changes submitted by an applicant prior to any decision being made, is considered necessary. In these cases it is up to the Council to decide whether further publicity and consultation is necessary, and the requirement to consult will be determined based on whether the proposed changes are significant and whether there were objections or concerns raised in the original consultation stage. Where it is decided that re-consultation is necessary, it is open to the Council to set the timeframe for responses which is likely to be for a period of 14 days or less.

Decision stage

- 6.25** Once the consultation period has concluded, the Council will determine the planning application. It is therefore important to make comments before the statutory deadline for the end of the consultation period.
- 6.26** The Council typically deals with around 2,600 applications per year; most of these (over 90%) are determined by planning officers under delegated powers granted to them by the Committee.
- 6.27** The remaining applications are determined by the Development Management Committee. This Committee generally meets every four weeks and handles the larger and more complex applications, in accordance with the criteria set out in the Council's Constitution. If the application is to be considered by the Development Management Committee, we will inform anyone who responded to the consultation before the meeting takes place.
- 6.28** The Council allows supporters, objectors and town/parish council representatives to make a short (normally three minute) oral statement to the Development Management Committee on any of the planning applications which are being considered by the Committee⁽¹⁰⁾
- 6.29** Development Management Committee meetings are webcast.

After a decision is made

- 6.30** The Council will:
- Publish the decisions on all planning applications on its website.
 - Write back to respondents (by email if possible and by post where no email address is available) to inform them of the Council's decision

¹⁰ Up to one person may be allowed to speak in support of an application, and one person to speak in objection to each application at the meeting. Each person or group of people opposing or supporting the proposal will be allowed up to three minutes to speak to the Committee. How to register to speak and the rules for these meetings are explained in greater detail on the Council's website <http://www.eastherts.gov.uk>



Appeals

- 6.31** An applicant may appeal to the Planning Inspectorate against a refusal or contest any of the conditions imposed to the granting of permissions or the non-determination of an application. The council will inform all those people who responded to the consultation on the original planning application (although the rest of the appeal procedure will be handled by the Planning Inspectorate)⁽¹¹⁾

Enforcement

- 6.32** Planning Enforcement is concerned with works which have taken place in breach of normal planning controls. Where a breach of planning control is reported, an officer will investigate and assess the complaint, gather evidence and establish what, if any, the most appropriate course of action should be. Many investigations result in the submission of a planning application to try and regularise a breach. This means the community will be involved in the same way as any other planning application. If a breach cannot be regularised the council will consider formal enforcement action. Officers are delegated to make these decisions on behalf of councillors. The council will ensure that the complainant is informed of decisions made in relation to the case. Further details about the process are set out in the Planning Enforcement Plan.

11 Further information on the appeals process is available on the Planning Inspectorate website:
<http://www.planning-inspectorate.gov.uk>



7 Appendix A - Specific and General Consultation Bodies

Specific and General Consultation Bodies

In accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012.

Specific consultation bodies means:

- The Coal Authority;
- Environment Agency;
- Historic England
- Natural England;
- Network Rail Infrastructure Limited
- the Highways Agency
- Hertfordshire County Council
- Adjoining local authorities
- Parish and town Councils
- Local policing body
- any person to whom the electronic communications code applies by virtue of a direction given under Section 106 (3)(a) of the Communications Act 2003;
- any person who owns or controls electronic communications apparatus situated in any part of the area of the local authority;
- any of the bodies from the following list who are exercising functions in any part of the area of the local authority:
 - Primary Care Trust;
 - person to whom a licence has been granted under Section 7(2) of the Gas Act 1986;
 - person to whom a licence has been granted under section 6 (1) (b) or (c) of the Electricity Act 1989
 - sewage undertaker;
 - water undertaker;
 - Homes and Communities agency.
 - Metropolitan police

General consultation bodies means:

- voluntary bodies some or all of whose activities benefit any part of the local planning authority's area,
- bodies which represents the interests of different racial, ethnic or national groups in the local planning authority's area,
- bodies which represent the interests of different religious groups in the local planning authority's area,



- bodies which represent the interests of disabled persons in the local planning authority's area,
- bodies which represent the interests of persons carrying on business in the local planning authority's area,

Duty to Cooperate Bodies for East Herts

In accordance with the Localism Act 2011 and Town and Country Planning (Local Planning) (England) Regulations 2012

- Neighbouring Authorities
- The Environment Agency
- Historic England
- Natural England
- The Civil Aviation Authority
- Homes and Communities Agency

Each Primary Care Trust established under section 18 of the National Health Service Act 2006 or continued in existence by virtue of that section;

- Office of Rail Regulation
- Each Integrated Transport Authority
- Highway Authority
- Local Enterprise Partnerships
- Local Nature Partnerships



8 Appendix B - Glossary

- 8.1 Deposit or Inspection Point:** Locations across the district where consultation documents can be viewed.
- 8.2 Development Plan:** This includes adopted Local Plans, Mineral and Waste Plans and Neighbourhood Plans and is defined in section 38 of the Planning and Compulsory Purchase Act 2004.
- 8.3 Development Plan Documents:** A generic term for the different plans that constitute the Development Plan.
- 8.4 Environmental Impact Assessment (EIA):** A procedure to be followed for certain types of project to ensure that decisions are made in full knowledge of any likely significant effects on the environment.
- 8.5 Local Development Scheme (LDS):** The Local Authority's timetable for the preparation of Development Documents.
- 8.6 Local Plan:** The District Plan which sets out the Council's planning framework for the district. It consists of a Written Statement and Policies Map.
- 8.7 Masterplan:** A plan that shows an overall development concept that includes urban design, landscaping, infrastructure, service provision, movement, present and future land-use and built form.
- 8.8 National Planning Policy Framework (NPPF):** Sets out the Government's planning policies for England and how these are expected to be applied.
- 8.9 Neighbourhood Plan:** A plan prepared by a Parish/ Town Council or Neighbourhood Forum for a particular neighbourhood area.
- 8.10 Non-key Decision:** Executive decisions taken by Executive Members and Officers on less significant matters, rather than using the relevant committee process.
- 8.11 Strategic Environment Assessment (SEA):** A procedure (set out in the Environmental Assessment of Plans and Programmes Regulations 2004) which requires the formal environmental assessment of certain plans and programmes which are likely to have significant effects on the environment.
- 8.12 Supplementary Planning Documents (SPDs):** Documents which add further details to the policies of the Local Plan. These documents are not part of the development plan, but are material considerations in planning decisions.



8.13

Disclaimer- This glossary is neither a statement of law nor an interpretation of law, and its status is only as an introductory guide to planning issues and it should not therefore be used as a source for statutory definitions.

Equality Impact Analysis (EqIA) Template

EqIAs make services better for everyone and supports value for money by getting services right first time.

EqIAs enable us to consider all the information about a service, policy or strategy from an equalities perspective and then action plan to get the best outcomes for staff and service-users. They analyse how all our work as a council might impact differently on different groups. They help us make good decisions and evidence how we have reached these decisions.

EIAs are always proportionate to:

- The size of the service or scope of the policy/strategy
- The resources involved
- The numbers of people affected
- The size of the likely impact
- The vulnerability of the people affected

The greater the potential adverse impact of the proposed policy on a protected group (e.g. disabled people), the more vulnerable the group in the context being considered, the more thorough and demanding the process required by the Act will be.

When to complete an EIA:

- When planning or developing a new service, policy or strategy
- When reviewing an existing service, policy or strategy
- When ending or substantially changing a service, policy or strategy
- When there is an important change in the service, policy or strategy, or in the city (eg: a change in population), or at a national level (eg: a change of legislation)

Assessment of equality impact can be evidenced as part of the process of reviewing or needs assessment or strategy development or consultation or planning. It does not have to be on this template, but must be documented. Wherever possible, build the EIA into your usual planning/review processes.

Do you need to complete an EIA? Consider:

- Is the policy, decision or service likely to be relevant to any people because of their protected characteristics?
- How many people is it likely to affect?
- How significant are its impacts?
- Does it relate to an area where there are known inequalities?
- How vulnerable are the people (potentially) affected?

If there are potential impacts on people but you decide not to complete an EIA it is usually sensible to document why.

Age: People of all ages

Disability: A person is disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. The definition includes: sensory impairments, impairments with fluctuating or recurring effects, progressive, organ specific, developmental, learning difficulties, mental health conditions and mental illnesses, produced by injury to the body or brain. Persons with cancer, multiple sclerosis or HIV infection are all now deemed to be disabled persons from the point of diagnosis.

Gender Reassignment: In the Act a transgender person is someone who proposes to, starts or has completed a process to change his or her gender. A person does not need to be under medical supervision to be protected

Pregnancy and Maternity: Protection is during pregnancy and any statutory maternity leave to which the woman is entitled.

Race/Ethnicity: This includes ethnic or national origins, colour or nationality, and includes refugees and migrants, and Gypsies and Travellers

Religion and Belief: Religion includes any religion with a clear structure and belief system. Belief means any religious or philosophical belief. The Act also covers lack of religion or belief.

Sex/Gender: Both men and women are covered under the Act.

Sexual Orientation: The Act protects bisexual, gay, heterosexual and lesbian people

Marriage and Civil Partnership: Only in relation to due regard to the need to eliminate discrimination.

1. Equality Impact Analysis (EqIA) Template

First, consider whether you need to complete an EIA, or if there is another way to evidence assessment of impacts, or that an EIA is not needed.

Title of EqIA	Statement of Community Involvement	Date	5 May 2019
Team/Department	Planning & Implementation Team		

Focus of EqIA What are the aims of the new initiative? Who implements it? Define the user group impacted? How will they be impacted?	The Council is legally required to produce a Statement of Community Involvement every 5 years, which sets out how the Council will involve the community in the planning process. The previous SCI was adopted in 2013 but is being revised to reflect changes to legislation and increased use of social media. The aim of the SCI is to ensure that, as far as possible, all parts of the community have the opportunity to get involved in preparing planning documents and processing planning applications. In addition to setting out the council's publicity and consultation procedures, the SCI also outlines what we expect applicants to do before they submit a planning application. When the Council consults on planning policy documents and planning applications it must comply with the SCI. The SCI will impact on a range of user groups. Generally it will have a positive impact on all people who live and work in East Herts because it encourages engagement with stakeholders and the wider community at various opportunities in the planning process. By providing clarity about when and how to get involved and the varied methods for notifying, consulting and responding, it is beneficial for various sections of the community as defined in the Equality Act 2010. Specific reference is made to promoting accessible and inclusive consultation procedures so no group should be disadvantaged. There is also an aim to increase the involvement of 'hard to reach groups' on the basis of age, race and disability. The SCI provides the framework for consultation that the Council's District Plan must comply with. The current District Plan, which was adopted on 23 October 2018, was subject to an EQIA. This assessment demonstrated the District Plan will generally benefit all people who live, work and visit East Herts to some degree. While the Plan will have no impact on certain groups, there will be positive impacts for particular sections of the community as defined in the Equality Act 2010, specifically for race, disability age, religion or belief, being pregnant or having a child. In addition, the Plan will have positive impacts on those disadvantaged by socio-economic factors, and some residents who live in the rural area of East Herts. No specific impacts were identified in relation to the equality groups defined by gender, sexual orientation, transgender or those who are married or in a civil partnership.

2. Review of information, equality analysis and potential actions

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Age	Age profile of the district: Under 20 20-24 25-29 30-44 45-59 60-64 65-74 75-84 85-89 90	24.2% 4.5% 5.5% 19.8% 22.9% 5.4% 9.6% 5.6% 1.6% 0.9%	This document will be published for consultation in June.	The SCI seeks to ensure an inclusive approach to planning engagement regardless of background or personal circumstance, which is a positive impact. However, younger people are identified in the SCI as a 'hard to reach' group as they are generally less likely to engage in the planning process. The SCI aims to consult in a way that ensures hard to reach groups are involved in consultations from an early stage.	To foster good relations the SCI aims to improve engagement by involving representatives of a cross-section of stakeholders, ensuring that different needs and views of different sections or groups of the community are considered. Specific techniques that may attract younger people include promoting electronic methods of consultation and social media and where appropriate encouraging the use of community events/ displays, producing summaries to make information easier to read and visiting local schools. This process will have a positive impact by increasing awareness of planning opportunities and enhancing opportunities to be involved

Page 443

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
					and respond to planning consultations.
Disability	11,663 households in East Herts have one person in the household with a long-term health problem or disability.		This document will be published for consultation in June.	The SCI seeks to ensure an inclusive approach to planning engagement regardless of background or personal circumstance, which is a positive impact. However, people with disabilities are identified in the SCI as a ‘hard to reach’ group. The SCI aims to consult in a way that ensures hard to reach groups are involved in consultations from an early stage.	To foster good relations the SCI aims to improve engagement by involving representatives of a cross-section of stakeholders, ensuring that different needs and views of different sections or groups of the community are considered. The SCI sets out a number of methods that could assist people with disabilities: • Written information will be made available on request in accessible formats such as large print, Braille, audio. • Summaries will be produced when relevant to ensure information is easily accessible. • The aim to improve engagement by

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff	What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				promoting electronic methods of consultation and social media may help some people with disabilities access and respond to consultation material. • Events will be at accessible locations.
Gender reassignment Page 445	Not known	This document will be published for consultation in June.	The SCI seeks to ensure an inclusive approach to planning engagement regardless of background or personal circumstance, which is a positive impact. However no specific gender reassignment impact has been identified.	To foster good relations the SCI aims to improve engagement by involving representatives of a cross-section of stakeholders, ensuring that different needs and views of different sections or groups of the community are considered. A range of consultation principles and techniques are proposed to ensure consultation is inclusive so all sectors of the community should benefit. In addition the SCI sets out clear processes for dealing with discriminatory comments, which is a positive approach to addressing

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
					discrimination.
Pregnancy and maternity	Not known		This document will be published for consultation in June.	The SCI seeks to ensure an inclusive approach to planning engagement regardless of background or personal circumstance, which is a positive impact. However no specific pregnancy and maternity impact has been identified.	To foster good relations the SCI aims to improve engagement by involving representatives of a cross-section of stakeholders, ensuring that different needs and views of different sections or groups of the community are considered. A range of consultation principles and techniques are proposed to ensure consultation is inclusive so all sectors of the community should benefit. In addition the SCI sets out clear processes for dealing with discriminatory comments, which is a positive approach to addressing discrimination.
Race	White English/Welsh/Scottish/ Northern Irish/ British Irish	95.47% 90.25% 1.14%	This document will be published for consultation in June.	The SCI seeks to ensure an inclusive approach to planning engagement regardless of	To foster good relations the SCI aims to improve engagement by involving representatives of a cross-

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Page 447	Gypsy or Irish Traveller	0.04%		background or personal circumstance, which is a positive impact.	section of stakeholders, ensuring that different needs and views of different sections or groups of the community are considered.
	Other White	4.04%			
	Mixed/ multiple ethnic groups	1.61%		However, people from ethnic minorities are identified in the SCI as a 'hard to reach' group. The SCI aims to consult in a way that ensures hard to reach groups are involved in consultations from an early stage.	A range of consultation principles and techniques are proposed to ensure consultation is inclusive so all sectors of the community should benefit. In addition the SCI sets out clear processes for dealing with discriminatory comments, which is a positive approach to addressing discrimination.
	White and Black Caribbean	0.45%			
	White and Black African	0.15%			
	White and Asian	0.62%			
	Other Asian	0.38%			
	Asian/ Asian British	1.95%			
	Indian	0.73%			
	Pakistani	0.15%			
	Bangladeshi	0.20%			
	Chinese	0.37%			
	Other Asian	0.49%			
	Black/African/Caribbean/ Black British	0.71%			
	African	0.43%			
	Caribbean	0.22%			
	Other Black	0.07%			
	Other ethnic group	0.26%			The SCI also promotes targeted consultation where relevant to help engage specifically with particular groups, for example Gypsy and Travellers.
	Arab	0.10%			
	Any other ethnic group	0.16%			

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Religion or belief	Christian Buddhist Hindu Jewish Muslim Sikh Other religion No religion Religion not stated	62.75% 0.32% 0.45% 0.33% 0.72% 0.12% 0.32% 27.75% 7.26%	This document will be published for consultation in June.	The SCI seeks to ensure an inclusive approach to planning engagement regardless of background or personal circumstance, which is a positive impact. However no specific religion or belief impact has been identified.	To foster good relations the SCI aims to improve engagement by involving representatives of a cross-section of stakeholders, ensuring that different needs and views of different sections or groups of the community are considered. A range of consultation principles and techniques are proposed to ensure consultation is inclusive so all sectors of the community should benefit. In addition the SCI sets out clear processes for dealing with discriminatory comments, which is a positive approach to addressing discrimination.
Sex/Gender	The district is 51% female and 49% male		This document will be published for consultation in June	The SCI seeks to ensure an inclusive approach to planning engagement regardless of background or personal circumstance, which is a positive impact.	To foster good relations the SCI aims to improve engagement by involving representatives of a cross-section of stakeholders, ensuring that different needs and views of different sections or groups of the

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff	What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			However no specific sex/gender impact has been identified.	community are considered. A range of consultation principles and techniques are proposed to ensure consultation is inclusive so all sectors of the community should benefit. In addition the SCI sets out clear processes for dealing with discriminatory comments, which is a positive approach to addressing discrimination.
Sexual orientation Page 449	Not known	This document will be published for consultation in June	The SCI seeks to ensure an inclusive approach to planning engagement regardless of background or personal circumstance, which is a positive impact. However no specific sexual orientation impact has been identified.	To foster good relations the SCI aims to improve engagement by involving representatives of a cross-section of stakeholders, ensuring that different needs and views of different sections or groups of the community are considered. A range of consultation principles and techniques are proposed to ensure consultation is inclusive so all sectors of the community should benefit. In addition the

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff	What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				SCI sets out clear processes for dealing with discriminatory comments, which is a positive approach to addressing discrimination.
Marriage and civil partnership	Single- 30.5% Married- 52.3% Civil partnership- 0.2% Separated – 2.3% Divorced- 8.6% Widowed- 6.2%	This document will be published for consultation in June	The SCI seeks to ensure an inclusive approach to planning engagement regardless of background or personal circumstance, which is a positive impact. However no specific marriage and civil partnership impact has been identified.	To foster good relations the SCI aims to improve engagement by involving representatives of a cross-section of stakeholders, ensuring that different needs and views of different sections or groups of the community are considered. A range of consultation principles and techniques are proposed to ensure consultation is inclusive so all sectors of the community should benefit. In addition the SCI sets out clear processes for dealing with discriminatory comments, which is a positive approach to addressing discrimination.
Assessment of overall impacts and any further recommendations				

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff	What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
It is not considered that the Statement of Community Involvement will give rise to actual or likely adverse impacts to the groups identified as being potentially affected.				

3. List detailed data and/or community feedback which informed your EqlA (If applicable)

Title (of data, research or engagement)	Date	Gaps in data	Actions to fill these gaps: who else do you need to engage with? (add these to the Action Plan below, with a timeframe)
NOT APPLICABLE			

4. Prioritised Action Plan (If applicable)

Impact identified and group(s) affected	Action planned	Expected outcome	Measure of success	Timeframe
NB: These actions must now be transferred to service or business plans and monitored to ensure they achieve the outcomes identified.				
NOT APPLICABLE				

EIA sign-off: (for the EIA to be final an email must sent from the relevant people agreeing it or this section must be signed)

Lead Equality Impact Assessment officer: Kirsty McKenzie **Date:** 15/05/19

Directorate Management Team rep or Head of Service: Sara Saunders **Date:** 15/05/19

Author of Equality Impact Analysis: Laura Guy **Date:** 15/05/19

EAST HERTS COUNCIL

THE EXECUTIVE – 4 JUNE 2019

REPORT BY THE EXECUTIVE MEMBER FOR FINANCE AND SUPPORT SERVICES

RISK MANAGEMENT STRATEGY

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- The Risk Management Strategy has been reviewed and updated for 2019/20.

<u>RECOMMENDATIONS FOR EXECUTIVE: That:</u>	
(A)	The updated Risk Management Strategy be reviewed and
(B)	The Executive be advised of recommendations that could enhance or streamline risk management and the associated monitoring processes.

1.0 Background

- 1.1 The Risk Management Strategy is reviewed annually. This report details amendments since 2018/19.

2.0 Report

- 2.1 Risk management can be defined as: The process which aims to help organisations understand, evaluate and take action on all their risks with a view to increasing the probability of their success and reducing the likelihood of their failure. (Source: The Institute of Risk Management).
- 2.2 By managing risks effectively, the Authority is in a stronger position to deliver services in accordance with corporate priorities. By managing opportunities, it is better positioned to provide continuous improvement in its services, and better value for money.
- 2.3 The Risk Management Strategy is reviewed annually and was last presented to the Executive on 24 April 2018. The Strategy has been updated for 2019. Only minor changes have been necessary once again this year and have been tracked at **Essential Reference Paper 'B'**. A clean version with changes accepted can be found at **Essential Reference Paper 'C'**.
- 2.4 The key changes are:
 - 2.4.1 The estimated cost of introducing controls will be added to the Strategic Risk Register. (Members will be able to view on Pentana Performance, the council's performance management software).
 - 2.4.2 Service / operational risks are not monitored.
- 2.5 Performance, Audit and Governance Scrutiny Committee considered the Strategy on 12 March 2019. No amendments were recommended. However it is likely that the Strategy will be reviewed following the District Council elections and a further report will be presented at the appropriate time. (The Strategy is no longer presented to Council following a change to the Constitution).

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

Risk Management Strategy – Executive 24 April 2018

Contact Member: Cllr Geoffrey Williamson
Executive Member for Finance and Support
Services
geoffrey.williamson@eastherts.gov.uk

Contact Officer: Isabel Brittain
Head of Strategic Finance and Property
Ext 2050
isabel.brittain@eastherts.gov.uk

Report Author: Graham Mully
Risk Assurance Officer
Ext 2166
graham.mully@eastherts.gov.uk

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives:	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	There are no specific consultation implications arising directly from this report.
Legal:	There are no specific legal implications arising directly from this report.
Financial:	There are no specific financial implications arising directly from this report.
Human Resource:	There are no specific human resource implications arising directly from this report.
Risk Management:	There are no additional risk management implications to those already contained in this report. However it should be noted that if the council did not have a risk management monitoring process, the Authority would be seen to be not managing risks appropriately, which would have a significant negative impact on recommendations made by the External Auditors through the Annual Audit Letter.
Health and wellbeing – issues and impacts:	There are no specific health and wellbeing implications arising directly from this report.
Equality Impact Assessment required:	No.



Risk Management Strategy

20~~18~~/19/20 Review

Leadership Team

~~5-11~~ February
20198

Performance, Audit and Governance Oversight
Committee

~~13-12~~ March
20198

Executive

~~22 April 2018~~
June 2019

Council

TBA

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Section 1 - Context

Policy statement

Risk is present in everything that we do, so it is our policy to identify, assess and manage the key areas of risk.

East Herts Council recognises that risk management is an essential element of good governance and must be embedded in the culture of the Authority. It supports informed decision making thereby enabling opportunities to be exploited, or action to be taken to mitigate or manage risk to an acceptable level.

In order to obtain a clear picture of the risks that threaten the Council's ability to achieve its objectives, it is important that the Council determines its 'risk appetite' – the level of risk that is considered acceptable for the organisation to be exposed to. The Risk Management Strategy reflects our 'risk appetite', the size of the Authority, the nature of our operations and the drive to reduce bureaucracy.

The objectives of this strategy are:

- Define what risk management is about and what drives risk management within the Council.
- Set out the benefits of risk management and the strategic approach to risk management.
- Outline how the strategy will be implemented.
- Identify the relevant roles and responsibilities for risk management within the Council.
- Formalise the risk management process across the Council.

Approval, communication, implementation and review

The Risk Management Strategy is on the intranet and is specifically issued to:

- The Executive
- Performance, Audit and Governance Oversight Committee
- Leadership Team

The strategy is reviewed each year, and following key changes in central or local policies. Risk management is also subject to frequent audit by the Shared Internal Audit Service (SIAS).

Section 2 - What is risk management and why do we do it?

Risk Management can be defined as:

The process which aims to help organisations understand, evaluate and take action on all their risks with a view to increasing the probability of their success and reducing the likelihood of their failure. (Source: The Institute of Risk Management).

Risk management at East Herts Council is essentially about identifying risks that exist at a strategic level, or pose the greatest threat to services.

Once identified, the next stage is to prioritise risks to identify which are key to the Council moving forward. It is essential that steps are then taken to manage these effectively.

There should also be a consideration of the positive or 'opportunity' risk aspect. (For more information see Section 3, 'risk identification').

National drivers behind strategic risk management

- The CIPFA/SOLACE framework on Corporate Governance requires the Council to manage risks and performance through robust internal control and strong public financial management. Risk management and internal control are integral parts of a performance management system and are crucial to the achievement of outcomes. Robust and integrated risk management arrangements are required, and risk should be addressed as part of all decision making activities.
- Risk management is best practice in both the public and private sectors.

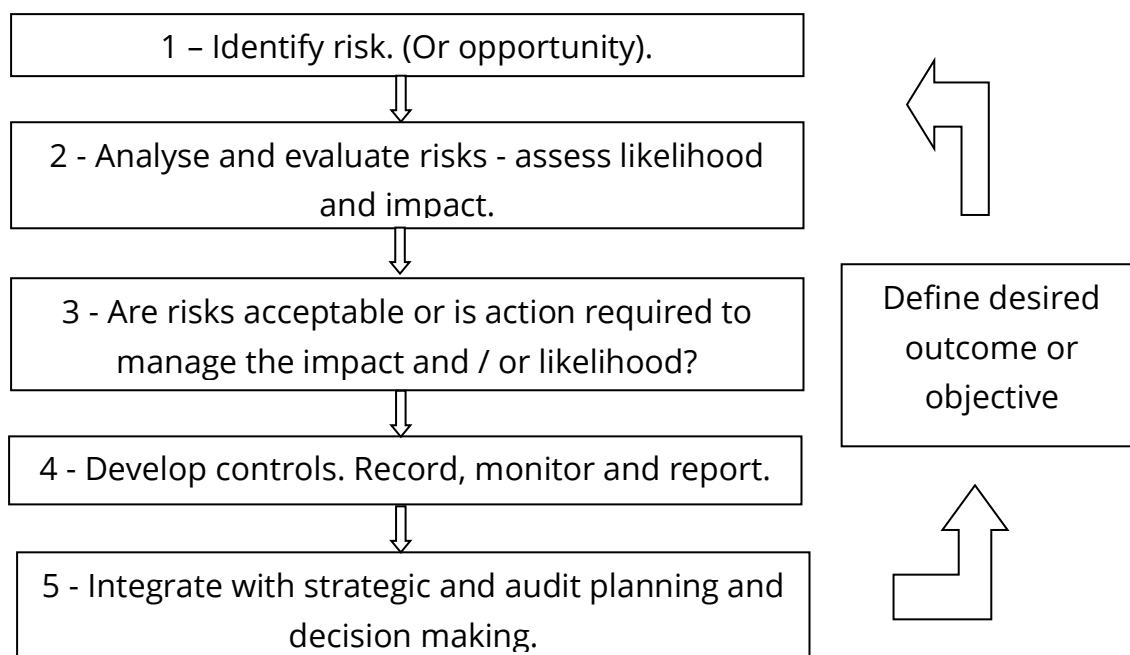
Benefits of risk management

Implementation of risk management produces many benefits for the Council including:

- Improved efficiency of operations.
- Protection of budgets from unexpected financial losses.
- Protection of reputation.
- Increased chance of achieving strategic / project objectives as key risks are minimised.
- The possibility of becoming less risk averse because risks are understood.
- Improved performance (accountability and prioritisation) - feeds into performance management framework.
- Better governance can be demonstrated to stakeholders.

Section 3 - Implementation of risk management

Implementing the strategy involves a 5-stage process:



Stage 1 – Risk identification

What could prevent the Council, your service, project or partnership from meeting objectives or outcomes? It is important that those involved with the process clearly understand what the Council wants to achieve in order to be able to identify the barriers.

When identifying risks it is important to remember that risk management is also about making the most of opportunities. For example:

- Making bids for funding.
- Taking a national or regional lead on policy development.
- Savings that may be achievable if a project goes to plan.
- A 'spend to save' initiative.
- Tendering a large contract also provides an opportunity to reshape service delivery.

The process for the identification of risk should be undertaken for projects (at the start of each project stage), partnerships, service planning and at a strategic / corporate level. Details of who contributes to these stages are explained further in the roles and responsibilities section.

Stage 2 – Analysing and evaluating the risks

The risk should be given a clear and concise title. A fuller description to include the root cause and the possible consequences of the risk if it occurs should also be provided separately, e.g.

Title	Description
Encouragement of economic vitality cross the District.	Risks that opportunities to maximise inward investment, employment and economic growth are not maximised in the district. Also ensure regular dialogue with business and organisations representative of business. Interventions to be proposed where appropriate e.g. business improvement district opportunities.

Identification, analysis and scoring of strategic risk are agreed at Leadership Team. Participants review risk scenarios, rate the potential likelihood of occurrence and the impact if it were to occur. [Operational risks are identified by Heads of Service and reviewed at Leadership Team.](#) Operation risks are managed within services.

A matrix is used to plot risks to illustrate priority. Impact and likelihood scoring criteria are detailed in the matrix below.

4 - HIGH >£300,000 and / or national criticism and / or catastrophic fall in service quality				
3 - MEDIUM £150,000 to £300,000 and / or regional criticism and / or major long term fall in service quality		CONTINGENCY	CRITICAL	
2 - LOW £50,000 to £150,000 and / or long term local media criticism and / or minor long term or major short term fall in service quality		CONTROL	CAUTION	
1 - NEGLIGIBLE <£50,000 and / or short term local media criticism and / or short term fall in service quality				
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A material risk is deemed to be any risk rated higher than 2:2. This is the Council's 'risk appetite' i.e. the level of risk that it is prepared to tolerate without need for ongoing monitoring or reporting. Where a risk rating exceeds this 'control' area of tolerance, demonstrable evidence of how risks are being mitigated will be required, together with proposals for future controls.

Increasing pressure on public finances means that Local Authorities are obliged to have more appetite for risk. The Council cannot deliver everything it would ideally like to deliver and tough choices are necessary. The Council is therefore open to considering all delivery options, accepting increased levels of risk in order to secure the successful outcomes or rewards.

Risk management is essential in supporting innovation and moving from a 'risk averse' to a more 'risk aware' approach. An example is the acquisition of Old River Lane, Bishop's Stortford. The financial commitment is significant but the acquisition provides an opportunity to shape the town centre, and an additional income stream.

Stage 3 – Respond to risks

This is the process of turning 'knowing' into 'doing'. It is assessing whether to control, accept, transfer or terminate the risk or the opportunity presented. Risks may be able to be:

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Terminated - By ending all or part of a particular service or project.

It is important to recognise that, in many cases, controls will already be in place. It is therefore necessary to look at these controls before considering further action. They may be out of date or not complied with.

Most risks are capable of being managed, either by managing down the likelihood or impact or both. Relatively few risks have to be transferred or terminated.

Stage 4 – Recording, monitoring and reporting

Existing controls of strategic risks, their adequacy, new mitigation measures and associated action planning information are to be recorded on the Strategic Risk Register.

| A residual [\(or target\)](#) risk score will also be agreed at the beginning of each financial year to focus minds on risk mitigation and recording of actions planned and achieved.

| The residual risk score, planned and implemented controls [and the associated cost](#) will all be recorded on the risk register.

Leadership Team is responsible for ensuring that strategic risks are managed and will report to the Executive and Performance, Audit and Governance Scrutiny Committee. Both will receive an annual report detailing the content of the Strategic Risk Register, then three exception reports each year detailing any change in risk scoring and the reasons why.

Strategic risks are recorded on Pentana Performance (formerly called Covalent) for Members' benefit.

~~The highest level operational / service risks are monitored at Leadership Team quarterly. A register comprising the highest level risks facing services, plus common themes affecting all or most services will be considered.~~

Stage 5 - Integrate with strategic and audit planning and decision making

In order to formalise and structure risk management at the Council, it is recognised that there are obvious and clear links between risk management and strategic planning; financial planning; policy making and review and performance management. The linkages are as follows:

- Risk management is part of the business planning process. Guidance on the framework is issued annually to Leadership Team.

- Financial [Regulations-Procedure Rules](#) apply to every Member and officer of the Council, and anyone acting on its behalf. East Herts encourages innovation, providing this is within the framework laid down by the Financial [Procedure Rules Regulations](#), and the necessary risk assessment and approval safeguards are in place.
- Risk registers will be shared with the Shared Internal Audit Service for the purposes of audit planning.

Section 4 - Risk management in projects and partnerships

Risk management needs to be a key part of the ongoing management of projects and partnerships, including shared services.

Project / Programme management

There is a need for consistent and robust approach to risk management in significant projects, both at the initiation stage and throughout the entire project. Guidance is available on the intranet.

Risk management should feature regularly on meeting agendas ~~and risk is a standard agenda item at Project Board.~~

Partnerships

Reduced funding is leading to more public services and community projects being delivered through partnerships between the public, private and third sectors. Partnerships are essential to deliver benefits to residents, businesses and visitors, but they bring risks as well as opportunities.

Assurance should be gained and evidenced on risks associated with delivering services through third parties, and accountability should be clear and recognised.

Section 5 - Roles and responsibilities

The following describes the roles and responsibilities that Members and officers have in introducing, embedding and owning the risk management process:

Members

Elected Members are responsible for governing the delivery of services to the local community. Members have a responsibility to understand the strategic risks that the Council faces and ~~will be made aware of~~ [can monitor](#) how these risks are being managed [on Pentana Performance](#).

All Members will have the responsibility to consider the risks associated with the decisions they undertake and will be informed of these risks in the reports that are submitted to them. They cannot seek to avoid or delegate this overall responsibility, as it is key to their stewardship responsibilities.

~~All Members can access strategic risks on Pentana Performance (formerly called Covalent).~~

Full Council

~~Full Council recognises the importance of effective risk management and considers risk management issues when making decisions.~~

Executive

- To receive an annual report regarding the content of the Strategic Risk Register, then three exception reports each year detailing any change in risk [or](#) scoring and the reasons why.
- Agree the Risk Management Strategy on an annual basis, or if significant changes require a revision.
- Agree / set the Council's risk appetite.
- Allocate sufficient resources to address top risks.

Performance, Audit and Governance Scrutiny Committee

- To develop policy options and to review and scrutinise the policies of the Council including Risk Management.
- To monitor the effective development and operation of risk management and corporate governance in the Council.

- Receive an annual report regarding the content of the Strategic Risk Register, then three exception reports each year detailing any change in risk or scoring and the reasons why.

Chief Executive and Leadership Team

- To ensure that effective systems of risk management and internal control are in place to support the Corporate Governance of the Council.
- Take a leading role in identifying and managing the risks and opportunities to the Council and to set the example and standards for all staff. Advise the Executive ~~and Council~~ on the risk management framework, policy, strategy and processes.
- Advise on the management of strategic and other significant risks.
- Ensure that the Policy and Strategy are communicated, understood and implemented by all Members, managers and staff.
- ~~• To report to Members on the management of strategic risks.~~
- To ensure that the risk management process is part of all major projects, partnerships and change management initiatives.

Heads of Service

- To be individually responsible for their service risks.
- ~~• Be actively involved in the identification and assessment of risks through the service planning process.~~
- Ensure that all reports of a strategic nature written for Members include risk commentary.
- To implement the detail of the Risk Management Strategy and risk related corporate policies, e.g. Health and Safety, Data Protection.
- ~~• Ensure that significant service risks are considered by Leadership Team quarterly.~~

Strategic Finance and Property

- Co-ordinate risk management activities and prepare related reports for management and Members.
- Review and develop the Risk Management Strategy and processes.
- Facilitate / arrange risk management training for staff and Members.
- To co-ordinate the Business Continuity Plan.
- Support the risk based audit planning process.

Shared Internal Audit Service

- To provide assurance to the Council through an independent and objective opinion on the control environment comprising risk management, control procedures and governance.
- To provide an annual Audit Plan that is based on a reasonable evaluation of risk, and to provide an annual assurance statement to the Council based on work undertaken in the previous year.
- Review and challenge the effectiveness of the risk management framework.

Appendix 1 – Categories of risk

Risk	Definition	Examples
Political	Associated with the local or central government policy or the local administration's manifest commitment.	~~Brexit.~~ ~~Policy and decisions.~~ ~~New political arrangements.~~
Finance	Affecting the ability of the Council to meet its financial commitments. These include internal budgetary pressures, external macro level economic changes or consequences of proposed investment decisions.	Financial climate. Budget overspends. Level of Council tax. Level of reserves. Cost of living. Changes in interest rates. Inflation. Poverty indicators.
Social	Relating to the effects of changes in demographic, residential or socio-economic trends on the Council's ability to meet its objectives.	Ageing population. Health statistics. Crime rates. Housing development.
Technological	Associated with the capacity of the Council to deal with the pace/scale of technological change, or its ability to use technology to address changing demands. They may also include the consequences of internal technological failures on the Council's ability to deliver its objectives.	E-Gov. IT infrastructure. Staff/client needs. IT Security.
Legislative / Legal	Associated with current or potential changes in national or European law Or possible breaches of legislation.	GDPR Human rights. TUPE regulations Challenge to procurement exercise
Continuity / service delivery	Ability to deliver services.	Loss of key staff, building, documents or IT.
Environmental	Relating to the environmental consequences of progressing the Council's strategic objectives.	Land use. Recycling. Pollution. Extreme weather events.

Competitive	Affecting the competitiveness of the service (in terms of cost or quality) and/or its ability to deliver best value.	Fail to win quality accreditation. Alternative service providers.
Customer / citizen	Associated with failure to meet the current and changing needs and expectations of customers and citizens.	Managing expectations. Extent of consultation.
Managerial / profession	Associated with the particular nature of each profession, internal protocols and managerial abilities.	Staff restructure. Internal capacity.
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Physical	Related to fire, security, accident prevention and health and safety.	Land / facility management. Health and safety risks. Development sites.

Note: Failure to manage any risks may result in reputational damage



Risk Management Strategy

2019/20 Review

Leadership Team
Performance, Audit and Governance Oversight
Committee
Executive

11 February 2019

12 March 2019

4 June 2019

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Section 1 - Context

Policy statement

Risk is present in everything that we do, so it is our policy to identify, assess and manage the key areas of risk.

East Herts Council recognises that risk management is an essential element of good governance and must be embedded in the culture of the Authority. It supports informed decision making thereby enabling opportunities to be exploited, or action to be taken to mitigate or manage risk to an acceptable level.

In order to obtain a clear picture of the risks that threaten the Council's ability to achieve its objectives, it is important that the Council determines its 'risk appetite' – the level of risk that is considered acceptable for the organisation to be exposed to. The Risk Management Strategy reflects our 'risk appetite', the size of the Authority, the nature of our operations and the drive to reduce bureaucracy.

The objectives of this strategy are:

- Define what risk management is about and what drives risk management within the Council.
- Set out the benefits of risk management and the strategic approach to risk management.
- Outline how the strategy will be implemented.
- Identify the relevant roles and responsibilities for risk management within the Council.
- Formalise the risk management process across the Council.

Approval, communication, implementation and review

The Risk Management Strategy is on the intranet and is specifically issued to:

- The Executive
- Performance, Audit and Governance Oversight Committee
- Leadership Team

The strategy is reviewed each year, and following key changes in central or local policies. Risk management is also subject to frequent audit by the Shared Internal Audit Service (SIAS).

Section 2 - What is risk management and why do we do it?

Risk Management can be defined as:

The process which aims to help organisations understand, evaluate and take action on all their risks with a view to increasing the probability of their success and reducing the likelihood of their failure. (Source: The Institute of Risk Management).

Risk management at East Herts Council is essentially about identifying risks that exist at a strategic level, or pose the greatest threat to services.

Once identified, the next stage is to prioritise risks to identify which are key to the Council moving forward. It is essential that steps are then taken to manage these effectively.

There should also be a consideration of the positive or 'opportunity' risk aspect. (For more information see Section 3, 'risk identification').

National drivers behind strategic risk management

- The CIPFA/SOLACE framework on Corporate Governance requires the Council to manage risks and performance through robust internal control and strong public financial management. Risk management and internal control are integral parts of a performance management system and are crucial to the achievement of outcomes. Robust and integrated risk management arrangements are required, and risk should be addressed as part of all decision making activities.
- Risk management is best practice in both the public and private sectors.

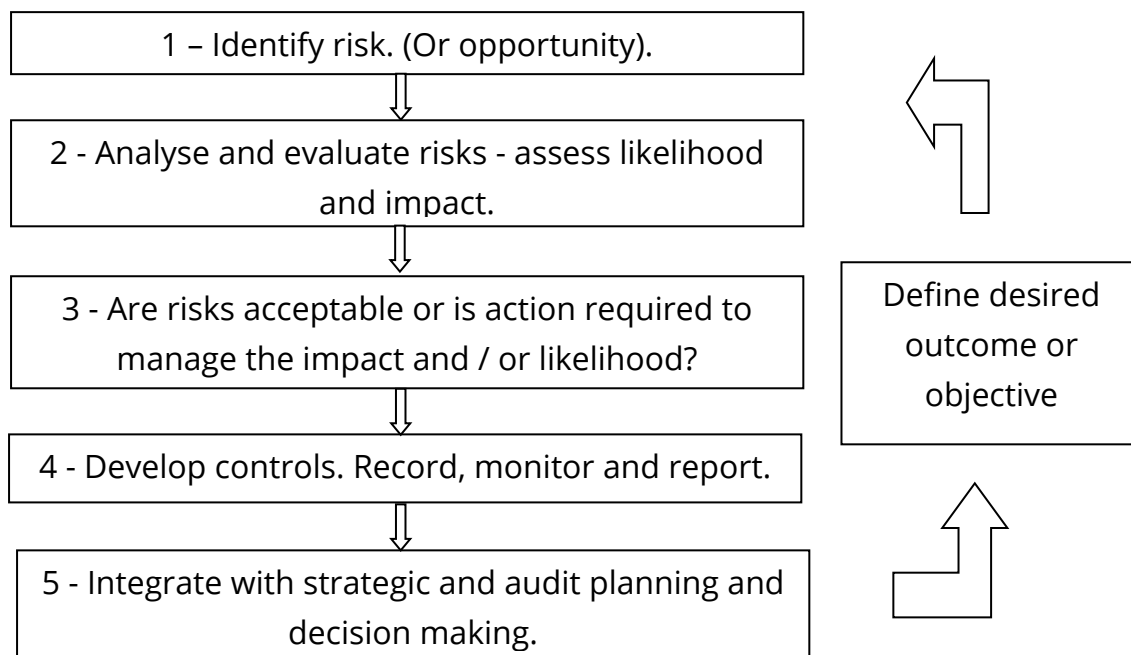
Benefits of risk management

Implementation of risk management produces many benefits for the Council including:

- Improved efficiency of operations.
- Protection of budgets from unexpected financial losses.
- Protection of reputation.
- Increased chance of achieving strategic / project objectives as key risks are minimised.
- The possibility of becoming less risk averse because risks are understood.
- Improved performance (accountability and prioritisation) - feeds into performance management framework.
- Better governance can be demonstrated to stakeholders.

Section 3 - Implementation of risk management

Implementing the strategy involves a 5-stage process:



Stage 1 – Risk identification

What could prevent the Council, your service, project or partnership from meeting objectives or outcomes? It is important that those involved with the process clearly understand what the Council wants to achieve in order to be able to identify the barriers.

When identifying risks it is important to remember that risk management is also about making the most of opportunities. For example:

- Making bids for funding.
- Taking a national or regional lead on policy development.
- Savings that may be achievable if a project goes to plan.
- A 'spend to save' initiative.
- Tendering a large contract also provides an opportunity to reshape service delivery.

The process for the identification of risk should be undertaken for projects (at the start of each project stage), partnerships, service planning and at a strategic / corporate level. Details of who contributes to these stages are explained further in the roles and responsibilities section.

Stage 2 – Analysing and evaluating the risks

The risk should be given a clear and concise title. A fuller description to include the root cause and the possible consequences of the risk if it occurs should also be provided separately, e.g.

Title	Description
Encouragement of economic vitality cross the District.	Risks that opportunities to maximise inward investment, employment and economic growth are not maximised in the district. Also ensure regular dialogue with business and organisations representative of business. Interventions to be proposed where appropriate e.g. business improvement district opportunities.

Identification, analysis and scoring of strategic risk are agreed at Leadership Team. Participants review risk scenarios, rate the potential likelihood of occurrence and the impact if it were to occur. Operational risks are managed within services.

A matrix is used to plot risks to illustrate priority. Impact and likelihood scoring criteria are detailed in the matrix below.

4 - HIGH >£300,000 and / or national criticism and / or catastrophic fall in service quality				
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Agenda Item 9

EAST HERTS COUNCIL

EXECUTIVE – 7 JUNE 2019

REPORT BY CLLR GRAHAM MCANDREW (*Executive Member*)

CASTLE PARK HERITAGE LOTTERY FUND IMPROVEMENTS –
ADDITIONAL FINANCIAL CONTRIBUTION

WARD(S) AFFECTED: BISHOP'S STORTFORD MEADS

Purpose/Summary of Report

- To seek support for the allocation of additional expenditure to meet a funding gap between the existing council contribution and the final value of the HLF grant to carry out improvement works to the park.

<u>RECOMMENDATIONS FOR EXECUTIVE: That:</u>	
(A)	Capital funding of £124k is made available in 2019/20 to bridge the funding gap to enable the HLF project at Castle Park to proceed.

1.0 Background

- 1.1 A bid to Heritage Lottery Fund (HLF) has successfully secured a grant of £1.9m to transform Castle Park in Bishop's Stortford. A wide range of improvements developed in partnership with Bishop's Stortford Town Council will combine two existing open spaces into one destination park to serve the town.

2.0 Report

- 2.1 On 5 January 2016, Executive resolved to accept the terms and conditions of the grant and to submit the project for inclusion in the Council's Capital Programme for 2017/18.
- 2.2 This included a contribution of £23,918 in 2017/18 to match fund the first HLF grant payment of £214,700. That stage 1 development phase allowed the Council to develop their plans for the project, engaging designers, consulting with the public and preparing detailed costs for the works.
- 2.3 A sum of £168,750 was also set aside to match fund the stage 2 grant, should it be awarded, to begin delivering the project in 2019/20. HLF confirmed in December 2018 that our application to move to stage 2 had been successful. Work will commence in April 2019 pending planning approval.
- 2.4 The budgets that were developed to bid for a grant from the HLF were based upon estimates obtained prior to survey or consultation works. The sum of £168,750 was calculated as a percentage of the originally estimated build cost which has now increased.
The bid needed to present costs which reflected the wide scope of the project in relation to the stringent HLF criteria. The budget was realistic but there were some unknown quantities. One of these was how to transform the tired buildings, crucial in the eyes of HLF to the success of the project, without adding disproportionately to the grant request. Another was to relocate the tennis courts, without losing support for the wider scheme and without attracting criticism from Sport England in our planning application. The improvements were carefully prioritised and designed to minimise cost.
- 2.5 The initial building designs, whilst exciting and compliant of the brief, proved to be considerably over budget at £1.2m. The revised design delivers the same crucial community and

sustainability outcomes by repurposing the existing structures. It still however exceeds the initial estimate budget of £300,000 by £188,000. The relocation of the tennis courts is fundamental to the success of the project, but as the new location has to be outside the project boundary, it cannot be funded by HLF. The bridge has been refined to a more simple and economical design. Conservation costs in relation to the castle were budgeted at £200,000 under the guidance of Historic England but have been reduced by £56,000 through the tender process and by achieving some works as part of the first phase surveys. The final designs for all building, landscape, historical restoration, environmental and community engagement elements achieved some further savings and reallocation of funds where possible. Despite these efficiencies there is still a shortfall of **£124,000**.

- 2.6 The council have been awarded a grant of up to £1,939,700.00 (73% of the total eligible project cost of £2,667,800.00) towards the project. The total contribution from the council needed in 2019/20 is now therefore £292,760. It is proposed that the additional £124,000 is allocated from the Priority Funding Reserve (previously New Homes Bonus).

The following table puts this into perspective against the overall costs, grant funding and contributions from both partners:

Delivery Stage Project Finance	
<u>Costs:</u>	
Community Centre Building	£488,000
Bridge	£217,100
Tennis Courts (3 courts) (including allowance of £10,000 for eradication of Japanese Knotweed)	£141,000
Management and maintenance	£26,400
All other works	£1,665,300
Total Capital Works	£2,537,800
Estimated Volunteer Time	£130,000
Total Costs:	£2,667,800

<u>Income:</u>	
Parks for People HLF Grant:	£1,939,700
Contribution from Bishop's Stortford Town Council	£200,000
Contribution from East Herts District Council	£167,000
Section 106 funding (3/14/0978/FP Redrow Homes, Trinity Close)	£50,700
Management & maintenance (EHC grounds revenue expenditure)	£26,400
Café Operator Contribution	£30,000
Estimated Volunteer Time (Benefit in kind)	£130,000
Total Income:	£2,513,800
Shortfall in Income (funding gap)	£124,000

3.0 Implications/Consultations

3.1 Bishop's Stortford is undergoing rapid change and there is a need to ensure the park and its heritage capitalise upon this to become a central focus of the town. An expanding population means that there is an ever increasing need for well-designed greenspace.

3.2 There is an urgent need for conservation work to Waytemore Castle, which is at risk of irreversible damage due to vegetation growth and vandalism.

3.3 The project will:

- Protect the ancient monument for the future and improve access to and allow people to learn and understand about its heritage and importance
- Rejuvenate the River Stort supporting the Waterside Stortford initiative and creating access to the water's edge
- Make significant Improvements to biodiversity and the ecology of the park
- Renovate existing buildings on the site including the council's obsolete toilet block and provide a functional and multi-use facility for the community

- Improve connectivity across the park with new footpaths, a new bridge and a revised landscape around the war memorial
- Create a new event space, open up views all around the park to the ancient monument and deliver improved tennis facilities
- Transform facilities for young people
- Engage with local people through a series of events, activities and volunteering opportunities through a new Friends Group
- Improve health through improved play and exercise facilities, a new programme of health walks and a new cycle path

3.5 In summary, a revised council contribution of £292,760 unlocks overall improvements to the value of £2,667,800 representing a significant return on investment.

3.6 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

Executive Item 493. Waytemore Castle Improvement Project HLF Bid:
<http://democracy.eastherts.gov.uk/ieListDocuments.aspx?CId=119&MID=2632&J=9#A15026>

Latest information about the project:
<https://www.eastherts.gov.uk/castlepark>

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IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	<i>A wide range of public engagement initiatives will contribute to community cohesion bringing together local groups and creating a new Friends Group. This develops on the work already undertaken through the stakeholder group representing:</i> <i>• Town, district and county council councillors and officers</i> <i>• Bishop's Stortford Civic Federation</i> <i>• Bishop's Stortford U3A</i> <i>• Thorley U3A</i> <i>• Bishop's Stortford Museum</i> <i>• Bishop's Stortford History Society</i> <i>• Chantry Community Association</i> <i>• Hertfordshire Police</i> <i>• Youth Connexions</i> <i>• Environment Agency</i> <i>The network of tennis provision and engagement with young people through the new older children's play area will strengthen sports and youth provision.</i>
Legal:	<i>Works will comply with planning conditions and recommendations from the Environment Agency and Historic England.</i>
Financial:	<i>The main report focuses on the relevant financial issues. Additional capital funding of £124k is required in order</i>

	<i>for the project to proceed.</i>
Human Resource:	<i>The HLF funding includes budget for the employment of a part time project officer and community engagement officer. Additional resource is required to deliver the single customer services team and HLF Castle Park. It is proposed that these funds are combined with the existing Improvement and Insight budget to recruit an additional full time project manager to enable the delivery of these two projects.</i>
Risk Management:	<i>Without the required contribution, the Council would risk losing the allocated grant.</i>
Health and wellbeing – issues and impacts:	<i>People will have a strong and direct involvement in the park, building a sense of ownership and engagement across the age ranges. In addition to the collaborative approach taken with the community during the design work, this will also include the volunteering, research and events organised by the friends group and the ambassador scheme for the teenage space. Health walks and parkrun will both be supported through the improvements along with better all-weather footpaths for short walks and wheelchair access. Better access to the riverside will encourage water activities such as canoeing.</i>
Equality Impact Assessment required:	N/A

EAST HERTS COUNCIL

EXECUTIVE – 4 JUNE 2019

REPORT BY THE EXECUTIVE MEMBER FOR FINANCIAL SUSTAINABILITY

GENERAL FUND REVENUE & CAPITAL OUTTURN 2018/19

WARD(S) AFFECTED: All

Purpose/Summary of Report

- To advise Members on the General Fund Revenue Outturn for 2018/19 and provide explanations for significant variances against the approved Budget.
- To advise Members of the financing arrangements for the 2018/19 Capital Outturn and approve slippage from 2018/19.

<u>RECOMMENDATIONS FOR EXECUTIVE:</u> to approve	
(A)	the transfer of the General Fund revenue outturn of £15k under-spend to the General Reserve ;
(B)	that Capital budgets of £5.611m be re-profiled from the 2018/19 capital programme to 2019/20 programme to fund ongoing capital schemes;

1 Background

1.1 The 2018/19 Budget was approved by Council on 1st March 2018.

- 1.2 In year budget monitoring and management actions have sought to deliver the spending plans approved by Council. Members have been kept updated throughout the year through the Healthcheck reports where significant variances have been reported.
- 1.3 This report contains the following sections and Essential Reference Papers:

REPORT SECTIONS	
2	General Fund Revenue Outturn
3	Reserves
4	Funding
5	Capital Outturn
6	Implications

ESSENTIAL REFERENCE PAPERS	
A	Implications
B	Capital Outturn

2 General Fund Revenue Outturn

- 2.1 The final outturn for the year, detailed in this report, is still subject to external audit. The final audited accounts will be presented to the Performance, Audit and Governance Oversight Committee on 31st July 2019.
- 2.2 An under spend of £15k is reported against the 2018/19 revenue budget. This is summarised in Table 1. It is recommended that this under spend is transferred to the council's General Reserve

Table 1: Summarised 2018/19 Outturn Position

	Original Budget 2018/19	2018/19 Outturn	Variance
	£'000	£'000	£'000
Total Net Cost of Services	13,830	13,808	(22)
Corporate Budgets Total:	1,616	1,432	(184)
Net Use of Reserves:	(342)	601	943
Funding	(5,325)	(6,077)	(752)
Council Tax	(9,779)	(9,779)	-
Underspend	-	(15)	(15)

NET COST OF SERVICES

2.3 An underspend against the 2018/19 net cost of services budget of £22k is reported, as shown by service in Table 2 with explanations for significant variances in the following paragraphs.

Table 2: Net Cost of Services Outturn

	2018/19 Budget	2018/19 Outturn	Variance
	£'000	£'000	£'000
Chief Executive & Directors	377	377	0
Communications, Strategy & Policy	1,023	1,067	44
HR & Organisational Development	494	484	(10)
Strategic Finance & Property	1,723	1,858	135
Housing & Health	2,205	2,196	(9)
Democratic and Legal	1,236	1,243	7
Planning & Building Control	594	587	(7)
Operations	3,750	3,757	7
Shared Revenues & Benefits Service	1,718	1,657	(61)
Revenues and Benefits retained costs	(367)	(459)	(92)
Housing Benefit Subsidy	(550)	(550)	0
Shared Business & Technology Services	1,627	1,590	(37)
Total Net Cost of Services	13,830	13,808	(22)

2.4 The budget and outturn figures in Table 2 include funding from

reserves. Further information about the use of reserves during 2018/19 can be found in section 3 of this report.

Net Cost of Services Commentary

- 2.5.1 The Net Cost of Services breakdown includes a combination of careful budget management and improved income generation across the organisation. For the most part, there are only small variances between services' budgets and out-turns. A significant overspend has occurred in Strategic Finance because of rental income reductions combined with continued fixed costs from units that were vacant within both Charringtons House and Buntingford Depot. Officers will ensure that the 2019/20 budgets correctly reflect any income projection changes for the future budget planning.

2 Corporate Budgets

- 2.5 Corporate budgets achieved additional income to that budgeted for through improved investment and interest income streams. Table 3 below shows the items that are included in this area of the net expenditure budget.

Table 3: Corporate budgets outturn for 2018/19

	Budget 2018/19	2018/19 Outturn	Variance
	£'000	£'000	£'000
NHB Grants to Town & Parish Councils	661	661	0
New Homes Bonus Priority Spend	661	661	0
Interest Payments	662	674	12
Interest & Investment income	(1,090)	(1,265)	(175)
RCCO	26	5	(21)
Pension Fund Deficit contribution	696	696	-
Corporate Budgets Total:	1,616	1,432	(184)

- 2.5 The 2018/19 investment outturn was £175k above budget; this was due to improved interest lending rates on investment income. This surplus will be used to manage any future investment budget deficits.

3 Reserves

- 3.1 The council is generally well placed with regard to establishing appropriate Earmarked Reserves and Balances.
- 3.2 The Council meeting on 1st March 2018 reviewed the council's earmarked reserves in support of the MTFP.

3.3 The following table show the appropriations during the year:

Table 4: Reserve movements

	2018/19 Budget	2018/19 Outturn	Variance
	£'000	£'000	£'000
Contributions to Earmarked reserves	42	703	661
Contributions from Earmarked reserves	(384)	(101)	283
Net Use of Reserves:	(342)	(602)	(944)

3.4 Given that the final outturn position is an under-spend of £15k it is recommended that a contribution will be made to the council's General Fund reserves.

4 Funding

4.1 In 2018/19 the council received £752k funding above the budgeted amount, details are shown in the following table.

Table 5: 2018/19 funding

	2018/19 Budget	2018/19 Outturn	Variance
	£'000	£'000	£'000
NDR & S31	(2,617)	(2,905)	(288)
(Surplus)/Deficit on Collection fund	(63)	(478)	(415)
Other General Grants	0	(49)	(49)
New Homes Bonus	(2,645)	(2,645)	0
Funding:	(5,325)	(6,077)	(752)

4.2 There is increasing pressure on Local Government to find alternative sources of funding for the services delivered. With the loss of Revenue Support Grant (RSG), proposed move to 75% business rate retention and consultations around New Homes Bonus, officers are working in consultation with members to look at alternative funding streams.

4.3 The major contributor to funding above budget in 2018/19 is Non Domestic Rating (NDR) S31 income. This is due to timing differences between when the council sets its budget and statutory returns submitted to Central Government which determine the funding for the year. Section 31 grant is grant received from central government to compensate local government for mandatory business rate reliefs granted.

5 Capital Outturn

5.1 The progress of the capital programme for 2018/19 has been reported to the Executive throughout the year as part of the budget monitoring process.

5.2 Capital expenditure in 2018/19 was £6.2m as detailed in the table below:

Table 6: Capital Outturn Summary for 2018/19

	2018/19 Revised budget	2018/19 Outturn	(Under)/ Over Spend	Carry forward to future years
	£'000	£'000	£'000	£'000
Business & Technology Shared Service	861	485	(376)	394
Communications, Strategy & Policy	4,409	1043	(3,366)	3,425
Housing & Health	1,227	358	(869)	470
Operations	2,796	1,779	(1,017)	1,038
Planning	1,030	893	(137)	82
Strategic Finance & Property	1,136	890	(246)	202
Millstream Loans	779	779	0	0
Total:	12,238	6,227	(6,011)	5,611

5.3 It is recommended that £5.611m of budgets re-profiled from 2018/19 to the 2019/20 capital programme be approved. This relates to schemes that have either been re-timetabled to take place during 2019/20 or schemes which were started during 2018/19 but not complete as at 31st March 2019. Further details can be found in **Essential Reference Paper B**

- 5.4 The 2018/19 capital programme expenditure has been financed from the following sources:

Table 7: Capital Financing

	£'000
Capital Receipts & Reserves	2,471
Government Grants	89
External Organisations	2,163
Section 106	1,504
TOTAL:	6,227

6 Implications/Conclusion

6.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper A**.

Background Papers

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IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	<i>None required</i>
Legal:	<i>None</i>
Financial:	<i>All Financial implications are included in the body of the</i>
Human Resource:	<i>None</i>
Risk Management:	<i>All risks are included in the body of the report</i>
Health and wellbeing – issues and impacts:	<i>None</i>
Equality Impact Assessment required:	<i>no</i>

CAPITAL EXPENDITURE MONITORING 2018/19

2018/19 Approved Schemes	2018/19 Revised Budget	2018/19 Total Spend to Date	Carry Forward to 2019/20
Head of Strategic Finance & Property	£	£	£
Hartham Pool Filtration System Upgrade	50,000	50,965	
Street Lighting LED conversion	80,000	0	80,000
Bell Street Car Park (Zone C) Sawbridgeworth - resurfacing & drainage	30,000	31,048	
Charringtons House 2nd Floor Suite Refurbishment Charringtons Investment	138,000	72,083	122,480
North Drive, Ware - reconstruct road & drainage	2,880	6,115	0
Lemon Tree Purchase (ORL)	703,770	717,742	0
Demolition 1 The Causeway	5,110	5,113	0
Accommodation Review Wallfields	126,140	6,486	0
Total Strategic Finance & Property	1,135,900	889,551	202,480
Head of Shared Business & Technology Services			
Information Technology Hardware Replacement	156,350	234,880	0
Rolling programme to be utilised on ICT projects subject to ITSG review	393,550	0	393,550
New HR & Payroll System	35,300	28,131	0
Client Equipment	6,740	6,740	0
New Finance System	133,540	156,056	0
Exchange 2013	17,000	17,119	0
Telephony Enhancements	28,300	6,983	0
Cyber Security	6,000	5,888	0
Mobile working Planning & Env Health	6,000	2,000	0
IDOX GDPR Module	4,000	3,750	0
Business Rates Software (BID)	14,700	14,690	0
Website Build / Upgrade	57,500	8,802	0
Website Build / Upgrade - Salaries	2,500	0	0
Total Shared Business & Technology Services	861,480	485,039	393,550
Head of Operations			
Grange Paddocks Leisure Centre	500,000	389,631	110,369
Hartham Leisure Centre	250,000	220,958	29,042
Hertford Theatre - Consultants	500,000	16,300	483,700
Herts & Essex School	1,000,000	1,000,000	0
Southern Country Park - expansion of play equipment for younger children to meet requests and in support of Green Flag award	30,000	29,992	0
Hertford & Beyond	11,000	0	11,000
Bell Street, Sawbridgeworth - Modernise the public convenience facilities, in preparation for transferring the operation to Sawbridgeworth Town Council under an agency agreement	67,400	0	67,400
Castle Park - HLF	0	19,906	0
Hillside Crescent, Stanstead Abbots play area - refurbishment of equipment in response to previous play audit	20,000	20,000	0

CAPITAL EXPENDITURE MONITORING 2018/19

2018/19 Approved Schemes	2018/19 Revised Budget	2018/19 Total Spend to Date	Carry Forward to 2019/20
Play Equipment - Rowleys Road, Hertford	11,000	12,042	0
Woodland restoration at Presdales Recreation Ground, Ware - Installation of a circular walk, car park improvements & woodland restoration.	31,530	31,161	0
Hartham Common, Hertford - Potential projects include development of water play area, improvements to car parking & pedestrian access.	25,000	0	25,000
Fire Suppression Unit at Buntingford Depot	350,000	39,042	311,000
Total Head of Operations	2,795,930	1,779,033	1,037,510
Head of Housing & Health			
River & Watercourse Structures - Improve, maintain & renew structures along rivers and watercourses to alleviate possible flooding throughout the district.	47,500	0	0
Land Management Asset Register & Associated Works	50,000	0	0
Private Sector Improvement Grants			
Disabled Facilities -		414	0
Disabled Facilities - Discretionary	60,000	0	0
Decent Home Grants	120,000	1,832	0
Riverbank Retaining Wall - St Andrews Street Car Park, Hertford.	55,000	1,350	53,650
Future Housing Schemes (6 Water Lane, Hertford)	180,000	5,351	129,650
Future Housing Schemes (Disabled Access Works to Hillcrest Hostel)	20,000	3,374	16,630
Ridgeway Scheme, Hertford (Network Homes)	250,000	250,000	0
Birch Green Bungalows (Network Homes)	0	15,000	0
Colebrook Court (Network Housing)	33,000	0	33,000
Community Capital Grants Voluntary Grants Funding	80,000	57,413	0
DEFRA Air Quality Scheme - Electric vehicle installation	8,360	14,393	0
Energy Grants	77,600	0	0
Energy Efficiency & Carbon Reduction Measures - Installation of solar panels at Wallfields, Hertford	45,000	0	45,000
Castle Weir Micro Hydro Scheme - To provide a small Hydro-electricity turbine in the river Lee at Hertford Weir.	200,980	8,680	192,300
Total Housing & Health	1,227,440	357,807	470,230
Head of Planning			
Historic Building Grants - Enable grants to be offered to the owners of historic buildings to encourage their maintenance and upkeep.	55,000	39,349	0
Market Improvement Scheme	42,410	0	0
Improvements to The Wash, Maidenhead Street & Bull Plain, Hertford	933,000	853,654	81,800
Total Planning	1,030,410	893,003	81,800
Head of Communications, Strategy & Policy			

CAPITAL EXPENDITURE MONITORING 2018/19

2018/19 Approved Schemes	2018/19 Revised Budget	2018/19 Total Spend to Date	Carry Forward to 2019/20
Environmental Enhancements to East Herts town centres	28,000	28,000	0
Hertford Arts Hub		58,920	0
Old River Lane - Match Funding	384,700	0	384,700
Old River Lane LEP	3,996,230	955,831	3,040,399

Total Communications, Strategy & Policy	4,408,930	1,042,751	3,425,099
Millstream Loans			
Millstream - Commercial Loan	467,100	467,100	0
Millstream - Share Holder Loan	311,400	311,400	0
Total Millstream Loans	778,500	778,500	0
TOTAL	12,238,590	6,225,684	5,610,669