

# North Essex Garden Communities

**30<sup>th</sup> November 2016**

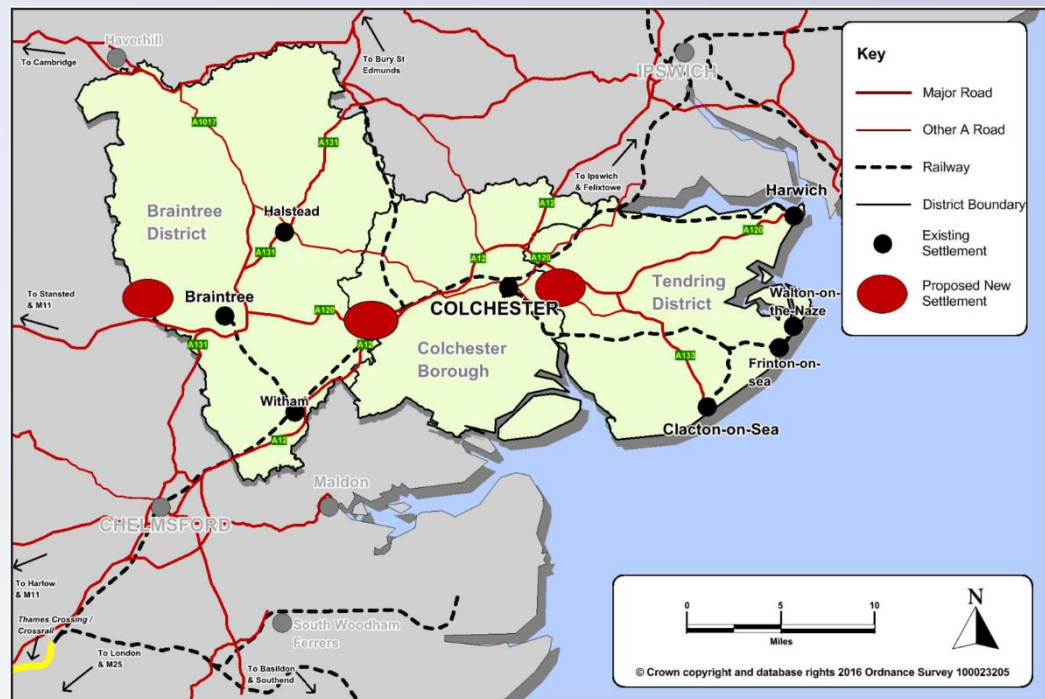


# What are the challenges?

- There is a national housing shortage
- This is particularly acute for affordable housing in the south and east of England
- Decades of rising house prices - which is great if you have one, not so good if you don't.
- Colchester has done well in planning to meet demand, but....
- ..... existing towns and villages cannot easily absorb more new homes at the rate required
- Smaller scale adhoc developments can have a cost to existing residents
- Garden Communities have the potential to mitigate those costs and deliver early infrastructure

# Where are we in the planning process?

- Four Councils have a joint strategic plan
- The Preferred Options – public consultation over the summer
- Identifies the location for three New Garden Communities
  - West of Braintree
  - Tendring Colchester Borders
  - Colchester Braintree Borders
- Location and extent to be confirmed by the end of 2016
- Next round of public consultation in February and March 2017



# What are some of the advantages of Garden Communities?

- A 30 year strategy for development enables longer term thinking, what should new communities be like.
- Can plan from nearly scratch engaging with key local representatives to understand issues and concerns
- Feed these into the site planning process before you start, refining the agenda for negotiations with landowners and developers
  - A “shopping list” of key components
  - A spatial strategy about what, where and when
  - What will make these places beautiful and sustainable ?

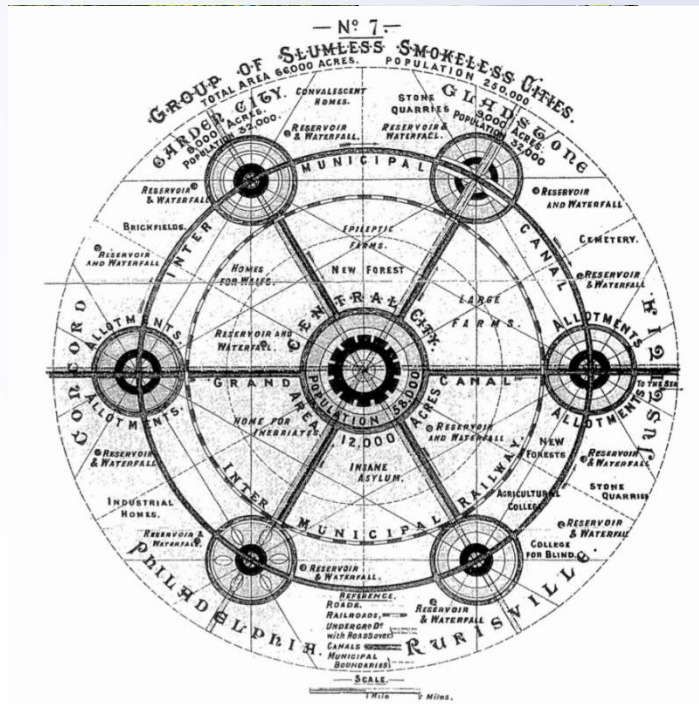
# Garden City/Garden Community Principles

1. Investment in facilities and services for the Benefit of the New Community
2. Strong vision, leadership and community engagement
3. Long-term stewardship of assets
4. Mixed tenure homes and housing types that are genuinely affordable for everyone
5. A robust range of employment opportunities in the garden community itself, with a variety of jobs within easy commuting distance of homes





# Garden City/Garden Community Principles



6. Beautifully and imaginatively designed homes with gardens, combining the very best of town and country living to create healthy homes in vibrant communities
7. Development which enhances the natural environment
8. Strong local cultural, recreational and shopping facilities in walkable neighbourhoods
9. Integrated and accessible transport systems
10. A strategic approach

# Priorities for a Plan?

- Investment in infrastructure and affordable housing
- A robust range of employment opportunities
- Integrated and accessible transport systems
- A Strategic Approach
- Infrastructure
  - Roads and Traffic
  - Railways
  - Schools
  - Healthcare
  - Shopping
  - Leisure
  - Public Open Space
  - Jobs
  - Utilities - Gas, Water, Electricity, Sewerage, Telecoms

# Garden Communities

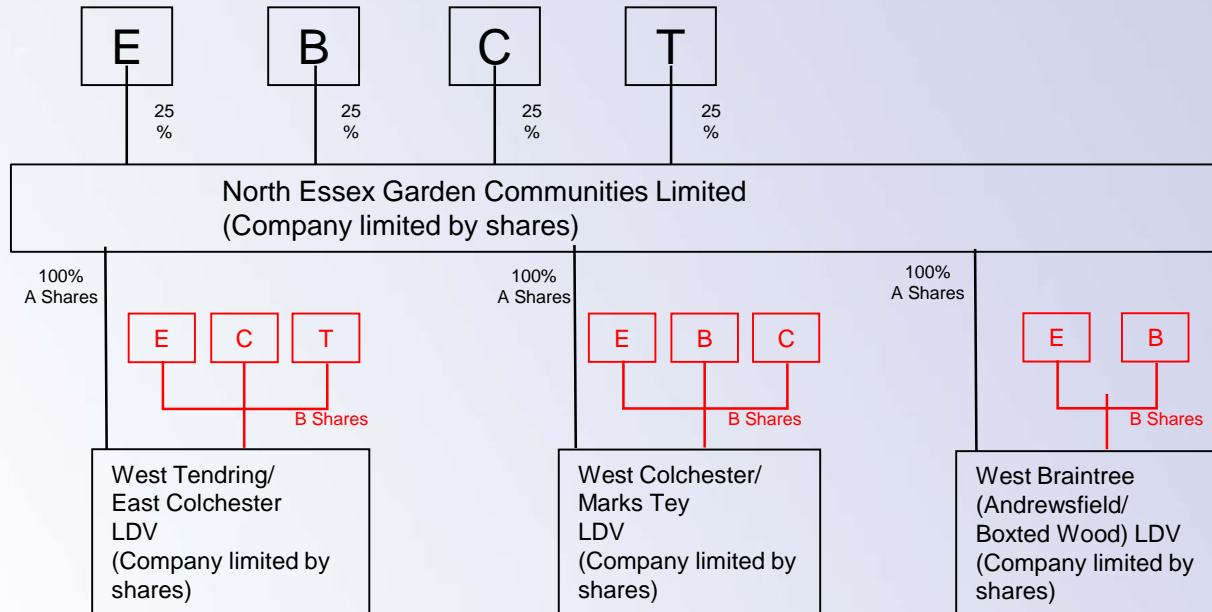
## Legal Arrangements

### **NEGC and LDV companies**

- A structure has been developed.
- NEGC– 4 authorities with equal representation can have independent members.
- NEGC “oversees” all the local delivery vehicles (LDV’s), one for each site.
- LDV’s have representation from the relevant authorities for the area they are in. Provision for landowners and Independent membership. Presumption the chairman is independent.
- Model can be adapted to meet specific requirements of each case.



# North Essex Garden Communities Corporate Structure



A Shares - voting shares; no right to dividend

B Shares - non-voting shares; right to dividends; principal right to capital return

# North Essex Garden Communities

## All sites

	Tendring Colchester Borders	West of Braintree	Colchester Braintree Borders	Total
Houses	6,608	9,729	16,858	<b>33,195</b>
Jobs	2,253	3,688	3,190	<b>9,131</b>
Total Scheme Costs	£583m	£890m	£1425m	<b>£2,898m</b>
Total Scheme Income	£593m	£1,075m	£1,494m	<b>£3,162m</b>
Residual	£10m	£186m	£69m	<b>£265m</b>
Residual equivalent per hectare	£283k	£579k	£338k	
Start on Site	2021/22	2022/23	2022/23	
Years to complete	26	35	45	
Year cash flow goes positive	2046/46	2048/49	2062/63	
Peak Debt	£122m	£149m	£210m	<b>£481m</b>
CBC Potential Share of Peak Debt	£40m	0	£70m	<b>£110m</b>

# Finance – Benefits and Challenges

## *Potential Benefits:*

- A share of development value and/or return on project financing
- Council tax and business rate growth
- New Homes bonus (or equivalent?)
- Potential direct investment opportunities

## *Potential Challenges:*

- Legacy funding to maintain community facilities
- Funding gap to achieve strategic infrastructure changes (e.g. A120 upgrade, sub-regional connectivity, rail, health facilities)
- Financial cost of funding
- Impact on cost of day-to-day services across LA boundaries
- Balancing stakeholder aspirations to ensure affordability/viability

# What Happens Next?

## Local Plan

January 2017	Local Plan Pre-Submission Draft Published for Committee Consideration
January / February 2017	Council meetings to approve Local Plan Pre-Submission Draft
February 2017	Consultation on Local Plan Pre- Submission Draft
May / June 2017	Submission of Local Plan to Planning Inspectorate

## Garden Communities Structures

Prior to determination of Local Plan Pre-submission draft	NEGC and LDVs Boards meet and agree Landowner Agreements
Post Local Plan Inquiry / Adoption	Relevant LDVs either wound up on basis of non-allocation or continues the development of the schemes