Matter 6  South Godstone Garden Community and housing allocations

SCG01: South Godstone Garden Community

Issue: Is the policy for the allocation of a broad location for a Garden Community at South Godstone justified, effective and consistent with national policy?

6.1 Is the approach that the specific details of the proposed Garden Community would be determined through an Area Action Plan (APP) effective and is it clearly justified to address these matters in an additional development plan document?

6.2 Was the broad location for the proposed Garden Community selected on a robust basis?

6.3 Is the proposed broad location in a suitable location for housing development?

6.4 How was the proposed broad location defined and is the defined extent justified?

6.5 How has the identification of the proposed broad location taken into account the significance of designated and non-designated historic heritage assets. Where is the evidence that the Council has identified and assessed the particular significance of heritage assets within or outwith the defined area of search where their significance may be harmed through development within their settings?

6.6 Is there evidence that land within the proposed broad location would not be available for development?

6.7 Is there sufficient evidence in regard to possible infrastructure requirements to suggest that there is a reasonable prospect that homes could be built at the proposed Garden Community in the Plan period as set out in the Plan's trajectory? Points to consider include:
   • Any necessary improvements to Junction 6 of the M25;
   • Any necessary improvements to the A22;
   • Any necessary improvements to South Godstone Railway Station;
   • Whether the infrastructure requirements have been sufficiently considered and costed so as to inform the high-level viability of the proposal?
   • Whether there are any infrastructure requirements which would mean that the site could not be viably developed at the point envisaged?

6.8 When would the proposed Garden Community realistically deliver the first homes? What is the realistic rate of delivery which should be assumed?

6.9 Given the affordable housing need identified for the HMA, is it effective to leave the definition of a target for affordable housing to the AAP?

6.10 Are the proposed Modifications necessary for soundness?

6.1.1 The Forum does not object in principle to the concept of a garden village in Tandridge. The Forum’s concern is with the deliverability of the chosen South Godstone project within the timeframe envisaged and the associated implications
for the housing land supply. To this end we wish to respond to questions 6.6 and 6.8, albeit our reps also comment upon 6.1, 6.4, 6.7 and 6.9.

6.1.2 The Housing Topic Paper (2019 (HNS2)) at paragraphs 366 to 379 sets out TDC’s aspirations for the South Godstone Garden Community¹. Having regard to the substance of HNS2, and mindful of the MIQ’s we would like to highlight the following:

a) Deliverability / Land Ownership – question 6.6.

6.1.3 The evidence base to the LP is not clear on the issue of land ownership and its implications for the delivery of the South Godstone Garden Community. Appendix 1 of the HTP in commenting upon availability merely advises:

The South Godstone broad location surrounds the existing settlement to the north and south with two distinct promotional interests: land to the north of the railway and land to the south of the railway.

The northern section is secured by one promoter who has legal agreements with landowners in place already. The Council recognise there is a small uncertainty regarding availability of land in the southern area, however, this is mainly due to a parcel of land which was subdivided into over 300 plots and auctioned for development. There are a number of these plot owners who have been in contact with the Council and would be happy to sell their parcel of land for development. For the remainder, whilst many live overseas, there purchased the land with the prospect of development and therefore the Council understand that this land is available for development. In addition, since March 2018, the Council have checked the legal agreements provided by the single promoter in the South and understand that the land is available for development. If there were any parcels found to be without option but needed to facilitate development, the Council could investigate purchasing the land or compulsory purchasing the land to bring it forward.

Although compulsory purchase should be considered as a last resort. There is now also evidence of a few housebuilders who are interested in developing the site and with an identified allocation within a Plan this will only be progressed further. My emphasis.

6.1.4 The HELAA (SAD3) at p66, in commenting upon availability states:

‘The majority of land parcels have been submitted to the Council for consideration through the HELAA process. Whilst the area, both north and south, has a number of individual landownerships, a willingness to see development is shown and there are multiple legal agreements in place with land promoters across the broad location.

The Council is aware that a number of plots of land on the east of the area, south of the railway line, were purchased through a ‘land-scum’ a number of years ago and would need resolving if that area of land were necessary to any development. A number of the plot owners have been in touch with the Council on this matter and have advised that their land is available. Should this location be developed consideration of these plots would need to be explored further. The majority of the land at South Godstone is considered to be available. The amount of land

¹ See in particular paragraphs 368, 373/4, 378/9, as well as paragraphs 413 and 464.
available would meet the minimum parameters to be considered as a broad location within the HELAA, but it is for the Local Plan to determine whether there is sufficient land for it to meet the expectations and delivery of the spatial strategy.’

6.1.5 In a recent report to the Planning Policy Committee meeting on the delivery options for the Garden Community at South Godstone\(^2\), it was acknowledged that: ‘There are approximately 103 plots in total (excluding the 356 small plot holders within the ‘trio land’).’ (Para 4.1 refers)

‘There is currently no single party or consortium who has the ability to obtain vacant possession of the site and the site remains in multiple ownership with a large number of owners. At present there is no certainty from any promoter that they will be able to acquire the required third party land by negotiation, or that any of the option/promotion agreements will ever actually be exercised’ (para 5.1 refers)

‘Although it is a matter for the Council to decide, based on our review to date, in our professional opinion we consider it likely that the Council will need to use its CPO powers to some extent to bring forward delivery of SGGC’. (para 5.3 refers).

6.1.6 Given the above and notwithstanding the findings of the HELAA, wherein it appears that if a site were promoted on behalf of a land owner it was taken as read it was deliverable despite the potential for multiple interests as at SGOD 010, it would appear that TDC cannot demonstrate that the land required to deliver the Garden Community at South Godstone is available for development and that the site is thus deliverable.

6.1.7 In the context of the above, if TDC were, as they themselves admit may be necessary, in the report to the Planning Policy Committee meeting in June 2019, to have to use their CPO powers to secure the sites delivery this could significantly delay the delivery of this site. Land assembly on a site with the fragmented ownership that prevails within the area of the proposed Garden Community at South Godstone is we believe unprecedented and the process involved will be complex and time consuming. To this end the Forum assume that either a promotion agreement or collaboration agreement will be pursued in the first instance, although there is no evidence of any formal process to acquire the land being progressed by TDC at this stage. As such given the number of landowners involved it is likely that a CPO will ultimately be necessary to acquire all of the land required. The MHCLG Guidance on Compulsory Purchase (paragraph 104) indicates (in relation to orders made under section 226(1)(a) of the TCPA 1990, that “The planning framework providing the justification for an order should be as detailed as possible in order to demonstrate that there are no planning or other impediments to the implementation of the scheme” Given the need to demonstrate that there are no planning impediments to implementation, the Forum have been advised by Savills that in practice the CPO process is only likely to be triggered following allocation of land through a Local Plan or the grant of planning permission. As a result, a CPO is likely to be made after an AAP has been adopted or planning permission has been granted. The identification of broad location is most unlikely to be held to be sufficient to demonstrate that there

\(^2\) Report prepared by Avison Young (GVA) for the Planning Policy Committee meeting in June 2019 – see appendix 6a within appendix F
is no planning impediment. As such, at this point in time TDC have not made a CPO and have not resolved to do so. In addition, given the number of landowners involved, the Forum consider it unfeasible that developers would commit to the cost of preparing a planning application until TDC have at least resolved in principle to make a CPO, and even then only if there is a reasonable prospect that the CPO will be confirmed.

6.1.8 In light of the above, it is unlikely that the CPO process can be formally started ahead of the AAP being adopted, albeit we understand it may be possible to begin negotiating with the various landowners ahead of the AAP being adopted.

6.1.9 A CPO will only be granted as a last resort i.e. If there is a compelling case in the public interest, there are no other suitable and available alternative sites and extensive negotiation with landowners to agree a land deal have been unsuccessful. The purpose of the CPO in this instance and therefore presumably TDC’s public interest case is to enable housing and economic growth. Consequently unlike an infrastructure CPO (for a railway or road) where there is usually an absence of reasonable alternatives, it is the case that in this instance there are a plethora of other available options to deliver the required housing and economic growth being promoted to TDC through the Local Plan process. As such, the Forum considers there is a significant risk that the CPO would not be confirmed. Notwithstanding this concern, it will be necessary for TDC to engage extensively with each interested land owner prior to making a CPO. We have been advised by Savills that typically at least 2 - 4 meetings with each individual landowner are required to try and agree the purchase of their land in order to satisfy the requirements of the CPO process, clearly for a site involving over 100 land owners this process will be immensely time consuming. In addition to this, a range of values are likely to be attributed to each land parcel, based on different development scenarios. As such, meaningful negotiations with land owners will not be able to take place until a masterplan is in place which will inform the value for each parcel and the equalisation values. It makes economic sense for interested landowners to hold out for the highest value for their land, as such their motivation would be to agree a deal once there is clarity on the masterplan and potential values are understood. This has the effect that meaningful negation with landowners cannot take place until a draft masterplan, which is to be progressed through the subsequent AAP, has been prepared at the very least, thereby significantly elongating the process.

6.1.10 Due to the number of landowners involved, it is inevitable that land deals will not be achievable with all landowners and therefore a CPO will be required. This is likely to result in a public inquiry after the APP has been adopted.

6.1.11 In light of our comments above, housing delivery prior to 2026 is inconceivable, housing delivery from South Godstone is likely to be towards the end of the plan period at earliest.

6.1.12 Furthermore, irrespective of the timeframes involved, which are substantially greater than TDC are estimating and raise serious concerns regarding the ability of South Godstone to deliver dwellings within the plan period, some form of delivery mechanism will also be required. At this stage it appears as though TDC
will be delivering the site, this will lead to huge upfront costs associated with the land assembly, which will need to be borne prior to any value being generate or income from the development being received. The Forum question whether the funding for such an exercise is in place.

6.1.13 Given the impact on the deliverability of the site this would have, and the importance of delivering a new Garden Community to the plan strategy, it is considered necessary for a suitable and achievable funding stream to be outlined prior to the adoption of the plan. To this end we note that the financial implications of a CPO and TDC’s forward funding of the project are not matter that have been considered in the Financial Viability appraisal (INF2).


6.1.14 The HTP and local plan are both clear in that they predict that the proposed Garden Community will start to deliver housing completions in 2026/27.

6.1.15 Given para 413 of the HTP we sought clarity from TDC on when the Statement of Delivery would be made available/ where it was in the evidence base. We were advised that it is no longer being pursued and that the evidence before the examination, esp. that in the SA, HTP and briefing notes prepared by GVA (INF 2 and SAD2) provide the requisite information.

6.1.16 Given the above it would appear that whilst the HTP suggests the housing trajectory for the proposed Garden Community is based upon the Lichfields report Start to Finish, it actually ignores the advice in Start to Finish preferring its own aspirations as a credible approach. Para 464 of the HTP then seeks to bolster the council’s position by reference to the Letwin Review. We would however question whether the Letwin Review (see appendix D) does actually support the council’s position. Annex A to the interim report of June 2018 in commenting upon the regulatory stage length (p AX10) indicates that the nearest comparable (Great Western Park in South Oxfordshire) took over 5 years from the submission of the outline application to the grant of outline consent, and a further 3 years to get to its first detailed consent. The overall period being circa 8 years and not that dissimilar to the figures suggested in Fig 4 of the Lichfields report. Furthermore, it is clear from AX10 that most sites took at least 2 years from submission of the outline application to outline planning permission being granted, and another 2 years to obtain their first detailed consent. Thus, even if a planning application were progressed alongside the preparation of the AAP, it is unlikely to facilitate an outline consent until 2024/5 in our opinion – see trajectory below. Thus, the timescales proffered in TDC’s trajectory are in our opinion very much a best-case scenario.

6.1.17 In the context of the above it should be noted that Great Western Park was developer led so had no issues associated with the parcellation and onward sale of the site to developers, who would then have to prepare and submit a RM

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3 Start to Finish: How Quickly do Largescale Housing Sites Deliver? (November 2016) – see appendix 2 to appendix C
4 Paragraph 379 on Page 76 of HTP (HNS2)
application. At GWP this process was able to run in parallel and what was sold on was serviced land with consented ‘oven ready’ parcels. TDC have acknowledged that the number of housebuilders participating in the scheme has not yet been determined⁶. The Council therefore has no idea as to whether there are sufficient (if any) delivery agents (namely developers) in place to bring this scheme forward.

6.1.18 In addition to the above, Lichfields advice is also clear on the average time it takes from planning approval to the delivery of the first dwelling. It indicates that largescale development proposals in excess of 2000 dwellings will take on average 6.9 years to deliver any completions⁶. The Council has this site delivering completions in 7 years from the projected adoption of the Plan, but this Plan does not seek to actually allocate the Garden Village, that role falls to a separate Area Action Plan that is yet to commence. The delivery timetable is therefore totally unrealistic. In the Forum’s view this site cannot possibly be relied upon to deliver any dwellings until at least 2029/30 at best, later if CPO is required.

6.1.19 In this regard we would submit that there is no evidence work has started on the AAP. The LDS (OTH2) suggests that:
- The reg 18 version of the AAP will be published in Oct – Dec 20
- The reg 19 version of the AAP will be published in Oct - Dec 21
- The reg 22 version of the AAP will be published Apr – Jun 22
- Independent Examination will take place in Oct-Dec 22
- Adoption could occur in Apr-Jun 23

6.1.20 As the LDS also assumed adoption of the Local Plan by Oct-Dec 19, it is reasonable to assume that the timetable above will slip by circa 6 months. We also note that the HELAA (SAD3) at p66, in commenting upon Anticipated commencement year suggests ‘6- 10 years from adoption of the plan’

6.1.21 Not only is the predicted start date for the delivery of housing completions at the proposed Garden Community unrealistic, but the predicted delivery of 200 dpa is also total unrealistic and unsupported by any evidence. The Lichfields’ evidence confirms that schemes of in excess of 2000 dwellings will only delivery at a maximum rate of 161dpa⁷ and not 200 dpa as the Council has indicated. The trajectory cannot therefore be relied upon. Furthermore, the Council has identified 200 dpa from the first year of completions on the site. This is also completely unrealistic based on clear evidence from the industry in terms of the gearing up of largescale sites. Whilst the draft Letwin Review (25 June 2018) suggests annual average build out rates of 274dpa at Great Western Park (GWP)⁸, it makes it clear on p AX40 that just under 100 dwellings where delivered in year 1, just under 200 in year 2 and only by year 3 did GWP achieve 300dpa. AX72 also highlights the fact that Taylor Wimpey had multiple outlets at GWP, and sold on serviced, consented parcels to other housebuilders to assist with both cash flow and delivery.

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⁵ Paragraph 376 of HTP (HNS2) confirms this
⁶ Figure 4, Page 8 of Start to Finish
⁷ Figure 7, Page 14 of Start to Finish
⁸ see p AX26 in extract attached
6.1.22 In the context of the above we note that Homes England have recently agreed an Infrastructure Delivery Plan with Mid Sussex DC to deliver a mixed-use development including some 3,000 dwellings on a site in Burgess Hill in Mid Sussex. Here the land is under Homes England control (there are 14 landowners under option), and an outline application is pending determination (DM/18/5114 refers). Even in this situation where the site has also been the subject of discussions with the LPA for some years, and is allocated in an adopted LP (MSLP 2018), Homes England do not envisage delivery commencing until 2020/1, and then only at 75 dpa, increasing to 125 dpa in 2021/2, 175 in 2023/4, 225 in 2024/5 onwards. To this end we note that the HELAA (SAD3) at p66 in commenting upon anticipated build out rates suggests ‘150 – 300dpa’. The above suggests that not only is the anticipated build out rate in the HTP at the upper end of that suggested in the HELAA, but out of kilter with that expected to be achieved by Homes England on a not to dissimilar site in the local area.

6.1.23 As a consequence of the concerns identified above, the Forum considers the evidence based underpinning the proposed Garden Village to be flawed and that the following alternative trajectory is more realistic.

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Key
- **LP** - Adoption of LP – NB adoption by April 2019 is tight given the examination program and the need to consult on main mods – the whole program could slip a year
- **AAP** – Area Action Plan
- **LA** – Land Assemble - background work to CPO/ work associated with no CPO
- **CPO** - if required – best case scenario shown
- **OPA** – Outline Planning application process
- **RM** – Reserved Matters
- **DOC** – Discharge of pre commencement conditions
- **LIC** - Licensing – NE licences etc
- **Infra** - Initial Infrastructure delivery to provide serviced parcels

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9 See appendix E
10 NB the BH allocation was a clearly defined area, with a clear policy and developer and Home England interest for some time – not an undefined areas subject to an AAP and with no definitive developer interest – thus it is able to deliver more quickly
6.1.24 The consequence of the above alternative delivery trajectory is that the Garden Village would contribute (at best) a total of 600 dwellings to the housing supply over the Plan period, not the 1,400 proposed by the Council, a deficit of 800 dwellings.

6.1.25 Finally on the matter of delivery of the proposed Garden Community we note that at the Planning Policy Committee meeting in June 2019 (see appendix F), having considered a report on the delivery options for the garden community at South Godstone, resolved that the Strategy & Resources Committee, at its meeting on the 28th November 2019, be recommended to ask Avison Young (GVA) to draw up an outline business case in respect of options 4(a) and 4(b) at Appendix A to include an analysis of:
(i) the governance and funding of any special purpose vehicle for the delivery of the South Godstone Garden Community; and
(ii) the implications of acting only as local planning authority in respect of the South Godstone Garden Community.

6.1.26 For the record we note that options 4(a) and 4(b) are:
4a. Council-led – JV – serviced parcels
4b. Council-led – JV – development
A copy of the Avison Young report is attached together with the minutes of the Planning Policy Committee meeting of 25th June 2019

6.1.27 We also note that the Avison Young report acknowledged at para 8.6\[11\] that:
‘The modelling assumes the following key milestone dates:
• delivery partner selected/collaboration agreements signed (dependant on delivery route selected) within the time period Autumn 2021 Autumn 2023;
• Area Action Plan (AAP) adopted in H1 2023;
• planning permission granted earliest mid 2023 but up to Spring 2025;
• up-front infrastructure delivery commences 2025;
• development commences 2027; and
• final house completes 2041.’

This dovetails with the delivery trajectory we have set out above.

c) The merits of an AAP

6.1.28 Whilst we do not object in principle to the specific details of the proposed Garden Community being determined through an APP, we do consider there to be certain issue that need to be made clear in Policy SCG01 given the basis of the site’s allocation and its scoring through the SA and GBA. For example, the SA states at 5.21.4 that South Godstone offers an opportunity to locate a significant number of people in close proximity to a train station, and at 5.13.2 the SA identifies potential improvements to the station, its capacity and its ability to accommodate the needs of the proposed Garden Community

\[11\] Enclosed within appendix F
6.1.29 Yet the Vision for the South Godstone Garden Community, the AAP Principles and Objectives and policy SGC01 as set out in the Reg 22 Plan do nothing to facilitate what is suggested in the SA. They suggest that future residents will benefit from the improvements without making them a requirement of the policy/ AAP. Whilst we appreciate that any project involving Network rail will create its own issues, the fact is the site’s sustainability relies on these improvements, as well as the provision of footpath links across the railway. The policy/ AAP should thus include reference to the need to make provision for or contribute towards access to and improvements to Godstone Station as set out in the SA.

6.1.30 Similarly the SA at 5.13.2 makes much of the scope for a comparatively larger development, to provide more housing (including affordable) provision to address local needs. The vision refers to a mix of market and affordable homes, the AAP Principles refers to genuinely affordable social and market housing, and the Objectives refer to genuinely affordable homes. Yet policy SGC01 says nothing explicitly about the scale or mix of affordable provision – whilst we accept this is a matter that could be said to be dealt with by policy TLP12, it is in our opinion something that both policy SGC01 and the AAP could be more explicit about i.e. make it clear that development should provide a range of housing including affordable housing, in accordance with policy TLP12., Affordable Housing Requirement.

6.1.31 The SA at 5.13.2 also highlights the fact that: ‘Highways England junction capacity modelling, further supported by Minerva transport modelling on behalf of TDC, shows that improvements to junction 6 of the M25 will be necessary infrastructure to support delivery of this garden settlement. In this light further detailed feasibility work will be undertaken to specify the exact nature of junction improvements. However, Highways England has expressed confidence that any such improvements can be delivered by 2023.’

6.1.32 SGC Objective 8 of the Reg 22 Plan refers to: ‘Access to a wider and fit-for-purpose strategic road network (including the A22 and M25 via J6) will need to be secured be available via to provide appropriate off-site infrastructure to support efficient public transport as well as private car use.’ Yet the AAP Principles and Objectives and policy SGC01 do nothing to actually secure the works to J6 of the M25. Rather policy SGC01 refers to the fact that ‘Early on in the development, necessary improvements and mitigation to junctions along the A22, from J6 of the M25 down to Felbridge, will be implemented where needed’ again we would suggest that the policy/ AAP should include reference to the need to provide for or contribute towards highway improvements in and around South Godstone including addressing the limitations of the A22 and J6 of the M25 via J6.

6.1.33 The Council’s current approach results in considerable uncertainty and calls into question whether the findings of any site assessment work, including the Green Belt study, can be robust when the allocation area is not defined, nor has it been assessed. This is a significant failing of the Plan, given the importance the Council places on the Garden Village as such a significant component of its housing delivery strategy in the Plan, and cannot be considered either Positively Prepared or Justified. Furthermore, it prejudices the council’s own case to
promote the scheme through and AAP given the implications this has for CPO and deliverability.

d) Infrastructure requirements and viability

6.1.34 The Forum remain concerned about the manner in which TDC are looking to demonstrate the financing of the proposed Garden Community. The Council has undertaken a high-level appraisal of the constraints to delivery and in particular the infrastructure delivery requirements. The total costs appear to be £185 – £200 million, with CIL contributions set at £105 million\(^\text{12}\). This would suggest that the 4,000 homes proposed in the garden village would need to contribute £26,250 each on top of affordable provision, land for schools, and community facilities etc. Whilst the basis of the overall costs is not clear, the practicality of the funding steam is equally questionable, albeit we note that South Godstone is now included in the Government’s list of proposed garden villages – as published in June 2019. That said, this does not mean to say that the issues associated with land assemble will be resolved. Said funding amounts to £150,000 and is to help progress the design and delivery of the Garden Community and ensure resources are available to support it. Thus, whilst the involvement of the likes of Homes England may assist TDC, they do not overcome this fundamental issue and its associated implications for the local plan examination.

6.1.35 None of the Council’s viability work takes into consideration the advice of its own Officers that CPO is likely to be required to enable the assembly of the necessary land. This will have a significant consequential impact on the timing and financial viability of the whole scheme that must be considered at this stage to determine if the proposal meets with the requirements of the Framework and in particular the Annex 2 definition of Developable, namely that there is a reasonable prospect that the site will be available and could be viably developed at the point envisaged. It is the Forum’s view that the Council has not demonstrated that the site is currently developable.

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\(^\text{12}\) Please refer to TDC web site under Examination in Public 2019 – Background, bullet point 1 says ‘Delivers much needed infrastructure including that associated with the Garden Community. See the infrastructure map.’ Web link below – the plan has no reference number.
https://www.tandridge.gov.uk/Planning-and-building/Planning-strategies-and-policies/Local-Plan-2033-emerging-planning-policies/Local-Plan-2033