

FAREHAM

BOROUGH COUNCIL

Minutes of the Planning Committee

(to be confirmed at the next meeting)

Date: Wednesday, 16 October 2019

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor N J Walker (Chairman)

Councillor I Bastable (Vice-Chairman)

Councillors: T M Cartwright, MBE, P J Davies, K D Evans, M J Ford, JP,
Mrs K Mandry, S Cunningham (deputising for R H Price, JP)
and S Dugan (deputising for F Birkett)

Also Present: Councillor Mrs P M Bryant (item 6), Councillor Mrs L E Clubley
(item 6) and Councillor Mrs K K Trott (item 6)



1. APOLOGIES FOR ABSENCE

Apologies of absence were received from Councillors F Birkett and R H Price, JP.

2. MINUTES OF PREVIOUS MEETING

RESOLVED that the minutes of the Planning Committee meeting held on 18 September 2019 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements made at this meeting.

4. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

The Committee received a deputation from the following in respect of the applications indicated and were thanked accordingly.

Name	Spokesperson representing the persons listed	Subject	Minute No/ Application No/ Page No
Start 11AM		WELBORNE LAND NORTH OF FAREHAM – A NEW COMMUNITY OF UP TO 6000 DWELLINGS	Item 6 P/17/0266/OA Pg 5
Mr R Blackman		-Ditto-	-Ditto-
Cllr Therese Evans	Wickham Parish Council	-Ditto-	-Ditto-
Ms W Greenish	Wickham Society	-Ditto-	-Ditto-
Ms L Rappe	Knowle Residents Association	-Ditto-	-Ditto-
Mr K Kidney		-Ditto-	-Ditto-
Mr B Marshall	The Fareham Society	-Ditto-	-Ditto-
Mr T Pickering		-Ditto-	-Ditto-
Dr L Thomas		-Ditto-	-Ditto-

Mr R Roberts		-Ditto-	-Ditto-
Mark Thistlethwayte or John Beresford	Buckland Developments Ltd	-Ditto-	-Ditto-

6. DEVELOPMENT MANAGEMENT

The Committee received the deputations referred to in Minute 5 above.

At the invitation of the Chairman Councillors Mrs P M Bryant, Mrs L Clubley and Mrs K K Trott addressed the Committee on this item.

The Committee's attention was drawn to the Update Report which contained the following information:-

P/17/0266/OA
Fareham East, Fareham North.

Welborne, Land north of Fareham.

Amendments:

In paragraph 8.2.16, page 57, within the last sentence delete the word "six" and add an additional sentence. "The final detail and number will be determined through the Reserved Matter applications".

On Page 103, paragraph 8.17.121, delete the third sentence and replace it with "The A32 in this location is to be dualled both north and south bound such that the crossing has a pedestrian refuge island half way across the A32".

Paragraph 8.22.10 on page 124 is corrected to state that the detailed modelling of water usage has been carried out using 110 litres per person per day in line with Building Regulations and Natural England's recommendation.

In paragraphs 8.30.43 (page 156) and 8.30.45 (page 157), delete the word "social".

Within the CBRE report, Appendix B to the main agenda report, the following amendments are made:

Page 285, the sentence starting "The rates applied BDL are...." Should finish with the word "above".

Page 287, the final sentence, on the penultimate line should read as "Our review of the BDL growth scenarios has therefore sought to determine if the 2% pa...."

An Addendum to the CBRE report is attached to this update.

Representations:

Three further representations have been received from members of the public since the publication of the agenda. No further new issues have been raised to those summarised in part 6.0 of the main report.

Since the publication of the Planning Committee report a letter has been received from the Solent Local Enterprise Partnership (SLEP).

The SLEP confirms it is very supportive of the Welborne development, which features prominently in the Solent Strategic Economic Plan and is identified as a 'flagship' site requiring immediate support. The M27 Junction 10 project was prioritised by the SLEP and formed part of its Local Growth Deal proposal to Government.

While the Growth Deal funding has been allocated to Junction 10, the deployment of the funding is subject to a number of requirements. These include the approval of a full business case by the Department for Transport, which would require a detailed design to be agreed and all funding for the Junction to be in place. Whilst the Department for Transport required the Growth Deal funding to be spent by March 2021, the Solent LEP are seeking assurances from Government that the funding can be spent beyond the 31st March 2021.

A further letter has also been received on behalf of the Portsmouth Hospitals NHS Trust and University Hospital Southampton in response to the Officer Report. It makes the following points:

- The new A&E at the QA is irrelevant to the impact this development will have on both hospitals.*
- The consultation on the Plan is over five years ago. It has nothing to do with the consultation responses sent in 2018.*
- Both Trusts have provided evidence of the impact.*
- The Trusts provide planned and emergency healthcare and agrees a service level agreement on an annual basis with their commissioner. A contract term of two years is standard.*
- Contracts are negotiated on historical contract performance.*
- Growth reflects the increasing costs of delivering health.*
- Local population growth feeds into CCG target allocations from ONS data. This takes three years to affect growth allocations to the CCG.*
- The Trusts do not receive funding retrospectively.*
- The Trusts do not get allocated population growth, however as properties are occupied the growth manifests itself in a requirement for the Trusts to treat people resulting in an overspend.*
- The Trusts cannot refuse to treat a patient on the grounds of lack of capacity to provide the service.*
- If the Trusts fail to meet its performance targets it is penalised through withdrawal of income.*
- It is not possible for the Trusts to predict when planning applications are made and delivered.*
- It does not take into account housing land supply, housing need or housing projections.*
- Both Trusts are at full capacity.*

- *The NHS 10 year plan has nothing to do with the CIL Regulation 122 tests.*
- *There is no evidence that the health hub is a) deliverable and b) will provide support to health services.*
- *The EIA assessment is desk based and is fundamentally faulty.*
- *The request for a contribution is justified and do meet the Tests as has been confirmed by previous Inspectors.*
- *It is necessary to make the development acceptable as without it the population increase will adversely affect the standard of service that can be provided.*
- *The contribution is related to the development because it is based on the new population that will use the Trusts services.*
- *The contribution is fairly and reasonably related to the development as it is linked to the size of the new population.*

Planning Considerations:

Healthcare:

Further to the response to the Officer report received from the two hospital Trusts summarised above, Officers have no further commentary to provide to the Committee to that in part 8.15 of the report (from page 72) and the conclusions reached in the Planning Balance; paragraphs 8.32.20 – 8.32.27 on page 167.

Recommendation:

The following items are to be added to the list in paragraph 10.3 of the main agenda paper:

- *Applicants Contribution of £20m towards the cost of junction 10;*
- *Off site Highway works Contributions for locations identified by HCC;*
- *Local Centre Community Building;*
- *District Centre Community Building.*

Changes are proposed to the following planning conditions in paragraph 10.5 of the main report:

Condition 1 (page 172):

The condition is re-written as follows:

01.

- a) The development granted permission by this decision for the J10 and A32 improvement works shall be begun not later than three years from the date of permission.***
- b) The first application for approval of reserved matters shall be made to the Local Planning Authority before the expiration of 5 years from the date of this permission. All subsequent reserved matters pursuant to this outline shall be submitted no later than 30 years from the date of this permission.***

- c) The development of any reserved matters related to this Outline planning application shall be begun before the expiration of three years from the date of approval of that reserved matters.**

REASON: To allow a reasonable time period for work to start, to comply with Section 91 of the Town and Country Planning Act 1990, and to enable the Council to review their position if a new application is made following expiry.

Condition 9 (page 175):

After "This strategy will demonstrate how residential development will provide".

Add additional bullet point:

- Market Housing

Condition 23 (page 180)

To include the word "residential" before the word "properties".

Condition 35 (page 183):

The Housing Statement will also provide for "Market Housing"

Condition 37 (page 184):

Before "timetable" on the second line of criterion a) insert "scheme and"

Condition 52 (page 188):

Delete the words "on any other work on site" from the first line.

Insert Additional Condition:

68. All areas of public open space (excluding sports pitches), as identified in the Open Space and Green Infrastructure Parameter Plan – 60469153-006-A4, will be managed and maintained using a maximum of 5kg of Nitrogen per hectare per year.

REASON: In the interest of protecting the sensitive Solent coastal habitat.

WELBORNE – ADDENDUM, OCTOBER 2019.**INTRODUCTION:**

CBRE has been instructed by Fareham Borough Council (FBC) to undertake further sensitivity analysis modelling in relation to the growth rates that were included as part of the assessment of viability of the Welborne Garden Village scheme.

Background

A planning application has been submitted by the Master Developer, Buckland Development Limited (BDL), for a new community of 6,000 new homes. In support of the planning application BDL submitted a Site Wide Viability Report (SWVR) which concluded on viability grounds that:

- The scheme should not be liable to pay the Community Infrastructure Levy (CIL)
- The developer contribution towards M27 Junction 10 cost is capped at £20m
- Affordable housing for the 1,000 units should be 10%
- The affordable mix for the first 1,000 units is 50/50 between affordable/social rent and intermediate tenures
- The scheme is unable to provide Lifetime Homes or Passivhaus for the first 1,000 homes

CBRE reviewed the viability evidence put forward by BDL and concurred with the points raised above. This Addendum builds on the initial work set out within the Viability Review previously submitted by CBRE.

Growth Analysis

Within its SWVR BDL assumes no growth in its base case which CBRE considers to be reasonable. However, it provides sensitivity analysis that shows the viability of the scheme if growth was to occur. When assessing the growth scenario BDL applies 3% value and 2% cost growth. CBRE reviewed the growth rates applied, benchmarked them against industry data and found them to be reasonable.

The purpose of the Addendum is to financially model the impact of different growth rates for build cost and values and assess the extent to which full policy compliance could be achieved. This will then be used to advise FBC on the level of growth that needs to occur to achieve the delivery of 30% affordable housing, a 70:30 tenure split, and Passivhaus and Lifetime Homes compliance.

In addition to cost and value growth analysis the impact of Placemaking is also financially modelled to demonstrate its impact on how full policy compliance could be achieved.

METHODOLOGY:

The methodology undertaken for the purposes of the Addendum remains consistent with the process applied within the original Viability Review whereby a residual master developer appraisal is undertaken.

The scenarios modelled by CBRE are outlined within the Growth Analysis section and are for the whole scheme. It should be noted that all scenarios assumed a phased delivery of affordable housing i.e. starting at 10% and increasing over time to give an average of 30% overall. The review timing remains consistent with that set out within the Viability Review, and is outlined below:

Review	Affordable Housing Units	Total Units Delivered at Review	Units Subject to Review
1	100	0	1,000
2	150	1,000	750
3	150	1,750	750
4	300	2,500	750
5	300	3,250	750
6	300	4,000	750
7	300	4,750	750
8	200	5,500	500
Scheme Total	1,800	30%	6,000

First 1,000 Units

Within the first 1,000 units of the scenarios analysed the assumptions agreed with BDL during the viability review are applied. Whereby, due to the significant upfront infrastructure requirements:-

- *Affordable housing for the first 1,000 units is 10%*
- *The affordable mix for the first 1,000 units is split 50/50 between affordable /social rent and intermediate tenures*
- *There are no Lifetime Homes or Passivhaus for the first 1,000 homes*

Whole Scheme

After the first 1,000 units CBRE has assessed viability based in achieving an average of 30% affordable housing across the scheme. This also assumes a 70:30 tenure split and also Passivhaus requirement fulfilment. As per the Viability Review, the Lifetime Homes requirements have not been financially modelled due to the level of information needed to assess this not being available. Other key assumptions applied to the whole scheme analysis are:

- *The scheme should not be liable to pay the Community Infrastructure Levy (CIL)*
- *The developer contribution towards M27 Junction 10 costs is capped at £20m*

These assumptions were found to be reasonable during the original viability review.

GROWTH ANALYSIS:

In this section CBRE summarise the results of the viability analysis that has been undertaken. FBC have requested sensitivity analysis to be undertaken in respect of growth rates assumed for both the costs and values, using rates of 1% to 4% in respect of each. These growth rates are explicit and do not include the potential impact of placemaking, which is analysed separately whereby a 20% and 30% placemaking premium is applied. Further scenarios are tested that combine both growth and placemaking.

When reviewing the outputs of the sensitivity analysis this scheme is deemed to be viable where a Profit on Cost figure in excess of 20% is achieved; this is the minimum profit level BDL have proposed for the Review Mechanism and is a rate consistent within viability guidance. Where the metric does not exceed 20% it is assured that full policy compliance may not be achieved. The tables below therefore show the % profit on cost achieved within each scenario.

No Placemaking Considered					
Profit on Cost (%) Sensitivity		Revenue Growth (%per annum)			
		1.00	2.00	3.00	4.00
Cost Growth (%per annum)	1.00	(22.5%)	(0.5%)	25.0%	51.2%
	2.00	(31.8%)	(13.6%)	10.9%	36.8%
	3.00	(39.9%)	(24.9%)	(3.9%)	21.8%
	4.00	(47.1%)	(34.6%)	(17.4%)	6.4%

20% Placemaking Considered					
Profit on Cost (%) Sensitivity		Revenue Growth (% per annum)			
		1.00	2.00	3.00	4.00
Cost Growth (% per annum)	1.00	5.7%	30.3%	54.9%	81.2%
	2.00	(8.4%)	16.5%	41.4%	66.4%
	3.00	(20.8%)	1.9%	27.0%	51.9%
	4.00	(31.3%)	(13.0%)	11.6%	36.8%

30% Placemaking Considered					
Profit on Cost (%) Sensitivity		Revenue Growth (%per annum)			
		1.00	2.00	3.00	4.00
Cost Growth (%per annum)	1.00	19.4%	43.3%	67.4%	95.6%
	2.00	5.6%	30.0%	53.7%	79.6%
	3.00	(9.2%)	15.6%	40.0%	64.1%
	4.00	(22.0%)	0.2%	25.2%	49.2%

CONCLUSIONS:

The financial modelling undertaken shows just how sensitive residual appraisals are to changes in the underlying assumptions. Whilst the analysis in this note focuses on the impact of varying the growth rates and placemaking premium, residuals are also very sensitive to general changes in costs, values and programme or phasing assumptions.

The sensitivity analysis shows that a combination of value and cost growth is required to achieve full policy compliance. CBRE has undertaken further analysis to assess what level of placemaking premium is needed to achieve full policy compliance when cost and value growth is applied at 2% and 3% respectively (as per BDL's growth scenario). This showed that a 6% placemaking premium is needed in addition to 3%pa value growth and 2%pa cost growth to enable full policy compliance to be achieved. This is based on

the assumption that contributions to Junction 10 are capped at £20m, and that CIL is not applied to the development as per the findings of the Viability Review.

It should be noted that large strategic scheme such as Welborne Garden Village, are long term projects, and the viability modelling is very sensitive to what can appear to be small changes in the assumptions. The impact of placemaking analysed within this Addendum demonstrates that it is able to compensate for lower underlying market growth, however as outlined within the Viability Review, certainty cannot be placed on this occurring, due to the vast range of factors that can influence the level of placemaking premium achievable.

The viability review mechanism agreed with BDL is therefore key to enabling the performance of the development to be tracked over time. The forecasts within the financial model will be replaced with the actual costs and revenues. Improvements in viability will be captured and any additional revenue generated, after a 20% profit has been achieved, will go towards the target of achieving full policy compliance.

Upon being proposed and seconded the officer recommendation at 101 (page 170) of the report, to confirm the inclusion of the Applicant's document titles "Welborne Shadow Appropriate Assessment UPDATE", dated October 2019 comprises the Council's Habitats Regulation Assessment, was voted on and CARRIED.

(Voting: 8 in favour; 1 against)

RESOLVED that the Committee CONFIRM the inclusion of the report at Appendix A of the report titled "Welborne Shadow Appropriate Assessment UPDATE", dated October 2019 comprises the Council's Habitats Regulation Assessment.

Upon being proposed and seconded the officer recommendation to agree to delegate to the Head of Development to take receipt of the final written comments of any outstanding consultation responses with the inclusion of any further conditions or informatives that may be recommended, was voted on and CARRIED.

(Voting: 8 in favour; 1 against)

RESOLVED that the Committee AGREE to Delegate to the Head of Development Management to take receipt of the final written comments of any outstanding consultation responses with the inclusion of any further conditions or informatives that may be recommended.

A motion was proposed that in relation to recommendation 10.4 (page 171) that it be amended to include that any significant decisions made by the Head of Development Management under delegated power to amend and of the conditions or heads of terms, be reported back to the Planning Committee.

The motion was not seconded and there declared LOST.

A motion was proposed and seconded to agree to the officer recommendations at 10.3 and 10.4 (pages 170-171) to:

Delegate to the Head of Development Management in consultation with the Solicitor to the Council for the prior completion of a legal agreement pursuant to Section 106 of the Town and Country Planning Act 1990 to secure:

- The creation of an Estate Management Company;
 - Inclusion of FBC on the board of the Company;
 - Service charge arrangements;
 - Step in provision;
- The appointment of a New Community Development Worker for a period of not less than ten years;
- Provision for an Education Steering Group;
- Contribution and land for the delivery of three primary schools;
- Contribution and land for the delivery of one secondary school;
- A Community Use Agreement(s) for the school(s) facilities for public use outside of the times needed for educational use;
- Nursery and pre school marketing strategy;
- Provision of the Local Centre;
- Provision of District Centre;
- Provision of healthcare facilities;
- Provision of the Community Hub;
- Delivery of Green Infrastructure (GI) – to include:
 - All Weather Pitch;
 - Tennis Courts;
 - Neighbourhood Play Space;
 - Youth Play Space;
 - Playground Play Equipment;
 - Parks and Amenity Open Spaces;
 - Playing Pitches and Outdoor Sports Facilities;
 - Allotments; and
 - Semi Natural Greenspace;
- GI Delivery and management arrangements;
- Delivery of the Temporary SANGS Strategy;
- Provision of Sites of Alternative Natural Green Space (SANGS);
- In perpetuity management of SANGS including step-in rights by the Estate Management Company;
- SRMP Contribution;
- Public Transport – BRT provisions on site and contributions;
- Safeguarding of the Rail Halt Land;
- A32 access works;
- Off site Local Highway Network mitigation and safety schemes;
- Framework residential travel plan;
- Neighbourhood travel plans;
- Framework employment travel plan;
- Safeguarding the land for the Household Waste Recycling Centre;
- Contribution towards the Household Waste Recycling Centre to include a proportionate cost of the legal fees;
- Affordable housing:
 - Amount;
 - Tenure;
 - Upward review mechanisms;
 - Wheelchair accessible homes;

- Safe Build Housing;
- Passivhaus where viability allows;
- Lifetime homes where viability allows;
- Extra Care accommodation;
- Business incubation centre;
- Employment and training plan for construction;
- Equalisation arrangements for the Sawmills site;
- Public access to the site;
- Improvements to existing rights of way;
- Closure, stopping up and diversion of existing rights of way; and

10.4 Delegate to the Head of Development Management:

- To make any necessary modification deletion or addition to the proposed conditions or heads of terms; and
- To make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition or deletion of the conditions and heads as drafted to ensure consistency between the two sets of provisions.

And was voted on and CARRIED.
(Voting: 8 in favour; 1 against)

RESOLVED that the Committee AGREE that:

Delegation be GRANTED to the Head of Development Management in consultation with the Solicitor to the Council for the prior completion of a legal agreement pursuant to Section 106 of the Town and Country Planning Act 1990 to secure:

- The creation of an Estate Management Company;
 - Inclusion of FBC on the board of the Company;
 - Service charge arrangements;
 - Step in provisions;
- The appointment of a New Community Development Worker for a period of not less than 10 years;
- Provision for an Education Steering Group;
- Contribution and land for the delivery of three primary schools;
- Contribution and land for the delivery of one secondary school;
- A Community Use Agreement(s) for the school(s) facilities for public use outside of the times needed for educational use;
- Nursery and pre school marketing strategy;
- Provision of the Local Centre;
- Provision of the District Centre;
- Provision of healthcare facilities;
- Delivery of Green Infrastructure (GI) – to include:
 - All Weather Pitch;
 - Local Play Space;
 - Neighbourhood Play Space;
 - Youth Play Space;
 - Playground Play Equipment;

- Parks and Amenity Open Spaces;
- Play Pitches and Outdoor Sports Facilities;
- Allotments; and
- Semi Natural Greenspace;
- GI Delivery and management arrangements;
- Delivery of the Temporary SANGS Strategy;
- Provision of Sites of Alternative Natural Green Space (SANGS);
- In perpetuity management of SANGS including step-in rights by the Estate Management Company;
- SRMP Contribution;
- Public Transport – BRT provisions on site and contributions;
- Safeguarding of the Rail Halt Land;
- A32 access works;
- Off site Local Highway Network mitigation and safety schemes;
- Framework residential travel plan;
- Neighbourhood travel plans;
- Framework employment travel plan;
- Safeguarding of the land for the Household Waste Recycling Centre;
- Contribution towards the Household Waste Recycling Centre to include a proportionate cost of the legal fees;
- Affordable housing;
 - Amount;
 - Tenure;
 - Upward review mechanisms;
 - Wheelchair accessible homes;
- Self Build Housing;
- Passivhaus where viability allows;
- Lifetime homes where viability allows;
- Extra Care accommodation;
- Business incubation centre;
- Employment and training plan for construction;
- Equalisation arrangements for the Sawmills site;
- Public access to the site;
- Improvements to existing rights of way;
- Closure, stooping up and diversion of existing rights of way; and

Delegation be GRANTED to the Head of Development Management to:

- Make any necessary modification, deletion or addition to the proposed conditions or heads of terms; and
- Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition or deletion of the conditions and heads as drafted to ensure consistency between the two sets of provisions.

Upon being proposed and seconded the officer recommendation to grant outline planning permission subject to the conditions in the report and amended conditions in the update report, was voted on and CARRIED.
(Voting: 8 in favour; 1 against)

RESOLVED that subject to, the conditions in the report and the amended conditions in the update report, OUTLINE PLANNING PERMISSION be granted.

7. UPDATE REPORT

The Update Report was tabled at the meeting and considered along with the relevant agenda item.

(The meeting started at 11.00 am
and ended at 3.51 pm).