

# FAREHAM

## BOROUGH COUNCIL

### **Report to Planning and Development Scrutiny Panel**

**Date:** 27 July 2022

**Report of:** Head of Strategic Sites

**Subject:** Welborne Delivery Update

#### **SUMMARY**

Outline planning permission was granted for Welborne Garden Village on 30 September 2021, with all matters reserved for future determination with the exception of the works to M27 J10, three highway junctions and related works to the A32.

Since then, good progress has been made on the delivery of Welborne Garden Village, with the Borough Council having a significant strategic leadership role in the development as well as its role as Local Planning Authority.

#### **RECOMMENDATION**

It is RECOMMENDED that the Planning and Development Scrutiny Panel notes the contents of the report.

## **INTRODUCTION**

1. Part 3 of the adopted Local Plan 2015, the Welborne Plan, sets out the Borough's policies to provide for essential housing and employment growth by creating a distinct new community set apart from but connected to Fareham, whose spirit, character and form would be inspired by its landscape setting.
2. Initially, the Council pursued its own Delivery Strategy for the new development, seeking to appoint a Development Partner. However, following the acquisition of over 90% of the site by one of the existing landowners in September 2017, the Council has instead supported and worked alongside them, Welborne Land Limited, and the company that they appointed as Master Developer, Buckland Development Limited.
3. In 2017, the Government launched the Garden Communities Programme to champion and support ambitious councils who placed garden communities at the centre of their plans for housing and growth. Welborne was one of 14 new developments granted Garden Community status by the Government and became known as Welborne Garden Village. The status gave the Council access to support and funding in recognition of the size and ambition of the undertaking. To date, the Council has received around £1.5M in Garden Village Capacity Funding as a result, which has funded staff and consultancy support to progress the development. The programme has since expanded to 43 communities.
4. Outline planning permission was granted for Welborne Garden Village on 30 September 2021, with all matters reserved for future determination with the exception of the works to M27 J10, three highway junctions and related works to the A32.
5. This new community will have up to 6000 dwellings, a district centre and village centre, retail and community facilities, a public house, a hotel, over 100,000m<sup>2</sup> of employment space, health and veterinary facilities, pre-schools, a secondary school, three primary schools, formal and informal open and amenity spaces, woodland areas, allotments, wildlife corridors; a household waste recycling centre; a remodelled M27 J10, works to the A32, cycleways and pedestrian networks and all supporting infrastructure.
6. Buckland Development Limited's Vision and Delivery Strategy is set out on their website [www.welborne.co.uk](http://www.welborne.co.uk) and articulates their approach to the development. Widely different from the standard development model, Buckland is focused on a consistent, long-term vision that prioritises patient investment and delivery ahead of short-term financial returns. The focus is on place-making with a genuine aspiration to create a popular place to live, work and visit that will stand the test of time and create a lasting legacy.

## **PLANNING AND DEVELOPMENT MANAGEMENT**

7. The determination of the outline planning permission last year was a huge milestone in the development of Welborne Garden Village and this achievement was recognised nationally when the development was shortlisted for Planning Permission of the Year in the 2022 Planning Awards.
8. However, this is only the beginning of the Council's Development Management role with respect to Welborne Garden Village. Since last September, seven applications have come forward for consideration: four discharging pre-commencement conditions, one non-material amendment, one full planning application for the creation of ecological

habitat and one reserved matter application for the creation of a North-South bridleway on the western side of Welborne, provision of a car park to support the use of Dashwood as a SANG and public right of way provision at Fareham Common.

9. In the next few months, Buckland Development Limited intends to submit the Strategic Design Code for Welborne, which will set out the design principles that will shape the development of the entire Garden Village. It will expand the overarching urban and landscape design vision to make sure that all phases of construction come together to form a coherent entity so that all areas of the new community belong unmistakably to Welborne, no matter who the housebuilder partner is or what phase it belongs to. All aspects of the development, whether residential, commercial, employment or educational, will be required to adhere to these principles. Guidance may include street design and the materials palette. Buckland Development Limited also plans to include the Welborne Streets Manual as an appendix to the Strategic Design Code, which will set out an approach to elements such as signage, street widths, junction form, block form, parking, lighting and materials to help underpin the quality of spaces that are to be created and give certainty to developers and councils that these elements can be delivered.
10. Buckland Development Limited is also preparing to submit the first Reserved Matters Applications for housing development in 2022.
11. Members will be aware that the timing of commencement of housing delivery at Welborne has been queried by the Local Plan Inspector in her Initial Findings letter, reported to July Executive. Buckland Development Ltd is supporting the Council to provide further evidence on this issue as part of the Examination process.

## **GOVERNANCE**

12. The Welborne Plan set out the Borough Council's minimum requirements for the ongoing stewardship and governance of Welborne Garden Village and these were enhanced in obligations agreed by all parties to the Section 106 Development Agreement of 30 September 2021.
13. The most important element of governance associated with Welborne Garden Village is the Welborne Garden Village Trust Limited, which is itself a party to the S106. The not-for-profit Welborne Garden Village Trust will have a genuine stewardship role, considered to be an essential element of high-quality place-making and exemplar garden community developments. It will maintain the communal parts of the Garden Village and will be the first level of control in regulating against inappropriate alterations to properties, which will mean that the Welborne vision is safeguarded in perpetuity. With each homeowner automatically becoming a Trust member, it will be a real opportunity for residents to take ownership of their community and have an impact upon its daily management and social life. It will also employ a Community Development Worker before any homes are occupied, to encourage residents' participation in the management and maintenance of Welborne and bring the new community together.
14. In addition, several Steering Groups, some required by the S106, will be created to consider and oversee key aspects of the development of Welborne Garden Village and ensure that all interested parties have a regular collaborative dialogue to generate agreed solutions. The M27 Junction 10 Steering Group and the Education Steering Group have been in place for a few years, with the Terms of Reference for the Affordable Housing, Health and Wellbeing, and Education and Skills Steering Groups in the process

of being developed so that the first meetings can be held in the coming months.

15. Proposals for a Welborne Community Forum were agreed by the Executive earlier this month, providing the opportunity for local authorities, the developer, residents, neighbouring communities and other interested parties to engage regularly on the delivery of Welborne Garden Village. It is anticipated that the first meeting will be held in Autumn 2022.
16. Lastly, the Council's senior officers meet the senior team at Buckland Development Limited each fortnight to progress the delivery of Welborne Garden Village.

### **M27 JUNCTION 10**

17. The challenges of securing the funding and delivery of the M27 Junction 10 Improvement Scheme have been well documented; however, the required £87.5M is now in place, funded by the LEP, the developer and a £42M Housing Infrastructure Grant from Central Government (see below), together with an additional £10M overrun payment agreed by the developer.
18. Work is well underway on the Scheme, with the appointment of a contractor by Hampshire County Council in its final stages and Highways Orders to improve and alter the necessary highways recently submitted to the Department for Transport for confirmation. The construction works are programmed to start in 2023 and complete in 2025.

### **HOUSING INFRASTRUCTURE GRANT**

19. In March this year, Fareham Borough Council and Hampshire County Council signed separate but simultaneous agreements with Homes England for £42M of Housing Infrastructure Grant funding towards the M27 Junction 10 Improvement Scheme. The Executive approved the heads of terms for the agreement in August last year.
20. Hampshire County Council will draw down this funding against their expenditure on M27 Junction 10. It must be spent by March 2025. Quarterly monitoring reports must be submitted by both Councils until the end of the Welborne development.
21. The s106 agreement requires the £42M grant to be repaid by the developer to the Borough Council so that it may be invested to increase affordable housing provision in the Borough. It provides that, where a viability review evidences a Profit on Cost in excess of the Owner's Target Profit of 20%, 80% of such excess profits up to the value of the £42MHIG funding shall be used towards the delivery of additional affordable housing units in the subsequent residential unit period or paid to FBC by way of an affordable housing contribution. Viability reviews will take place at the Practical Completion of 1,850, 2,850, 3,850, 4,850 and 5,650 dwellings; with the first review expected in 2032.

### **RAILWAY STATION**

22. There is no requirement within the Welborne Plan for the developer to provide a railway station at Welborne. Instead, the Welborne Plan requires the developer to provide the space to accommodate a future railway station at Welborne unless it is demonstrated that it is not technically viable or feasible to deliver such a facility.
23. The western side of Welborne is adjacent to the existing Fareham to Eastleigh line. The

objective is to provide Welborne residents with access to train services between Portsmouth and London Waterloo by developing a new station on the Fareham to Eastleigh line (also known as the Botley line) within the development boundary of the new community.

24. The s106 agreement requires the freehold interest in the land identified for a new railway station, known as the Knowle Rail Halt Land, to be transferred to Fareham Borough Council, or a party nominated by the Borough Council, for £1. The estimated 1 hectare of land will be safeguarded for a railway station and remain undeveloped until the later of 25 years from the commencement of the development or 5 years following practical completion of the development.
25. Network Rail were consulted on the outline planning application and raised no objection. They have pledged to continue to work with the council to consider the feasibility of a new station at Welborne.
26. In March this year, the Borough Council was awarded £65,000 in Local Infrastructure Funding from Homes England to progress a Strategic Outline Business Case for the Welborne station, which will present an evidence base and construct a financial and economic case for investment to win the support of train operators and funding partners. This funding must be spent by March 2023. Work is in hand, supported by Hampshire County Council, to appoint consultants to undertake this work over the next few months.

## **PRIMARY SCHOOL**

27. Hampshire County Council has been engaged in the delivery of all the schools proposed at Welborne for several years. Plans for the first £8.5M primary school are advancing well. Plans to open the school in September 2025 were announced by Hampshire County Council in February and work has begun on the outline design in order to submit a planning application.

## **UTILITIES**

### **Low carbon heat network**

28. The delivery of a large-scale new community presents a unique opportunity to factor in key aspirations right from the outset. One such aspiration at Welborne, shared by both the Master Developer and Fareham Borough Council, is to deliver low and zero carbon energy.
29. In May 2021, Fareham Borough Council was awarded £36,850 funding from the Government's Heat Networks Delivery Unit (HNDU) towards the production of a detailed techno-economic feasibility study of low carbon heat network options at Welborne in partnership with BDL.
30. The study was undertaken by energy consultants Sustainable Energy and the report was completed in April 2022. It compares two network options, a sitewide thermal network and a cluster based closed loop ambient network, and concludes that an ambient cluster network is the preferred solution to provide heating to the Welborne Garden Village because it offers the lowest carbon emissions and can be built at the same rate as the housing development, lowering the risk and without the need to be futureproofed for the whole development.
31. It is hoped that this study will inform Buckland Development's energy strategy for each

of Welborne's neighbourhoods, which must be submitted to the Local Planning Authority for written approval before the relevant neighbourhood can be developed. This will include details such as energy efficiency through design and layout, the use of low or zero carbon technologies and innovative building methods for a specific proposed neighbourhood.

## **Water**

32. In December 2021, Southern Water announced their "Water for Life" programme for Hampshire. The water supply issues that face Southern England are relatively well known, and Southern Water has been looking at alternatives and options to address the water supply issue in South Hampshire in the longer term, particularly in times of drought. The programme has since been confirmed by the Secretary of State to be a Nationally Significant Infrastructure Project (NSIP) and will be considered and decided by the Planning Inspectorate rather than individual Local Planning Authorities.
33. The latest proposals for a water recycling facility in Havant Borough to transfer water underground to provide drinking water for the eastern and central part of South Hampshire would require a new below ground pipeline of approximately 1 metre in diameter running east – west across Welborne, although at this stage no definitive route for the pipeline has been produced.
34. These proposals are currently being consulted on, with commencement anticipated in late 2025.

## **FAREHAM PROPERTIES ON WELBORNE**

35. Members will recall that the Borough Council purchased three properties on the site designated for Welborne Garden Village in 2016 and 2017. These properties have been tenanted since their purchase; however the impact of the proposed M27 Junction 10 Improvement Scheme on the residents was deemed to be a significant risk to the Scheme. As a result, vacant possession was achieved in March this year. The Borough Council has since entered into an Option Agreement with Welborne Land Limited for them to purchase the properties. The Heads of Terms for this Agreement were approved by the Executive in January this year.

## **RISK ASSESSMENT**

36. There are no significant risk considerations in relation to this report

## **CONCLUSION**

37. Good progress is being made on the delivery of Welborne Garden Village, with the Borough Council having a significant strategic leadership role in the development as well as its role as Local Planning Authority. Every opportunity to draw down external funding has been taken, with in the region of £43.5M being received to date.

## **Background Papers:**

None.

## **Reference Papers:**

Welborne Station Pre-GRIP Feasibility Study, Network Rail, 2017

Welborne Heat Network Feasibility Study, Sustainable Energy, 2022

**Enquiries:**

For further information on this report please contact Sarah Ward, Head of Strategic Sites. (Ext 4669)