

23 June 2020

Dear Members of the Policy & Resources Committee

Re: Agenda item 18 - Council-led Garden Community update

Save Our Heath Lands (SOHL) Action Group are writing to you ahead of your consideration of the above report at the Policy & Resources (P&R) Committee meeting on 24th June 2020.

Firstly, we would like to thank you for passing the motion at your Committee meeting on 29 April for an update report on this project to come to every future P&R Committee in order to increase the level of Member scrutiny and oversight of this project. We believe this is a critically important step towards being more transparent and we welcome the first of these update reports to your committee tomorrow.

Our summary of observations is a little longer than we would have liked however please take a moment to read the information as it will provide you with the details we believe are either omitted from or not fully addressed in the officer's report. We also thought it would be useful to provide some context to why we are asking certain questions at the meeting.

Paragraph 2.3: Feedback from the LPA

SOHL were surprised to learn on 9th June that the Council had already whittled down the number of garden community proposals from seven to four. We believe that of the three sites not proposed for taking forward, at least one site was more preferential based on the criteria cited compared to Lenham Heath. The report mentions that topic papers to support the Heathlands proposal have been submitted to the Local Planning Authority. In the interests of transparency and given the topic paper subjects are unlikely to cover commercially sensitive information, we are asking the Chairman through a public question:

"At your last meeting on 29th April, the Council's Chief Executive said that your "council-led proposition is being developed transparently in the public eye and every change and every adjustment therefore is as well." Can you tell us then when you will be making publicly available the topic papers to support the Heathlands proposal, covering; landscape impact, place-making and governance, housing, employment, infrastructure, and transport mentioned in paragraph 2.3 of the agenda item 18 officer report?"

We trust you will all support the publication of these documents to ensure full transparency and allow for proper scrutiny of this public sector-led project.

Paragraph 2.4: Second stage landscape-led masterplan

SOHL look forward to having sight of the revised masterplan in due course. We note that the total number of homes being proposed for the new town has reduced by 20% to 4,000.

The officer report also notes the need to further explore the motorway junction in line with the motion passed at your last meeting. In light of this, we are asking the Chairman through a public question:

"Can the Chairman confirm what meetings officers and/or members have had with Highways England regarding a proposed new motorway junction at Lenham Heath since the 29th April?"

The officer report also mentions Duty to Cooperate meetings. The Chairman said at the last meeting that discussions had taken place with neighbouring Ashford Borough Council (ABC). Our investigations with ABC have found no record of any recent meeting at officer or member level specific to the garden community proposal at Lenham. We are therefore asking the Chairman through a public question:

"At your last meeting on 29th April, you told this committee that you had spoken and had met with Ashford Borough Council about more ambitious housing proposals in relation to the Heathlands project and the M20 corridor. Ashford Council appear to be unaware of any conversations on this matter. Can you confirm who it was that was spoken to, when that conversation took place and where the notes are recorded?"

ABC's Local Plan was adopted in 2019. Council Leader, Gerry Clarkson takes chief responsibility for allowing rural areas and villages to 'evolve in a natural and managed way'. This seems contrary to Maidstone over the borough border who are actively choosing the rural setting to exploit for housing development. ABC appear to have no appetite for significant development outside their town centre growth areas mainly because to do so is generally contrary to NPPG in terms of sustainability and reduction of car usage.

Paragraph 2.5: Employment

The officer's report states that 'the revised masterplan also makes provision for 16 acres of employment'. This claim is ambiguous in that over 6 acres of employment already exists within the target location area. The Rose Lane Industrial Estate is home to a number of successful businesses employing over 150 people. The employment site offers a variety of tenures and users not commonly found on standard business parks. Businesses on this estate do not support the Council's proposal for a new garden community in Lenham.

Paragraph 2.6: Landowners

The officer's report states that the Council is in receipt of a letter of intent from the principal landowners. Through the Council's legal representatives, the eight principal landowners were presented with draft Heads of Terms in January. To our knowledge, none of the remaining five principal landowners have agreed these terms. We would welcome a more detailed update on the progress of these negotiations.

The officer's report also lists in a table the current breakdown of landownership of the now reduced target location area (red line).

The officers report glosses over several important factors and so, we believe, does not provide members with the full picture. It is important to note;

- (1) Around 81 acres (15%) of the stated principal landholding is south of the motorway. This land is not easily accessible without a motorway junction. Between this land and the northern side is the M20 motorway and High Speed Rail line. This severance is likely to be significantly expensive to 'bridge' and is worsened by the lack of support of landowners who hold the unshaded land south of the motorway.
- (2) Around 88 acres (17%) of the stated principal landholding the biggest single site in the Heathlands proposal is identified as a minerals site (Chapel Farm) in the emerging Kent Mineral Sites Plan, due for adoption later this year as part of the Kent Minerals and Waste Local Plan 2013-30. Chapel Farm is the only proposed site for a soft sand quarry in Kent for at least the next 20 years if not beyond depending on extraction rates for the sites previously adopted for this purpose. The Planning Inspector's review of the Plan concluded that the quarry had to be sequential in its operation to nearby Charing quarry which has another 10-15 years of operation. Chapel Farm would be unlikely to begin operation before 2030 and has 3.2 million tonnes of soft sand which would take more than 20 years to extract. The site would be unlikely to become available for development before 2050 which would be from our understanding outside of the next Local Plan timeframe within which the proposals for Lenham Heath sit. We are therefore asking the Chairman through a public question:

"The Planning Inspector issued his final report on the Kent Mineral Sites Plan on 23rd April 2020. His recommendation for adoption of this plan sees Chapel Farm identified as the only proposed soft sand quarry in Kent for the next 20 to 30 years. For those that don't know, Chapel Farm is an 88-acre site in the centre of the biggest landowner's holding in your Heathlands project. Why is this recent development/constraint not mentioned in the agenda item 18 officer's report?"

- (3) A further 49 acres (9%) of the stated principal landholding was originally identified as an extension to the Chapel Farm soft sand quarry but was dropped by Kent County Council following an archaeological study which found that it was possibly one of the most important Iron Age settlements in Kent. We've shown the highlighted area on the map in the appendix.
- (4) 'Additional interested landowners' represents 16 acres (2%) of the total target location. The officer report states that the Council has been 'approached by an SME developer acting for three smaller landowners within the redline that wish to make their land available for development too'. It is important for the Council to exercise extreme caution on this offer. Speculative developers are approaching local residents in Lenham Heath offering to 'help sell people's homes when the development goes through'. SOHL do not believe this is an ethical practice for already nervous and stressed local residents. We do not believe the Council should be supporting this behaviour.
- (5) 'Other land to be retained' is listed as 124 acres (16%) of the total target location. It is unclear what land this refers to.

(6) 'Remaining land' is listed as 104 acres (13%) of the total target location. It is unclear what land this refers to.

In summary, there remain significant questions still to be answered by officers over the availability of some 59% of the total landholding in the newly proposed target location redline.

Paragraph 2.8: Financial model

There were serious concerns around the previous high-level financial model for this project. We are pleased it is finally being updated and note that the officer's report claims initial indications of the revised proposal are improved. We would expect appropriate contingency and risk costs to be built into this financial appraisal which were absent in the last version. We are concerned that to bring the costs down to make the project look more positive, infrastructure will be reduced. We are therefore asking the Chairman through a public question:

"The initial financial model for the Heathlands Garden Community barely came close to breaking even and certainly did not reflect all the necessary contingencies and detail to pass deliverability and viability tests. Will you please detail how the revised masterplan is going to be cut down with critical infrastructure removed at the expense of the Council's widely publicised vision and true Garden Community principles?"

Paragraph 2.10: Land Value Capture

The officer's report comments that 'all the infrastructure requirements for the garden community would be fully funded through land value capture'. While this is an admirable ambition, we have significant doubt this is commercially viable.

With 157 hectares of residential developable land, (given 50% of the target location is safeguarded green space), over £3m per hectare would need to be captured in value to cover infrastructure costs if we assumed an arbitrary value of £500m. It is likely the total infrastructure cost would be more given items like a motorway junction would be in excess of £100m alone.

Land value capture is not a silver bullet. Landowners will expect market rate plus 'hope value' for their land to adequately compensate them for their sale. This could be between £240,000 and £480,000 per hectare for agricultural land based on government practice guidance on viability values. Developers will need to make a profit at the other end for it to be commercially attractive. In our view, the residual value will not, by a long way, cover the full infrastructure costs.

It is important that officers are openly sharing complete information on opportunities and constraints for this proposal. We therefore ask the Chairman through a public question:

"How will the Chairman ensure that members of this committee will be given all the facts on the Heathlands project in order for them to make future informed decisions?"

Kind regards

Save Our Heath Lands Committee

Appendix 1 – Principal Land Ownership in the Council-led Proposed Garden Community (Heathlands)

	Landowner 1 (Chapel Farm)	240 acres
	Landowner 2	94 acres
	Landowner 3	69 acres
	Landowner 4	22 acres
	Landowner 5 (South of motorway)	81 acres
	Total	506 acres
-	Garden Community boundary	905 acres



Sewage Treatment Works



Chapel Farm (88 acres) – Mineral site / soft sand quarry. See point (2) above



Chapel Farm east (49 acres) – Proposed mineral site and archaeological site. See point (3) above.

Unshaded area represents:

at least 128 private properties
Privately owned paddocks and land
Rose Lane Industrial Estate
Gypsy & Traveller sites
Protected Nature Reserve
M20 motorway
High Speed 1 Rail Line

View this map in interactive format here.

