



OTTERPOOL PARK

COUNTRYSIDE • CONNECTED • CREATIVE

BUSINESS PLAN

December 2020

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1. Introduction - By the Chairman

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Our recently formed Board of Directors is pleased to be presenting this Business Plan which, alongside our vision, is an important step on the journey towards the delivery of Otterpool Park. Our objective for the coming year is to establish ourselves as a locally accountable organisation that will enable the delivery of the Garden Town and support residents, partners and stakeholders to create a 'Garden Community' in a district that is extraordinary.

It's already home to all types of people – from artists to musicians innovators to educators, makers to entrepreneurs; they come together in Folkestone and Hythe to enjoy our countryside and miles of stunning coastline, world-class cultural scene and fantastic connections to Europe and the rest of the UK.

Our aspiration to deliver 10,000 homes, around 9,000 jobs, across a 30-year period makes sense for a place that consistently attracts from London and the wider south-east. When we see the profound effect that the Covid-19 pandemic has had on our day-to-day lives, the concept of a community that has over 50% green space, walkable neighbourhoods, leisure on the doorstep and the very best of modern health and education provision, the opportunity becomes all the more relevant – right now.

Over the coming months, as we move towards presenting Otterpool Park at planning committee, we look forward to building delivery relationships to enable on-the-ground regeneration with a wide range of partners and stakeholders, in both the public and private sectors. We want to work with forward-thinking house builders, developers and investors to build a new community; to bring together all this district has to offer and communicate it far and wide.

Our focus is centred on enabling a people-led Garden Town that not only turbo charges our local economy but delivers a remarkable community for the next generation.

A beautiful Kentish town in the countryside, close to the sea.

*Luke Quilter,
Chairman,
Otterpool Park LLP*





2. Background and Context

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2.1 - BACKGROUND

Otterpool Park is a unique opportunity to meet the challenge of housing need in Folkestone and Hythe, through a properly planned new garden community set in rich countryside. It is ideally located to take advantage of excellent existing connections by road and rail.

In 2015, Folkestone & Hythe District Council (the Council) bought 144 ha of agricultural land at Otterpool Manor Farm as a long-term investment for future development. Shortly after this, the Government announced its Garden Cities, Towns and Villages programme, which provided the stimulus for the Council to advance its ambitions for development and form a partnership with its neighbouring landowner Cozumel Estates Limited, the owner of Folkestone racecourse.

A proposal for a new town of up to 10,000 homes and thousands of new jobs, all in a green setting with 50% green space, was born.

The bid to government for garden community status was successful, and the project continues to be supported by politicians at national, county and district level. The project has attracted £3.4 million of capacity funding from government to support the Council's work to date. The Council has continued to acquire properties and land options, including Westenhanger Castle, a Scheduled Ancient Monument and Listed Building, within the site. Homes England, the government's housing agency, has also invested in land at Otterpool Park to support the proposals.



Work began in 2016 on a masterplan for the area, led by consultants Arcadis and master planners Farrells, resulting in an outline planning application submitted in February 2019. The plans were guided by a set of principles that were agreed at the outset, based on the Garden City Principles. These principles were explored in more detail in the Charter for Otterpool Park, adopted by the Council in 2017. (Cabinet meeting 18 October 2017 minute 48)

More recently, the Council reaffirmed its view of what it wants Otterpool Park to be. This is set out in the document Otterpool Park A New Garden Town in the Folkestone and Hythe District (Appendix 5).

This sets out the Council's ambitions for a sustainable new garden town in the Folkestone and Hythe district:

- ◆ **Enhancing the environment:**
 - Minimum of 50% green space
 - Deliver at least 20% biodiversity gains, going beyond the Government target
 - Promoting walking, cycling and public transport
 - Reducing environmental impact
- ◆ **Creating strong and healthy communities:**
 - Giving residents a voice
 - Preserving cultural heritage and inspiring the new
 - A diverse range of housing types and tenures
 - Innovative approaches to delivery
- ◆ **Creating jobs and building new businesses**
 - Diverse employment opportunities
 - A digital town of the future
 - New town and neighbourhood centres

In parallel, the Council, as the local planning authority, was reviewing its Core Strategy. After a capacity analysis of the district, it concluded that this location was the only viable area for significant growth to meet escalating housing need. It recognised the sensitivity of the landscape – within the setting of the Area of Outstanding Natural Beauty (AONB) and views from the North Downs – and the impact on existing neighbouring communities. In many respects this has been a positive challenge; creating a proposal that is landscape led, creates green space that is accessible to new and existing residents and provides attractive townscape views through well designed streets and buildings. The masterplan also brings new life to heritage assets including Westenhanger Castle and offers a net gain to biodiversity.



2.2 - CONTEXT AND DRIVERS

Housing need: the undersupply of housing nationally is recognised by all political parties, and the need within the Folkestone and Hythe district is no different. The latest government figures for objectively assessed housing need that the district is obligated to plan for continues to increase, now more than doubling current rates of delivery. This need applies to all types of housing but in particular affordable housing and helping younger people onto the housing ladder.

Planning context: historically the district has built a significant proportion of its housing on brownfield sites within existing towns and villages. However, there is now very limited capacity for further growth in Folkestone or Hythe, and while there is some scope for more housing on the Romney Marsh and in some villages, the district is heavily constrained by the AONB and flood plain. Development around junction 11 therefore becomes a natural choice, helped by the fact the junction has plenty of capacity and there is a railway station at Westenhanger.

Economic positioning of the district: East Kent has historically underperformed economically within Kent and nationally. There are now several factors that give an opportunity for the district to punch higher, developing higher value jobs, attracting more visitors and raising values. These factors include the high-speed train service into London; increased attraction of natural assets such as the coast and countryside; good connections to Europe; comparative affordability of houses and the thriving arts and creative scene. Much of the employment space in Folkestone is outdated, or in the case of the creative industries has not got the capacity to expand, so there is latent opportunity to improve skills and provide better quality jobs.

Ageing population: the Folkestone and Hythe area has historically attracted people wishing to retire to the coast and has a shortfall of younger adults.

Financial: as government funding to local authorities becomes less predictable and reduces in real terms, so councils are looking to other sources of income to ensure a stable financial future, including through development portfolios. Over the past five years the Council has bought land or developed proposals on a pipeline of different sites, in many cases delivering new homes through the Housing Revenue Account. Otterpool Park is by far the most ambitious acquisition but with the potential for the greatest long-term income.

2.3 - DRIVERS FOR OTTERPOOL PARK

- ◆ Meeting the Council's corporate objective of more homes and more jobs*.
- ◆ Planning properly for long-term housing growth.
- ◆ Rebalancing the demographic of the district to attract more people of working age, away from the trend of an increasing older population.
- ◆ Creating a comprehensively planned community that provides infrastructure in a timely way and a high-quality environment, controlled through land ownership. This will avoid incremental and poorly planned, poorly designed development.
- ◆ Creating an environment that enables healthy lifestyles, including neighbourhoods that are walkable, encouraging walking and

cycling overuse of the car. Thriving local communities and access to the outdoors has become increasingly important during the Covid-19 pandemic.

- ◆ Financial sustainability of the Council, providing a long-term source of income to reinvest in the district and improve services to its residents.

*The Council is currently consulting on the next revision of its corporate plan. One of its priorities is to “deliver a sustainable new development at Otterpool Park.”

The importance of working in partnership to deliver a project of this scale cannot be underestimated, including a strong working relationship with the local planning authority. Section 6 sets out the work with stakeholders present and anticipated.



3. Vision and Purpose

3. Vision and Purpose

Our Vision document for Otterpool Park is included at Appendix 1.

3.1 - BENEFITS TO THE DISTRICT COUNCIL

Development management

The Council is keen to ensure that the development is of a high quality and delivers a wide range of objectives. The LLP is a vehicle able to exert control far beyond what would be possible through the Council's role as local planning authority. This may involve applying control or financially supporting a wide range of aims and objectives, including the following:

◆ Homes

Developing up to 10,000 new homes including:

- Satisfying local needs, including affordable homes
- Providing a range of tenures to meet diverse needs
- Including homes for key workers
- Providing opportunities for innovative delivery, including self- build and community land trusts
- Achieving high quality design and sustainable construction

◆ Distinctive and high-quality design

- Applying guidance through design codes
- Applying control through deals struck with housebuilders and enforced through licensing arrangements

◆ Sustainable transport

- Provision of transport hubs to encourage the use of public transport and sustainable vehicles
- Incentives for the use of electric vehicles and good quality cycle and pedestrian facilities

◆ Employment space

◆ Green and blue infrastructure

◆ Energy conservation

◆ Healthy lifestyles

- Land uses arranged to encourage walking and cycling, assisted by dedicated cycleways, footpaths and large areas of parkland
- Contemporary health facilities
- Indoor and outdoor spaces and activities to improve community development and mental health

◆ Improve heritage assets

◆ Creativity

◆ A technology-enabled community

◆ Local Food

◆ Monitoring the success of the town against its objectives and resident/employer satisfaction

3.2 - LAND VALUE CAPTURE

Financial

Although not the primary reason, one of the reasons for the Council embarking on the Otterpool Park project was to generate a commercial return and thereby improve its overall financial position. The decision was taken in anticipation of the Government reducing its annual support grant to the Council and with an aspiration of making the Council more financially independent.

Initial land purchase costs were justified on the basis that in the long-term there would be benefits to residents across the district. The aspiration is for the Council to benefit from capital receipts in the middle and long-term and to explore the scope for generating sustainable revenue incomes.

The capital receipts will result from the selling of serviced plots to housebuilders. Some receipts will be reinvested in the project and some will be payments to the Council, to enable the repayment of loans to the company and to support improved Council services. Further capital receipts could be generated if the Council wanted to directly develop land for housing or commercial uses.

The revenue receipts could be manifest from a range of sources which could include:

- ◆ Income from land and/or buildings through the payment of rent (residential and commercial). The Council could retain the freehold interest in parts of the site and achieve ground rents or it could potentially construct commercial buildings to let.
- ◆ The provision of services to the LLP e.g., grounds maintenance.

Each year the Board of the LLP will consider the distribution of profits to its owners; the ability to distribute profits will depend on a variety of factors including the amount of money generated by land sales.

3.3 - DESIGN

Design quality

Several mechanisms were agreed with the LPA early on to ensure good design and placemaking was carried through from early concept through to detailed design and construction. These are:

- ◆ The Charter for Otterpool Park, which was approved in October 2017.
- ◆ Setting up the Otterpool Park Place Panel.
- ◆ Proactive involvement of the LPA, working together with the promoter.
- ◆ Preparation of design guidelines as part of the outline planning application.
- ◆ Preparation of design codes – a strategic code for the whole site, with detailed codes required by phase.
- ◆ A Kentish Contemporary Vernacular design guide aimed at developers that demonstrates how traditional Kent building forms and materials can be reinterpreted.

The LLP will continue to support and invest in these design tools. It recognises the need to review each phase of development to assess its success and where lessons can be learnt, then revise design codes and other strategies accordingly.

4. Current Position

4. Current Position

4.1 - PLANNING INCLUDING UTILITIES / INFRASTRUCTURE

In order that the key objectives of the Otterpool Park Garden Town can be achieved (for example providing homes, jobs, education and health services and high quality public open spaces), it is firstly necessary to deliver the key infrastructure provision that enables the key elements of the town to be delivered.

As master developer for the Garden Town, the LLP has a key role to play in the delivery of such infrastructure. In order for the LLP to be in a position to deliver this infrastructure it is necessary to develop and deliver a detailed programme of activities based on the following stages, as set out below.

4.2 - SECURING PLANNING PERMISSION

The planning strategy for Otterpool Park is set out in more detail in Section 9 of the Business Plan. However, in summary, in order to allow the key infrastructure to be delivered, it will be necessary for the following to be obtained:

- ◆ Adoption of the Folkestone and Hythe Core Strategy Review.
- ◆ Approval of the Otterpool Park outline planning application.
- ◆ Tier 2 approval, including approval of the Phase 1 masterplan and design code (plus approval of subsequent phases as the scheme proceeds).
- ◆ The discharge of pre-commencement and other relevant planning condition.
- ◆ The discharging of any S106 or other similar legal obligations.

4.3 - DETAILED TECHNICAL DESIGN AND APPROVAL

- ◆ The preparation of detailed technical designs for the key infrastructure provision.
- ◆ The obtaining of the necessary technical consents such as building regulations approval or S278 approval for highway-related infrastructure.
- ◆ Other approvals such as main rivers consent, listed building consent and approval from the relevant utility companies.

4.4 - LAND OWNERSHIP

- ◆ Addressing any land ownership issues required for the delivery of key infrastructure including the acquisition of any required land in accordance with the options agreements between the LLP and third-party landowners.

4.5 - PROCUREMENT

For elements of infrastructure provision, it will be necessary to procure a contractor or operator to deliver the infrastructure. There are number of options available for this such as:

- ◆ Procurement of contractor/s to deliver a particular piece of infrastructure based on a design commissioned by the LLP. In such an example the LLP would be responsible for securing the necessary consents.
- ◆ Entering into a design and build contract with a contractor, whereby the appointed contractor secures the necessary consent and prepares the detailed design prior to implementation on behalf of the LLP.
- ◆ Direct delivery by a third-party operator for example in the case of the Wastewater Treatment works.

4.6 - OTTERPOOL PARK LLP INFRASTRUCTURE DELIVERY

The planning and delivery of infrastructure will be a key function of the LLP in its role as master developer, and a costed infrastructure programme will be prepared and maintained by the LLP. The key focus will be on delivering the infrastructure necessary to provide serviced plots capable of being built out by third-party developers as well as delivering the social and community infrastructure necessary for placemaking and the achievement of the broader objectives of the company. The type of infrastructure that will be delivered by the LLP includes:

- ◆ Sustainable transport measures including cycle/footpath provision, bus and rail infrastructure and a network of mobility hubs.
- ◆ Strategic road network including key junction improvements and other mitigation measures.
- ◆ Advanced planting and other green infrastructure, including the strategic park network, sports pitches and neighbourhood level play provision.
- ◆ Sustainable urban drainage (SUDS) provision.
- ◆ Wastewater Treatment facilities including wastewater recycling provision.
- ◆ Utilities provision including potable water and electricity supply and ultra-fast broadband.
- ◆ Community infrastructure including primary and secondary schools and a health and wellbeing centre.

The LLP will need to make a long-term commitment to the delivery of strategic infrastructure based on a rolling 5-year infrastructure programme.

4.7 - STRATEGIC LAND AGREEMENT

The foundation of the arrangements between the Council and the LLP is a Strategic Land Agreement (“the SLA”). This is intended to be as flexible as possible to account for the long-term nature of the project.

The SLA provides the LLP with a call option over the Council’s land interests at Otterpool Park.

The SLA is flexible on:

- ◆ **Timing** – in terms of its overall duration and when the call options are exercised during that contractual term.
- ◆ **Subject matter** – in relation to which one or more land interests (in whole or in part) the call option is exercised by the LLP at any one time.
- ◆ **Outcome** – in terms of what the LLP exercising its call option in relation to one or more land interests results in i.e., that could be a land transfer to the LLP or a transfer to another third-party nominated by the LLP (e.g., a house builder).
- ◆ **Payment** – in terms of both the nature of the consideration and when it is payable (e.g., is it deferred?).

Where the LLP acquires one or more land interests from the Council under the SLA, it will fund those acquisitions either:

- (i) pursuant to a debt facility from the Council or from another third-party lender, or
- (ii) the land interest/s could be transferred in consideration of loan notes from its Members (Owners) (at the value of the land interest(s) in question) being issued by the LLP to the Council.

Subsequent transfers of land pursuant to the LLP exercising its call options under the SLA will be subject to the satisfaction of certain pre-conditions – e.g., planning permission, viability, funding, site/phase business plans.

4.8 - MANAGEMENT OF THE SITE

Presently the area of the site owned by the Council consists of agricultural land, some residences, the Castle and areas that are unused e.g., the old racecourse stands.

The agricultural land is let on agricultural tenancies and the houses or bungalows that are occupied are rented out on non-secure or assured shorthold tenancies. This ensures that the Council gets a return on its investment.

It is the intention that the Council and the LLP will enter into a licence agreement so that the land is managed by the LLP for a fee. This will enable the LLP to manage the site, ensuring that, amongst other things, it is presented in such a way as to be attractive to developers.





5. Organisational Form

5. Organisational Form

5.1 - LEGAL FORM AND GOVERNANCE

The Council has formed Otterpool Park Limited Liability Partnership (“the LLP”) to act as the master developer for the Project in accordance with this business plan and the agreements it has with the Council, principally the Strategic Land Agreement (see above) and the financing arrangements.

As the master developer the LLP will take responsibility for obtaining planning permission and other consents and for delivering the infrastructure (e.g., community infrastructure, utilities and highways) for the Project. The LLP will also carry out feasibility studies to determine market need.

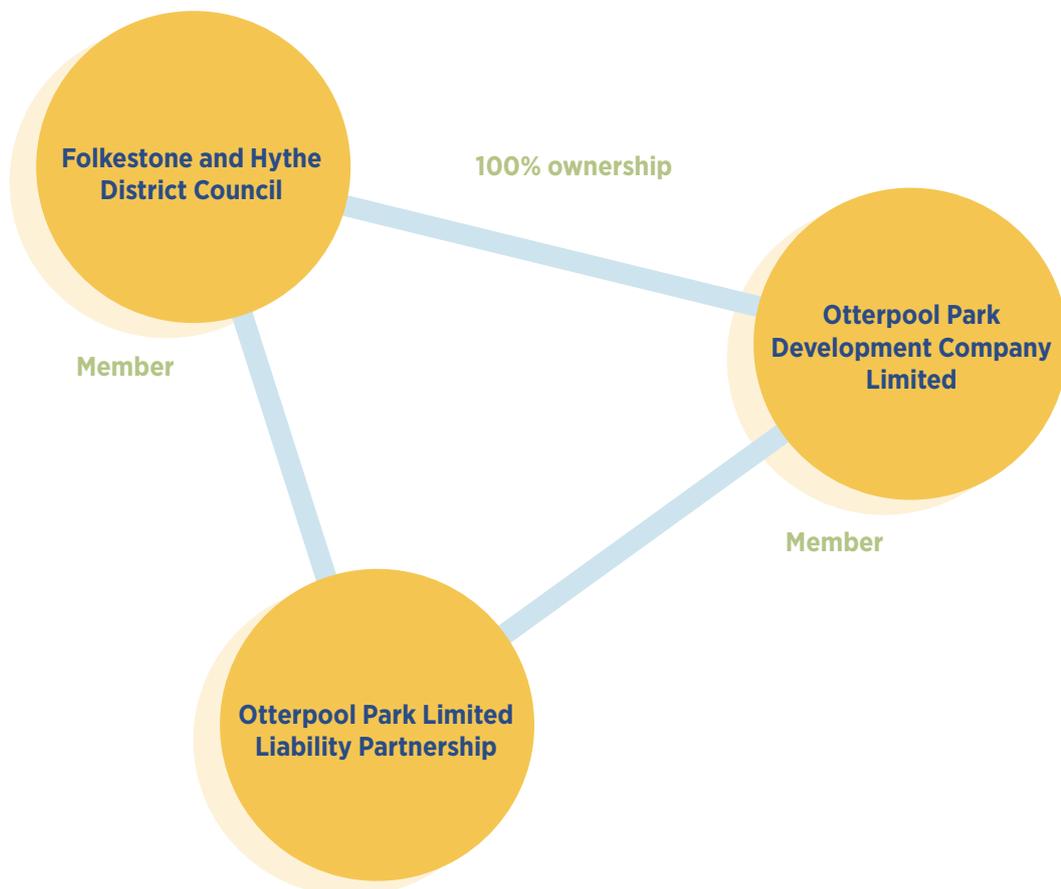
The LLP will market fully serviced land parcels to housebuilders and commercial developers, facilitating the creation of high-quality places.

The LLP, through subsidiaries, will have a continuing role in the physical and social development of the project.

It is not envisaged in the plan that the LLP will (either itself or through a subsidiary) develop land itself, which would require a different set of considerations and decisions. This may change during future plans or indeed during updates of this present plan. In addition, although not related to developing land, it is likely that the community infrastructure will be managed and owned by a subsidiary of the LLP.

Finally, the LLP will create value for its owners in the way it facilitates the development of the project. This is dealt with more fully elsewhere.

The LLP is presently owned by the Council and by the Otterpool Park Development Company Limited (“the Limited Company”). The Limited Company is itself wholly owned by the Council. The ownership structure is shown below.



A Members' (or Owners') Agreement between the Council, the Limited Company and the LLP is the governing document of the LLP. The Members' Agreement sets out the objective of the LLP as:

“To ensure that the Otterpool Park Garden Town, a settlement that will in time consist of 10,000 dwellings is delivered in accordance with the business plan approved from time to time including but without prejudice to the generality of the foregoing generating the required commercial return to the Members.”

The LLP's tasks are further shown as:

- a) Be the planning applicant for the project delivery.
- b) If appropriate, act as the manager of the community infrastructure created as part of the project.
- c) Lead and coordinate development activity at the project site, potentially via subsidiary vehicles.
- d) Where appropriate, facilitate partnership development arrangements to bring forward housing and employment opportunities at the project site, including joint ventures with other organisations.
- e) Where appropriate, hold and manage residential, commercial, agricultural and/or industrial land and buildings at the project site in advance of, during and following project delivery (as applicable).
- f) Lead and coordinate the delivery of such infrastructure works as are necessary as part of project delivery.
- g) Commission any necessary professional services relating to either the Council's objectives for the project and/or the business objectives of the Delivery Vehicle.
- h) Carry out such trading activities as will be identified in the Delivery Vehicle's Business Plan (which will be subject to periodic update/review/approval).

The Members' Agreement also contains the delegation matrix which sets out those matters which need the approval of the Council and are not within the authority of the LLP to make a decision on.

The structure will enable new partners to join the LLP; a decision on whether to and on what terms would rest with the existing members. At present it is the Council's intention that it would retain the majority "share" in the LLP. Any new partner could come from the private or public sector. It is likely that the Council would expect that any new potential partner would bring substantial funding with them.

The governing body of the LLP is a board of nominees or directors. The present Board (details of whom are shown in section 5.4) comprises seven people six of whom are appointed by the Council and one by the Limited Company. One of the directors has been appointed as the chairman of the Board.

The Board has adopted a code of conduct so that conflicts of interest are identified and avoided¹ and has also adopted a procurement policy².

The Members of the LLP meet at least quarterly to discuss the affairs of the LLP and the progress towards achieving the objectives in the business plan.

5.2 - THE BUSINESS PLAN PROCESS

The Board will, every five years, approve a business plan. The business plan will have a five-year duration with annual updates. The business plan and its updates will be approved by the Board for submission to the Council in December / January of each year. This will enable any budgetary implications to be considered by the Council for inclusion in the budget for the subsequent financial year.

5.3 - DISTRIBUTION OF SURPLUSES

Each year the Board will meet to decide what proportion of the net profits (if any) should be retained for the working capital reserves of the LLP and for reinvestment in the LLP in accordance with the business plan. The remainder will be distributed to the members in accordance with the proportion each member is entitled to, currently the Council is entitled to 99.9% and the Limited Company 0.1%.

¹ Board decision 15 July 2020 minute 3

² Board decision 15 July 2020 minute 4

5.4 - THE TEAM AND RESOURCES

The Board

The LLP is governed by a Board of nominees or directors. The rules for the Board's meetings are contained in the Members' Agreement.

The agendas and minutes of the Board meetings are made public unless there are confidential or sensitive information is being discussed.

The Board meets at least quarterly with other meetings being arranged as and when required.

The Board presently comprises seven directors. Two of the directors are members of the Council, two employees of the Council and three appointed after public advertisement.

Brief biographies of the directors are set out in Appendix 2.

Leadership

Day-to-day leadership of the LLP is provided by John Bunnett and Andy Jarrett. The Board have delegated most day-to-day decisions to them, although John and Andy naturally keep the Board apprised of what is going on.

They also are the primary link between the LLP and the owners – the Council and the Limited Company.

John and Andy are responsible and answerable to the Board for the delivery of the business plan.

Wider team

The resource strategy is to have a blend of internal resource along with a range of interim management, consultants and contractors appointed on a term contract or through partnership arrangements.

The following staff will be appointed on a secondment basis for a term of three years initially:

John Bunnett	Managing Director
Andrew Jarrett	Planning Director
Julia Wallace	Masterplanning and Design Manager
David Shore	Planning Manager
Tess Luetchford	Community Service Delivery Manager
Donna Brace	Project Coordinator

The structure of the team will initially be a relatively flat model, whereby each area of work is assigned to an individual. The coordination of this work will be led by John and Andy depending on the area of work. As the bulk of that work is currently planning, the resource within the team is largely planning expertise and design expertise. Julia and Dave are very experienced and capable planners who are well able to carry forward the outline planning application and the design of the first phase master plan along with support from Andy.

John is leading on the delivery elements of the project and the commercial negotiations both with housebuilders and commercial property organisations along with overseeing the day-to-day running of the business.

Andy's role is to support the Managing Director in the preparation and delivery of the Otterpool Park project. Andy is the lead officer in preparing and managing the planning strategy for the project including managing the delivery budget for the planning strategy. He also manages the planning team.

Julia's role is to project manage the master planning and technical work for Otterpool Park and to provide related professional advice and to oversee a range of workstreams through to delivery of the project on site.

Dave's role is to provide professional advice and project manage town planning and associated technical work for Otterpool Park, for the promoter Otterpool Park LLP. He is also the lead on transport provision for Otterpool Park.

Tess' role is to manage delivery of a range of community buildings and services to meet the needs of the new community at Otterpool Park, including leading on community liaison and community development. The role will involve delivering ambitious social and environmental objectives for the town including health and wellbeing; culture and arts; education and lifelong learning. It will rely on developing strong and constructive working relationships at a senior level with a range of partners in the public and voluntary sector.

Donna's role is to support the project management and administration of the planning and delivery of Otterpool Park. She is also budget holder for the day-to-day running

costs of the office and solely responsible for the purchase order and invoice system. She also assists the finance manager with budget management for the project.

Their specialisms are described above. Their role is to ensure that the LLP fulfils the objectives in the business plan.

Recruitment over the plan period

The LLP does not employ anyone at present. This is likely to change over the plan period. A skills audit will be undertaken to identify gaps in the skills necessary to progress the project with a view recruiting to fill the gaps.

Policies and human resources, recruitment and remuneration will be developed for approval by the Board.

Support services

It is intended that the LLP will enter into service level agreements with the Council to provide all or some the following:

- ◆ The provision of staff to run the business and carry out the business activities of the LLP
- ◆ Legal advice
- ◆ Accountancy advice and services
- ◆ Accommodation
- ◆ Procurement services
- ◆ Internal audit services
- ◆ Communications and public relations services
- ◆ IT services
- ◆ Human resources services.

Other services may be added but over the plan period it is likely that some, at least, of these services will be tendered and possibly awarded to third parties.

The LLP has already moved out of the Civic Centre in Folkestone to a dedicated office on the former racecourse under a lease on commercial terms from the Council.

Contracts

The major consulting firm Arcadis has already been appointed on a term contract and is responsible for the delivery of all environmental assessment work. In addition, Arcadis has been appointed to project manage the planning application process which will include representations to, appearance at the local plan enquiry and the preparation of the outline planning application which is currently in process. It is anticipated that this work will run through the early part of 2021 and will conclude at the point at which the outline planning application goes to the Planning and Licensing Committee which is anticipated in the second quarter of 2021. Subsequent phases of planning work will be determined during the course of the first quarter of 2021 and will largely be around the delivery of reserved matters.

Alongside this work, the other major area on which the LLP will concentrate in the forthcoming 24-month period will be the preparation for the delivery of the first phase of the development. This will include the work to open up the area around the town centre and the early phases of residential development, as well as the offsite infrastructure which will include everything from advanced planting to highway and other major built infrastructure development. This is a very substantial area of work and is currently being overseen by a group of specialist consultants with considerable experience in delivering major infrastructure but there is a need for a strong experienced client-side officer to manage these consultants. The LLP is currently exploring two approaches to securing this experience, the first is by way of an interim manager and the second is by way of a full-time appointment and it is anticipated that the choice in this area will be made early in 2021.

Clearly over time the needs of the LLP will change and therefore the resulting resource needs will also change. It is anticipated that resourcing needs will be kept under annual review and any changes to resourcing will be considered as part of the annual review of the business plan.

6. Stakeholders

6. Stakeholders

6.1 - STAKEHOLDER ENGAGEMENT TO DATE

For all development, early consultation is critical to the planning process, and especially so when the development proposed is at a Garden Town scale. One of the criteria for a successful bid to the Government's Garden Cities, Towns and Villages programme was to be able to demonstrate local support, and this is something the Council took seriously from the inception of the proposed Garden Town.

Early meetings were held with local partners including the Invicta Chamber of Commerce, East Kent College, parish councils, local Business Advisory Board and politicians at local, county and national level before the bid was submitted. Many stakeholders submitted letters of support that were included in the bid, including the local MP. The intention to bid for Garden Town status received unanimous support from Council members at the Council meeting of May 2016. (Minute reference).

Since then, the masterplan and planning application has been the vehicle to engage with a wide range of stakeholders. Use of social media and development of the Otterpool Park website ran alongside a series of drop-in events, workshops and briefings for local residents and stakeholders. The team has held workshops with primary and secondary schools and worked with college and university students. Early engagement allowed proposals to be explained to interested parties, stakeholders and local residents. It was also an opportunity to explore and seek solutions to various issues at an early stage, with the intention of gathering and testing ideas, reducing conflict and raising and resolving problems. Overall, it resulted in a better-quality planning proposal.

The team worked closely with two consultants who were initially appointed to lead on communications and community engagement for the planning application - Property House Marketing and Kevin Murray Associates. The overall strategy was aimed at reaching as wide a demographic as possible – young and old; the working population and those living locally and further afield. The programme of engagement activity is set out in the Statement of Community Engagement within the planning application.

Marketing communications and engagement is now being led by Pillory Barn, who will continue to work with the LLP.

Engagement and collaborative working with the LPA over the Core Strategy Review and planning application continue to be important for such a significant project. Separately the Council also met regularly with a range of local stakeholders, including Kent County Council, parish and town councils, the MP, the Local Enterprise Partnership, local amenity groups and other interested parties. It met with most of the individual households living within the planning application area.

Work with stakeholders to date has been focussed around the master planning work, but as the project moves toward delivery this will need to be broadened out to cover a range of different themes, including health and wellbeing; transport and environmental matters such as heritage and ecology.

The recent appointment of a community services delivery manager will support the development of relationships within the community and the emerging community engagement strategy will reflect immediate and long-term community stakeholder priorities. One priority is establishing a virtual community to bring together the community and local businesses with an opportunity for them to engage on elements of design and other matters.

6.2 - FUTURE STAKEHOLDER ENGAGEMENT

Stakeholder mapping

Stakeholders have changed as the Otterpool Park project has progressed during the past few years. Consequently, the original stakeholder mapping exercise is being refreshed including the theme specific elements mentioned above. This will enable the team to identify audience segments and design targeted engagement strategies for each segment with the assistance of a specialist agency. Stakeholders vary from those with a specialist role in for example health, through to voluntary sector organisations and interested members of the local community who wish to be involved.

One of the core principles of a garden city is around engagement, and the LLP is committed to achieving this.

While some people will only wish to be kept informed rather than participate more actively, the LLP will explore a range of opportunities for working with local stakeholders and existing/future residents, for example:

- ◆ Ongoing work with parish councils on master planning each phase of development.
- ◆ Involvement in heritage through community archaeological digs and projects at Westenhanger Castle.
- ◆ Working with partners such as White Cliffs Countryside Projects to involve volunteers in environmental improvement projects.
- ◆ Community arts projects.
- ◆ Ensuring local representation on the governance body responsible for long-term management and maintenance of assets, including green space and community buildings. The potential to establish a town council in future has also been protected.

Otterpool Park will have a significant impact on current and future service planning for the Council itself, and the ongoing working relationship between the LLP and Council officers in planning and delivery of these services (beyond the Local Planning Authority) is important. The team will achieve this through regular meetings with key officers and landowner meetings.

6.3 - COMMUNITY DEVELOPMENT

An important consideration for a new community is how to ensure that new residents feel welcome, supported and can form social bonds within their new community. Forging relationships between existing and new communities is also important. The Otterpool Park team has looked at some examples of good practice and lessons learned from other Garden Towns and this work will continue and inform the community development strategy. It is important that, in addition to identifying and meeting stakeholder aspirations for Otterpool Park to become a vibrant community, we also investigate the potential challenges for a new community for example mental health needs, potential isolation, debt, domestic abuse etc. We will work with stakeholders locally and in third sector organisations and the Council to map challenges and suggest mitigating strategies. We will also explore innovative and creative ways to secure and maintain community engagement for example through events, competitions, dedicated radio/TV channels; social media and the development of a Virtual Community to inform plans and feedback ideas to the Otterpool Park process.

6.4 - STAKEHOLDER COMMUNICATIONS

Communication in the early days of the project was aimed locally, providing local stakeholders and the public with information, giving the opportunity to be involved and responding to concerns and objections. As Otterpool Park moved from an idea to a deliverable new town the strategy for communications has aimed to reach a wider audience regionally and nationally, promoting the site to potential developers, investors and future residents. This continues to be a primary objective, particularly increasing the reach to younger people and London-based businesses around St Pancras.

Pillory Barn has led marketing communications and engagement since 2018 and has successfully helped the team set out the vision of the town; rebrand the Otterpool Park brand, create a new website, run/participate in several events, manage media enquiries and expand the social media reach.

Pillory Barn has prepared a communications strategy for the next 6 months that includes:

- ◆ Preparing the Vision document and Investor Prospectus.
- ◆ Preparing website content on a range of topics including ecology, housing, transport and Westenhanger castle.
- ◆ Expanding the website and digital media footprint.
- ◆ Running a consultation event at the time of resubmission of the planning application and communicating this.

In addition, each team member continues to be responsible for communicating with their own contacts within businesses, developers, agencies and community groups.

Other planned events and activities have been put on hold due to Covid-19 restrictions, such as a promotional event close to St Pancras; a presentation at the Kent Construction Expo and a Westenhanger Castle public open day (following a successful event in November 2019).

6.5 - LEARNING FROM ELSEWHERE

With such an ambitious, long-term project, learning about best practice from elsewhere is vitally important, particularly where innovative and forward-thinking ideas are being tested. Study visits have been run since 2016 for Councillors, officers and other partners. Officers have met with a range of different public and private sector colleagues who have been involved with planning and delivering major sites, including other Council-led developments.

Over the next 12 months the team will continue to be involved with the Garden Communities Forum run by Homes England, which offers a range of different learning opportunities. Colleagues in Ashford continue to be generous with their time, sharing lessons learnt from Chilmington Green, in particular on long-term stewardship. Learning will increasingly be focussed on specialist issues as individual projects take shape such as designing and building the health centre and first school. Priorities for learning this year include designing for low carbon development and sustainable transport.



7. The Market

7. The Market

The Covid-19 global pandemic lockdown has slowed transactions of development land at a time when, year-on-year, development land values are down 3.2% on Q1 2019.

However, as lockdown measures eased off in June 2020 and promoters and housebuilders returned to work from furlough, there were signs of an increase in activity and a desire to ramp up development to make up lost ground. Indeed, some of the falls from 2019, driven by Brexit uncertainty, were recovered by March 2020 only for the market to go through an imposed hiatus.

Confidence has been gained in recent months as sales rates bounced back strongly on the back of pent-up demand with the easing of restrictions on the housing market, particularly around a reduction in Stamp Duty Land Tax (SDLT). But there is a risk that this is partly pent-up demand and that sales rates will fall back as unemployment is predicted to rise during winter 2020.

Throughout lockdown, fewer new sites have been brought to the market than normal, land deals have typically continued to progress, albeit at slower rates, and bid deadlines have been extended along with restructuring of payment profiles. Deferred payment structures are the new norm, and a prevalence of build-licence deals can be expected.

Regional developers, housing associations and the major housebuilders all continue to be active in the land market, buoyed in part by ongoing government intervention. Despite many housebuilders being constrained by lack of staff resources throughout lockdown, appetite for the right type of site hasn't waned. The positivity is dampened, to a degree, by the prospects of further delays in the planning system, slower rates of delivery due to social distancing and rising development costs on the back of labour shortages and supply chain disruption. However, pricing for immediate and strategic land is unlikely to be much reduced due to the imbalance of supply and demand coupled with plans to extend help-to-buy and a mortgage and debt market willing to lend at historically low rates.

Strategic land, by its very nature, is less cashflow heavy and less impacted by short shocks in the otherwise cyclical land market. During the lockdown period, housebuilders and promoters were unable to fill their pipelines, which are integral to share price. As such, there is a willingness to acquire interests in strategic land and the pent-up demand is holding values up. The difficulty, from a transaction perspective, is delays to planning decisions and working through a clogged market with fewer players as a result of furlough and job cuts. Main boards become more risk averse in volatile times and the outlook for development land remains challenging as the UK looks to extract itself in an orderly fashion from the EU whilst coping with regional Covid-19 lockdowns.

Appendix 3 contains the market report compiled by Strutt & Parker in August 2020 and gives an indication of the likely values that will be achieved at Otterpool Park.



8. Finances

8. Finances

There are a number of funding options available to the Council and the right mix will depend on the peak amount of funding required and the length of time the Council requires the funding for. As the project cashflows become more certain, officers will work with the Council's treasury advisers to decide upon the correct approach.

Historically, the main source of funding for local authorities has been the Public Works Loan Board (PWLB), a central government agency. However, although the PWLB has a very low administrative burden, its current relatively high interest rates and prohibitive repayment terms means that other options should be considered. Some of the borrowing requirement can be covered by short term, variable debt borrowed from other local authorities, however this will require the Council to refinance on a regular basis and unless proper arrangements are put in place will expose the Council to changes in interest rates.

Other funding options may offer more attractive rates of interest, but will come with a higher administrative burden, and in some cases may require the Council to undergo a full credit assessment from prospective lenders. Tradeable debt such as Bills or commercial paper will provide a lower rate of interest and a wide range of lenders but will have a significant set up cost. Direct lending options, such as loans from banks or institutions such as pension funds can represent a secure long-term source of funding but will come with terms and conditions that the Council will need to take external advice on.

The Municipal Bond Agency may offer an alternative to the PWLB via a "club" issue allowing the Council to issue debt with other local authorities. However, the MBA is yet to issue, and requires the Council to borrow in the same maturity as the other authorities in the issue and has guarantee requirements the Council must consider carefully.

There are further options open to the Council which are unlikely to be appropriate for the Otterpool project in its current form. For example, income strips are used to reduce the development risk of a project, but this approach requires the resulting assets to be held long-term, rather than the active management intended by the Council. Similarly, a large public bond issue has the advantage of a low interest rate, but the likely size required, in the hundreds of millions, would not be feasible for this project.

It follows therefore that whichever funding route or combination of funding options the Council chooses to secure, the likely funding route from the Council to the LLP will be by way of a split of equity and loan. Further advice will need to be taken by the Council and the LLP in relation to the split but for financial modelling purposes the assumption at this point has been that approximately 5% would be by way of equity investment and the balance would be a loan. Should the LLP consider it prudent at the time, alternative means of funding either from commercial funders such as banks and/or pension funds may prove an attractive alternative.

In addition, a range of investment could come to the LLP in the form of equity, for example from investment from Homes England or from housebuilders. The working assumption however remains that the LLP will secure funding from the Council and any alternative funding propositions would only be considered should they be more attractive to the LLP than Council funding.

The development has the potential to deliver significant returns to the company. Pace, and timing of these returns will be dependent on a number of decisions around infrastructure investment, and the timing of market cycles. Working assumptions are set out below.

8.1 - SUMMARY OF FINANCIAL PROJECTIONS

Current modelling suggests that over circa 28 years, and across eight phases of development, there will be a return of circa £193,000,000.

Model

The model assumes the landowner, through the LLP, is acting as Master developer i.e., is investing in the infrastructure and enabling works and selling the resultant serviced land parcels to house builders.

Inflation

All costs and revenues are day one, i.e., do not include inflation. This approach has been taken because it is not possible to credibly forecast build cost inflation or house price inflation in the medium to long-term. Past performance would suggest that the house price indices rise faster than the build cost index and fluctuate to a greater extent. Both rise and fall over the economic cycle. Ultimately the spread between these indices over time will define profitability.

'Betterment' has been excluded from the above i.e., not taking into account that buying a house in an established Garden Town with proven infrastructure, established schools and a strong local reputation will be inherently more attractive to a greater number of purchasers than the first phase of houses when the full potential of the town will only be grasped by purchasers with the vision and experience to imagine its potential.

Whilst costs may rise, long-term trends suggest that house prices will rise by more than cost inflations making this assumption conservative.

Even in the absence of house price inflation, evidence from similar schemes suggests that values rise through 'betterment' when a scheme becomes established, making the assumption that this does not happen at Otterpool Park very conservative.

Costs adopted

The Infrastructure costs provided by Arcadis version 2.4 dated 18th July 2018, supplied by Folkestone & Hythe District Council have been adopted. This model is subject to ongoing review both in terms of the quantum of individual costs; and in terms of the requirement of each cost item within a given phase of development.

Additional costs

The model assumes:

- ◆ A contingency fund of 5% of the above costs,
- ◆ An additional allowance of 10% on all infrastructure costings for professional fees,
- ◆ Financing costs of 4.5% on all debt balances,
- ◆ All phases stand alone and profits are extracted, not reinvested in the next phase,
- ◆ No credit balances produce a return.



Private Housing Land

The model assumes, as detailed on the land strategy, that the parcels of land are sold when fully serviced; the value of these parcels will be determined by a number of variables. These will be individual to the different parcels with housebuilders focussing on different sectors of the market. The model also considers the average assumptions, the most significant of which are:

Value of Private Houses and Flats:

It has been assumed that private accommodation is worth on average in the order of £340 sq ft. This is a conservative assumption in the current market but will require sustained emphasis on placemaking and branding to place the Garden Town in the local and national consciousness prior to land or units becoming available.

Build costs

Assumed housebuilder costs for houses are at £130 sq ft with an additional £7,500 per plot for servicing and assumed £150 sq ft for flat construction.

Profit requirement

It has been assumed that house builders will seek to make a 20% return on capital expended.

Section 106 contributions

The model assumes that developers will be required to provide a Section 106 contribution of £18,500 per private unit in line with the calculations provided by Arcadis.

Affordable Housing Land

In line with planning policy, it is assumed that 22% of units are affordable. Of these 60% are social rent and 40% are intermediate (shared ownership). Given the relatively low affordability thresholds in the district, it is likely that the land for the affordable element of the scheme will not create a land value.

Discussions around affordable housing and viability will define the land receipts if any, and the timing of these across the scheme. The weighting of affordable housing away from less profitable phases could control finance costs.

Commercial Land

There are currently plans to create around 2m sq ft of: employment (B1 and B2) education (D1) retail and related (A1, A2, A3, A4 and A5) community (D1 and D2) hotel (C1) and leisure (D2) space within the town.

These will be a combination of costs included in the Arcadis costings, placemaking investment and revenue generating business land. It is likely that placemaking investment will take place early on with revenue to follow in later phases, but a conservative assumption has been taken that no non-residential land currently creates a land value. This is likely to be subject to a positive revision as plans develop.

Timescale

The timescale and expenditure of the enabling infrastructure will be controlled by the market absorption of the completed units. It has been assumed that the market can absorb 300 units per annum (234 private units). On this basis the 8,500 houses can be delivered over 28 years and assumes:

- ◆ Parcels are sold of 150 to 400 plots,
- ◆ Five or six differentiated products to be continually available to potential house buyers over all the phases,
- ◆ Additional product types are introduced as appropriate in the market, for example age restricted and community build,
- ◆ Stronger sales during periods of market growth to compensate for low sales in recessionary periods,
- ◆ Careful management of the housing mix to ensure unit types are appropriate for the target end occupier.

Betterment 'placemaking'

Betterment in a parallel model has been allowed for. Betterment, unlike inflation, assumes that houses built in the future are more valuable than houses built today because the environment that they will be built into, i.e., in a flourishing and established Garden Town, will be considered more desirable than the environment the first phase of houses will be delivered into. If it were to be allowed for 10% betterment in land values after circa. 10 years and another 10% after 20 years it would create in the order of an additional £43,000,000 in profit. This would somewhat underplay the degree of betterment seen in other new towns such as Kings Hill near West Malling, Kent.

Tax

The structures for any agreements will be designed to be as "tax efficient" as possible consistent with the achievement of the vision for the project

Conclusion

The current modelling identifies the need for early investment in phase 1 creating a peak capital requirement of £65m in year 2022/23.

9. Planning Strategy

9. Planning Strategy

The LLP will support the allocation of the site in the Core Strategy Review of the Local Plan at the Examination in Public of that strategy, which has now started.

This section sets out the planning strategy of the LLP in relation to the securing of a site allocation for the Otterpool Park development, within the Council's Core Strategy Review, and the obtaining of the necessary consents, permissions and agreements to allow the scheme to proceed.

9.1 - SUPPORT FOR SITE ALLOCATION IN CORE STRATEGY REVIEW

As stated in the National Planning Policy Framework (NPPF) planning law requires that applications for planning permission are determined in accordance with the development plan, unless material considerations indicate otherwise. At present the principal development plan document for the Folkestone and Hythe district is the Shepway (the former name of the district and the Council) Core Strategy that was adopted by the Council in September 2013.

In spring 2020, the Core Strategy Review (CSR) was submitted to the Planning Inspectorate for examination. This will replace the current Core Strategy. It includes a series of policies (SS6-SS9) that support the principle of development at Otterpool Park for up to 6,375 homes within the plan period (to 2036/37) and ultimately between 8,000 to 10,000 homes.

In July 2020, in response to a number of matters, issues and questions issued by the planning inspectors (appointed by the Secretary of State for Communities and Local Government), the LLP, through its planning consultants Quod, submitted a series of responses and supporting evidence relating to a number of topics and in particular those relating to the supply and delivery of housing and the strategy for the North Downs area, that contains the site-specific policies for Otterpool Park.

A series of public hearing sessions (either virtual or face-to-face) will be held towards the end of 2020. It is important that the LLP is represented at these sessions, through Quod and the broader technical team, and that the appropriate expert witnesses are available to answer questions raised by the Inspectors. Whilst it is ultimately the role of Local Planning Authority to demonstrate that the CSR is both sound and legally compliant, the LLP will also have a significant role to play in demonstrating that a financially viable scheme for Otterpool Park can be delivered that complies with the emerging policies in the CSR and supports the overall timeframe for the delivery of housing across the district.

More specifically it will be necessary for the LLP to demonstrate, as part of the examination process, that the scheme will achieve nitrate neutrality, and therefore not have an adverse impact on the European designated habitat sites at Stodmarsh to the north east of Canterbury, and that sufficient improvements can be made to junctions and roundabouts on the strategic road network to satisfy the requirements of Highways England.

9.2 - NEGOTIATE S106 AGREEMENTS

As previously stated, it will be necessary for the LLP, as part of the process of obtaining outline planning permission, to enter into a S106 legal agreement setting out a range of contributions and other obligations.

Development of the S106 agreement is being progressed as a two-stage process where firstly a detailed heads of terms will be agreed between the LLP and the LPA (that can be included as part of the officer's report to the Planning and Licencing Committee) followed by the detailed drafting of the agreement. Initial discussions with the LPA have identified an initial list of topics for the heads of terms to cover that will be subject to further discussion and negotiation:

Transport Infrastructure

- ◆ Non-motorised user infrastructure
- ◆ Public transport infrastructure
- ◆ Highway infrastructure
- ◆ Monitoring Governance and Design Quality
- ◆ Long-term stewardship
- ◆ Securing design quality
- ◆ Monitoring

Social and Community Infrastructure

- ◆ Affordable housing
- ◆ Community facilities
- ◆ Education
- ◆ Health
- ◆ Emergency services
- ◆ Retail and employment
- ◆ Open space
- ◆ Skills and employment
- ◆ Heritage and archaeology

Environmental and Utilities

- ◆ Waste
- ◆ Digital infrastructure
- ◆ Water
- ◆ Energy
- ◆ Biodiversity
- ◆ Sustainable design and construction

The traditional approach to the development of a S106 agreement is for the developer to commit to making a series of financial contributions, triggered by different stages in the progress of the scheme. These are made to the appropriate provider such as the local education or health authority.

However, given the role of the LLP as a master developer, consideration is being given to the role the LLP can play in terms of the direct provision of infrastructure and how this should be reflected in the S106 agreement. An example of this might be the commissioning and construction, by the LLP, of the first primary school. This is covered in more detail below.

Given the long-term nature of the Otterpool Park scheme it is considered appropriate to adopt a 'monitor and manage' approach to the provision of infrastructure, for example in the areas of transport and education, whereby the level of demand and the need for infrastructure is monitored on a phase-by-phase basis and the infrastructure strategy and S106 obligations adapted as appropriate and to reflect advances in technology, behaviour etc.

In addition, as the Council has a land interest at Otterpool Park, and the Council is the local planning authority, it may be necessary for a third-party public body, such as Kent County Council, to monitor the implementation of the S106 agreement. Legal advice is being sought in relation to this and the appropriate negotiations will be undertaken.

9.3 - OBTAINING CONSENTS

In order for the Otterpool Park scheme to be delivered it will be necessary to secure a range of planning permissions and other consents over the lifetime of the project. It is therefore important that the LLP develops a clear strategy for the preparation and submission of the necessary applications in order to allow the scheme to progress.

An outline planning application, for a scheme consisting of up to 8,500 homes, was submitted to the Local Planning Authority in February 2019. Following extensive consultation with stakeholders and the local community the scheme is being amended. It is anticipated that a number of documents, including an updated suite of parameter plans and an updated Environmental Statement will be submitted to the local planning authority in early 2021. The amended information will be subject to a further round of stakeholder and public consultation.

Consideration of the planning applications by the Council's Planning and Licencing Committee will be dependent upon the timescale for the adoption of the Core Strategy Review but it is anticipated that this will take place in early Summer 2021. If the application is approved by the Committee it will then be necessary for the LLP and the LPA to agree and finalise a S106 legal agreement, with the aim that this will be completed by Autumn 2021.

Given the scale and complexity of the Otterpool Park development, it has been agreed that a three tier approach will be adopted in relation to the securing of detailed planning permission. Such an approach has been employed successfully at other Garden Town developments such as Waterbeach in Cambridgeshire.

The three-tier approach is set out below:

◆ **Tier 1:**

Outline planning permission granted and S106 agreement completed

◆ **Tier 2:**

Defines the framework for each phase of the scheme and will include, for example, submission to the LPA of the masterplan and design code. It is anticipated that at this stage it will also be necessary to update other key documentation such as the transport strategy and heritage strategy, on a phase-by-phase basis, as part of the series of tier 2 submissions.

◆ **Tier 3:**

Consists of the detailed reserved matters applications for the different elements of the scheme. Such applications will be numerous and varied and will include, for example, applications in relation to highway infrastructure, sustainable drainage system (SUDS), educational facilities, town centre public realm, houses and flats, employment uses, wastewater treatment works etc.

In addition to achieving detailed planning permission, through the three-tier approach, it will also be necessary to discharge a range of pre-commencement and other planning conditions, as well as monitoring ongoing compliance. There will also be the requirement to make a variety of contributions and deliver a series of obligations as set out in the S106 agreement.

As well as achieving planning permission for the various components of the scheme it will also be necessary to prepare and submit applications for other types of approval which are likely to include the following:

- ◆ Building regulations approval.
- ◆ S278 Highways Act 1980 agreement - to make alterations or improvements to a public highway, as part of a planning approval.

- ◆ S38 agreement – relating to the adoption of the highways by the highway authority, Kent County Council.
- ◆ Scheduled monument consent and listed building consent.
- ◆ Main rivers consent – for work within a specified distance of the East Stour River.
- ◆ Applications related to the stopping up and diversion of the highway, footpaths, bridleways or byway.
- ◆ Various technical approvals related to the provision of utilities such the onsite electricity supply, ultrafast broadband, SUDS and wastewater treatment.

These consents are covered in more detail in Section 10 Infrastructure Strategy.

In considering the scheme as whole there will be a number of consent and approvals that will fall to the LLP, as master developer, and a number that will fall to third-party developers for specific elements of the scheme. As such it will be necessary for the LLP to appoint a series of external consultants in relation to each of the consents and approvals for which they are responsible.

To conclude, the process of obtaining the necessary consents to allow the Otterpool Park scheme to proceed is both complex and ongoing and will involve close liaison between the LLP, the LPA, other public bodies, third-party developers and the local community.

9.4 - ROLE OF THE LLP IN PLANNING

The LLP team will be responsible for preparing and submitting the planning applications and documents associated with tiers 1 and 2, working with a team of planning and technical consultants who will be directly appointed by the LLP. In the main tier 3, reserved matters applications will be the responsibility of the developer unless they related to strategic infrastructure.

The LLP has an important role as the guardian of design quality, ensuring retaining design and development standards are retained for all housing, commercial development, public buildings and public realm. All developers will be expected to support the overall vision and objectives of the project. Procurement of housebuilders and developers will require them to follow the strategic and phased design codes and submit their proposals to the LLP for comment before submitting their applications to the LPA.

Community Services and Culture

Planning and delivery of a new community of this scale offers the opportunity to plan properly for delivery of all facilities that will be needed by the local community and learn from innovative approaches in service provision that can improve the quality of people's lives.

An important consideration is the flexibility to respond to changing needs and technological innovation over the coming decades, and to learn lessons from early phases. Creativity, arts and culture are important parts of the vision and identity of the town and have the potential to educate, improve mental health and enrich the quality of the environment in the town.

Further details on the procurement and construction of community facilities including schools and health centre are set out below under Infrastructure Strategy.

Health and wellbeing

Otterpool Park is committed to providing residents with a Health Centre, delivering high quality primary care and additional community, social and specialist services.

The Public Engagement Agency (PEA) was commissioned to design the first steps for a health and well-being strategy which included stakeholder analysis; key health sector stakeholder interviews and workshop; producing terms of reference for an Otterpool Park Garden Town Health and Wellbeing Steering Group and five associated working groups:

1. Population health
2. Stakeholder engagement and co-design
3. Model options and estates
4. Finance and funding
5. Workforce recruitment, retention and training.

PEA also produced first-steps documentation for the broader health and wellbeing public engagement strategy. Future stakeholder engagement for health and wellbeing will focus on taking these strands of work forward with PEA and other agencies as appropriate. It is also important to recognise that health and wellbeing impacts on and is impacted by many of the other thematic work streams at Otterpool Park including sport and leisure; culture/art/heritage; education and environment, therefore stakeholder engagement needs to integrate across thematic strands wherever possible.

Education and lifelong learning

Provision for up to seven primary schools, 12 nurseries and one secondary school (with a reserved site for a second) has been made at Otterpool Park.

It needs to provide one, possibly two, two or three form entry primary schools by 2025 (depending on Kent County Council analysis of school places requirements) with associated early years learning provision.

The Learning Company (TLC) were engaged to develop first steps for the Otterpool Park education strategy. Following in-depth interviews with key stakeholders they produced the Otterpool Park Education Vision and Strategy in June 2020 and the Otterpool Park Schools Design Guide. Next steps will include deep engagement with education sector and third sector stakeholders to develop plans for the new primary schools and explore the concept of an education campus on site to accommodate future secondary and further education provision.

A wider community stakeholder engagement strategy will be developed to feed into the co-production of a lifelong learning plan for Otterpool Park, ensuring the schools link in to the cultural, business and sports/leisure pathways for the development.

Creative Otterpool

The Council has been working with Creative Folkestone since the early days of the project and have worked together on the cultural vision for the town and the Cultural Strategy.

The aims of this work are to ensure arts and culture are embedded in the design of places and spaces but also services. Also, to create an environment that is attractive to the creative industries but complements rather than competes with the thriving arts scene in Folkestone. Through this work Creative Folkestone was engaged to consult with stakeholders and subsequently produced the Otterpool Creative Action Plan.

The plan outlines a three-year period of audience development and management to reach a wide set of inter-generational participants, in order to co-produce cultural commissions. This may include permanent installations, events and festivals.

Ongoing community engagement will also feed into the overall design of Otterpool Park. The next stage of work during 2020/21 will be to refine and implement the Action Plan. Circumstances have changed due to the challenges of Covid-19, so assumptions about making use of external match funding e.g., from the Arts Council may now be unrealistic. An early community arts project working with existing communities should still be achievable.

Westenhanger Castle

Westenhanger Castle is a scheduled ancient monument and listed building, with a rich heritage going back to medieval times. It is an important asset in setting the character and identity at the heart of Otterpool Park. The Council acquired Westenhanger Castle in 2019.

10. Infrastructure Strategy

10. Infrastructure Strategy

10.1 - COMMUNITY INFRASTRUCTURE

The following sets out a proposed approach to the delivery of community infrastructure at Otterpool Park, primarily focusing on schools and healthcare facilities and in particular in phase 1 within which sits the town centre.

The LLP has retained the services of Gen 2, a specialist public-sector property and construction consultant with expertise particularly in delivering new schools and the operation of the schools. Gen 2 has a good track record in delivering on time and to budget whilst maintaining a high-quality product with intelligent design to allow for cost-effective management of facilities and other services within the schools.

Gen 2 has also been retained to assist with the design and costings of the initial community buildings within the town centre and again has extensive experience in providing modern cost-effective buildings with the emphasis on design and effective facilities management.

Whilst the LLP is still at a fairly early stage in determining precisely how the schools and the community infrastructure in the town centre will be delivered, the town centre masterplan sets out locations where such buildings could be accommodated and located in such a way as to be operable in a complementary way. They would also bring vibrancy to the town centre and support the commercial operations which we intend to centre around the lake and town square.

The clear intent is to have both the primary school and the flexible community facility in the first phase. The latter could incorporate healthcare provision, along with wider uses for the community and perhaps the opportunity to relocate the Council's offices. It should be noted that the Council has not made a formal decision to relocate its offices nor where any new office would be located.

These community facilities along with a range of commercial leisure uses form the kernel of

a town centre which would be usable from the very earliest point in the delivery of the first phase. It would also complement and coexist with the public park which would also open at an early point in phase 1.

School delivery

There are two main ways that the schools at Otterpool Park could be delivered. The first is for the LLP to transfer the school land to KCC who would deliver the schools, including running a competition for an academy operator themselves.

The second option is for the LLP to deliver the schools. This could be in direct partnership with a school operator or in partnership with both KCC and a school operator.

At this stage KCC and the LLP have not yet finalised which option will be used at Otterpool Park – and the approach may differ from school to school.

The approach will be to put in place a timetable of milestones to ensure that the process of land transfer, detailed planning and design, construction and opening is managed to trigger schools opening when needed, in line with housing occupation.

The Section 106 will set out the commitments and obligations of the relevant parties, which will ensure that the schools can and will be delivered to meet the needs of the new residents, but the detailed delivery mechanism for each school can be determined as part of the detailed design and Reserved Matters process.

The LLP will pursue a principle with the provider of the secondary school (and potentially the primary schools) of sharing facilities with the community. This could include indoor and outdoor sports facilities, classrooms for adult education classes etc. The LLP will seek to discuss with the provider how the layout and planning of the school can be designed to incorporate and manage this and/or plan for community use as part of the detailed design process.

Phasing of schools

Construction Phasing

The construction of primary schools may be phased, with one or two forms of entry (FE) built at the start and additional forms of entry added later. For operational reasons, secondary schools would tend to be phased in blocks no smaller than 4FE.

Constructing and opening schools in phases will help to ensure that school buildings are not constructed before they are needed. Expanding schools as demand arises will help to ensure that school places meet the needs of the children living within Otterpool Park, rather than attracting children travelling from elsewhere. Building schools in phases does add to construction cost, so the advantages and disadvantages will be considered.

The school designs may need to be planned with phasing or future expansion in mind so that core facilities are delivered early on (e.g., halls, kitchens and administrative blocks) with later phases predominantly delivering additional classrooms. Campus designs provide the most flexibility and will be considered if appropriate and advantageous. The size of the school will be a key consideration in design – larger schools should be designed with management, safety and effective circulation in mind.

The school design will need to facilitate cost effective phasing that does not significantly disrupt the school's operation, for example:

- ◆ Block structures and layouts that allow future construction phases to be isolated from operational areas of the school
- ◆ Access arrangements for construction vehicles that are segregated from children's pedestrian routes.
- ◆ Construction methods that limit noise, dust and other disruption.
- ◆ Approaches that allow construction to be completed over the summer months.

Healthcare

The LLP wants health and wellbeing to be embedded in the approach to design and delivery at Otterpool Park. This includes aiming to provide excellent primary care facilities on-site. It also includes a wide range of other design and management aspects.

The proposals include one large practice, which will be located in the town centre.

Delivering a treatment centre

The NHS is prioritising primary care, care in the community and interventions to help people manage long-term health conditions more effectively at home or with their GP, rather than in hospital.

This approach is intended to relieve pressure on hospitals and treat illnesses early, before it becomes acute and before patients require A&E. This reduces cost and significantly improves patient outcomes and wellbeing.

At Otterpool Park, there is a significant opportunity to provide a GP practice with extended services. The exact model for delivering these services will depend on the strategic plans, objectives and funding available to the Clinical Commissioning Groups (CCGs) at the time of detailed planning permission and delivery.

It is expected that the healthcare offer, whatever model it will take will also include dentists, opticians and pharmacies which will come forward in a mixture of private and NHS settings according to the NHS licencing programme for these facilities.

Treatment centres

Urgent treatment centres are community and primary care facilities that are open at least 12 hours a day, are GP-led, staffed by GPs, nurses and other clinicians, and have some diagnostic facilities. Urgent treatment centres encompass current Walk-in Centres, Minor Injuries Units, GP-led Health Centres and other similar facilities.

They are ideally co-located with primary care facilities including GP extended hours / GP Access Hubs. They may also be co-located with other services including mental health services, community pharmacy, dental, social care and the voluntary sector.

A treatment centre may also include a private, specialist wing which deals with a specific type of care or procedure and serves a wide catchment – for example hip replacements. Such a centre could provide private facilities directly to the public or via NHS commissioning.

10.2 - CONSTRUCTION AND DELIVERY

The LLP expects that the health facilities will need to be phased. Phasing is important to reduce running costs and management liability in the early years. It can also assist with capital cashflow in the years before revenue from the sale of homes builds up.

There are several ways to phase a new health centre. The exact model for Otterpool Park has not been decided at this early stage and will be the subject of discussion and agreement between the LLP, the Council and the CCGs as part of the 106 agreement.

Phasing options include:

- ◆ Before c. year three or four years of construction, a GP could operate temporarily from another building (e.g. a community or commercial building) provided that the facilities and setting are appropriate to provide the quality of service and care required.

- ◆ A portion of the health centre could be built the early years, with space that is not required for healthcare to be let out on a short-term lease to other retail or commercial uses.
- ◆ Delivery of a wider range of additional services (education, training, social care, specialist care) could support the sustainability of the surgery in the early years.

10.3 - PROPOSED APPROACH

In general, the management, flexibility and sustainability of community floor space is more important than size or number of buildings. It is important to work with the community and with public, private and voluntary sector stakeholders to understand community needs and to carefully plan what facilities are needed, who will use them and how they will be funded (and allow for how this could change over time).

At this stage in the process, it is too early to have a detailed understanding of these needs. Therefore, a development specification has been developed which includes a broad allocation of floor space which could be used for community use. Relevant community uses could include:

- ◆ A community hall
- ◆ Healthcare facility
- ◆ A youth centre
- ◆ An education centre/training centre/library
- ◆ Exhibition space.

The detailed planning process will require the LLP to engage with the Council, KCC, local parish councils and other local stakeholders and future operators to understand need at the time of delivery. The primary objective of the approach at Otterpool Park is to ensure that any community floor space:

- ◆ Is flexible to meet a wide range of needs or changing needs over time,
- ◆ Is sustainable, with long-term management, maintenance and funding considered and

secured as part of the long-term stewardship of the Garden Town as a whole,

- ◆ Does not threaten the sustainability of existing successful community facilities – working with them rather than competing with them,
- ◆ Considers opportunities to use existing community capacity (such as successful existing community organisations) to help to get the new facilities started and build on local experience especially in early years.

10.4 - THE COUNCIL'S NEW OFFICE.

The Council is currently examining the feasibility of relocating Council's accommodation from Folkestone to a new purpose-built office campus at Otterpool Park. Whilst still at an early stage of consideration there appear to be merits in providing such a facility both in terms of cost of operation for the Council and the benefit of bringing vibrancy to the new town centre at Otterpool Park. Work will continue on this feasibility in parallel with wider work on Otterpool Park and it is anticipated that an initial decision to take forward from feasibility to a potential design will be taken during the first quarter of 2021.

10.5 - STEWARDSHIP AND GOVERNANCE OF ASSETS

The Council on 18 October 2017 agreed the principles of the long – term stewardship of open spaces and other community assets at Otterpool Park (see minute 47, Cabinet 18 October 2017).

The principles approved are as follows:

- ◆ The long-term stewardship of open space, public realm (other than highways) and non-commercial community buildings will be the responsibility of a new body, i.e., not SDC*.
 - The responsible body will form part of an approach to land value capture for Otterpool Park. Its income is likely to come from a range of sources including income generating assets, endowment and potentially service charges. However, income sources being reinvested in the new community will need to be balanced against income generation to SDC for investment in facilities and services for residents across the whole district.
 - While a trust or similar structure is likely to be the most suitable vehicle initially, potential future transition to a Town Council should be allowed for. SDC should retain representation on the body.
 - The body will be community-led (as distinct from a privately run management company). It should also allow for future residents and businesses to shape the objectives and governance of the organisation, and to influence the design of new community facilities and spaces.
 - High quality management and maintenance over the long-term is of fundamental importance when setting out the objectives of the stewardship body.

*SDC refers to Shepway District Council, the former name of the Council.

The intention is that the LLP shall form a community interest company to manage the open spaces and other community assets. The Castle, town centre and employment site will be the subject of separate consideration.

The funding of the community interest company will be through a combination of rent charges and other sources of income.

11. Land Disposal Strategy

11. Land Disposal Strategy

11.1 - APPOINT AGENT

In terms of maximising sales receipts, the role of BNP Paribas Real Estate (BNPPRE) or other appointed agent/s will encompass the following key tasks over the course of the project:

- ◆ Formulate an appropriate marketing strategy on a parcel-by-parcel basis which will evolve to complement the market throughout the duration of future sales periods.
- ◆ Create a premium brand for the wider development which is consistent with the design parameters of the overall scheme.
- ◆ Oversee the production of comprehensive technical information packs relative for each parcel.
- ◆ Advise on early placemaking.
- ◆ Negotiate land sales and work alongside the wider legal team to successfully secure the completion of sales within targeted timescales.

11.2 - MARKETING AND SALE OF RESIDENTIAL AND COMMERCIAL LAND

In accordance with the masterplan vision, the following represents a summary of the Otterpool Park garden settlement outline proposals:

- ◆ Up to 8,500 new homes across a range of types, sizes and tenures.
- ◆ 82,418 sq m of employment (B1 and B2 use class) floor space including commercial business hubs, a commercial business park and a light industrial business park.
- ◆ 37,161 sq m of education (D1 use class) floor space including five primary schools, one secondary school as well as nurseries and crèches.
- ◆ 28,875 sq m of retail and related (A1, A2, A3, A4 and A5 use class) floor space.
- ◆ 20,900 sq m of community (D1 and D2 use class) floor space including a health centre and potential for places of worship, libraries and community centres.

- ◆ 7,701 sq m of hotel (C1 use class) floor space.
- ◆ 8,250 sq m of leisure (D2 use class) floor space.
- ◆ Infrastructure and utilities including a new electrical substation, onsite and off-site gas and potable water network reinforcement and provision of a fibre-to-home broadband network.
- ◆ 289.1 ha of green infrastructure (approximately 50% of the application site).
- ◆ Blue infrastructure.
- ◆ Car, motorcycle and bicycle parking.

The Council has formed Otterpool Park Limited Liability Partnership (“the LLP”) to act as the Master developer for the Project. Master developers (MD) can explore a broad range of deal structures when timing individual land parcel disposals, ranging from outright freehold disposals, through to development partnership models, such as promotion, option and joint venture agreements.

The benefit to the LLP of playing the role of MD will be that it can control the wider urban environment, particularly in the context of design, quality and community services and facilities. MDs unlock raw land through:

- ◆ Early investment in planning matters and infrastructure delivery such as drainage and mains services upgrades,
- ◆ Flood defences and roadworks,
- ◆ Public open space,
- ◆ Cycle ways,
- ◆ Schools and local community centres.

Serviced parcels can then either be sold to housebuilders to construct new homes or alternatively delivered directly by the LLP. BNPPRE would suggest targeting parcel sizes of around 150 to 400 dwellings. From previous experience in similar sites, it is considered that this quantum of opportunity generally proves attractive in encapsulating not only national housebuilder demand, but also some larger local developers.

Some sites, with multiple points of sale, can accommodate up to five competing housebuilder flags at any one time. However, attention must be paid to regulate the number of developers active on site at any one time, both in terms of construction and sales. Through limiting this number, sales values can be maintained with levels less likely to be cannibalised through an oversupply to the market. Added to that, construction management can be more effectively controlled, ensuring high quality housing delivery and overall construction management process.

MDs can either sell serviced land parcels outright, deliver directly or participate in joint ventures or build licence arrangements which in turn will create long-term income streams over the life of a development project. A similar strategy is often adopted by The Crown Estate in their strategic development land disposals.

Deferred land payments have been a consistent feature of land transactions since the Global Financial Crisis (GFC), but other arrangements such as build licences could become increasingly attractive to housebuilders who are sensitive to cash flows and returns on capital employed in the midst of what may be transpiring as another recession in the wake of Covid-19. These types of transactions can be seen by housebuilders as more capital efficient as many are now focused on the delivery and construction of new homes, rather than investing capital speculatively in development land.

In each parcel disposal scenario, targeted developers would be discussed with the LLP in advance of the marketing programme, with the view of drawing up a shortlist of those to approach who would be appropriate partners to maintain the quality of each area.

Unless there is a particular requirement to demonstrate that a broad disposal programme is undertaken in order to achieve best value, it is considered that a targeted approach to a number of key housebuilders could yield better

engagement due to the more targeted and personal approach. BNPPRE, for example, has unique access to main Board personnel in each of the main housebuilding companies and often obtain a personal undertaking from the CEO or Managing Director that a particular transaction is in accordance with the relevant acquisition criteria at the time.

When marketing land, a comprehensive technical information pack for the site would be necessary, which would need to be fully understood by all parties in order to answer as many questions as possible and provide a detailed presentation to each interested party. These presentations would be undertaken either on site or at the agent's offices. Site visits would be undertaken with interested parties so that they buy into the concept of the development and understand the content of the information pack at an early stage. This ensures the full attention of the relevant land buyer's team, improves the quality of bids and also reduces the opportunity for buyers to justify a reduction in price before an exchange of contracts. It would also be beneficial to have key members of the technical and planning teams present at these meetings.

Stage 1: Due Diligence

Before launching a parcel to the market, it is important to fully consider the opportunities and constraints present so as they can be appropriately communicated during the marketing process.

Firstly, a detailed planning report should be produced focusing on the anticipated allocation within the Otterpool Masterplan. In addition to clarity from a planning perspective, it will be important to provide a base level of technical detail in order for interested parties to understand the key constraints and to minimise conditionality at the bidding stage. It is important that letters of reliance can be provided for any technical reports.

It is suggested that detailed planning, infrastructure, and technical information is provided to parties during marketing.

Stage 2: Marketing Material

For each parcel sale, a detailed marketing brochure would be assembled, highlighting the opportunity that the site presents whilst encapsulating the site's branding ethos throughout. A brochure allows the opportunity to be easily circulated to the market. The information pack would also be uploaded to an online data room, which also allows activity and downloads to be tracked. This enables the level of due diligence undertaken by parties throughout the marketing process to be assessed. It also allows ease of access for consultant teams.

Stage 3: Marketing Campaign

For each sale, an existing network would initially be approached through targeted phone calls, emails and HTML circulars. The campaign will involve approaching parties directly at an appropriate level, presenting the opportunity first-hand and creating interest through the personal nature of the marketing approach whilst providing an overview as to the scope of the wider Otterpool Park development.

Site inspections would be managed solely through appointment by the appointed agent, allowing the site to be presented in the best possible manner. A marketing period of circa eight weeks per land parcel disposal is expected in order to give prospective purchasers sufficient time to undertake the necessary due diligence, whilst also keeping them focussed with a clear bid deadline. All bidders would need to submit their proposals on the same basis, on the same day so that the agent can compare and contrast the offers.

Parties would then be selected for interview in order to stress test offers and query any outstanding issues. Depending on the level of offers and competition, a second round of bidding may be recommended having reviewed and discussed each proposal with the interested party. Formal recommendations would be made by the agent in terms of the preferred party who

offers the most deliverable proposal in terms of timescales and funding structure, as well as the best price.

Stage 4: Legal Process

It would be preferable to have a draft contract and transfer prepared at an early stage in order that there is no delay once a preferred purchaser has been identified.

Following the selection of a preferred party, exchange of contracts will be sought within an agreed timescale.

11.3 - MAKE ASSUMPTIONS ON OUTLETS AND NUMBER OF PRIVATE AND AFFORDABLE HOUSING SOLD MONTHLY PER OUTLET

Clearly, it is difficult to estimate future market trends, particularly for a project with an extended timescale such as Otterpool Park. It would be necessary to adopt a flexible approach to assumptions on sales per outlet in order to reflect market absorption rates at the point of launching each parcel. This said, at the time of writing, current rates of roughly four to six units per outlet, per month are being achieved across the region throughout medium to large new homes schemes.

11.4 - IDENTIFY PARCELS TO BE SOLD / PHASING / HAUL ROAD AND SALES ACCESS STRATEGY

The phasing and timing of parcels going forward will be critical to ensuring best value is achieved across all future land sales. With development at Otterpool Park likely to contribute substantially to the delivery of new housing across the region for the foreseeable future, it is imperative that the phasing, timing and quantum of parcel delivery is carefully considered in line with local planning objectives.

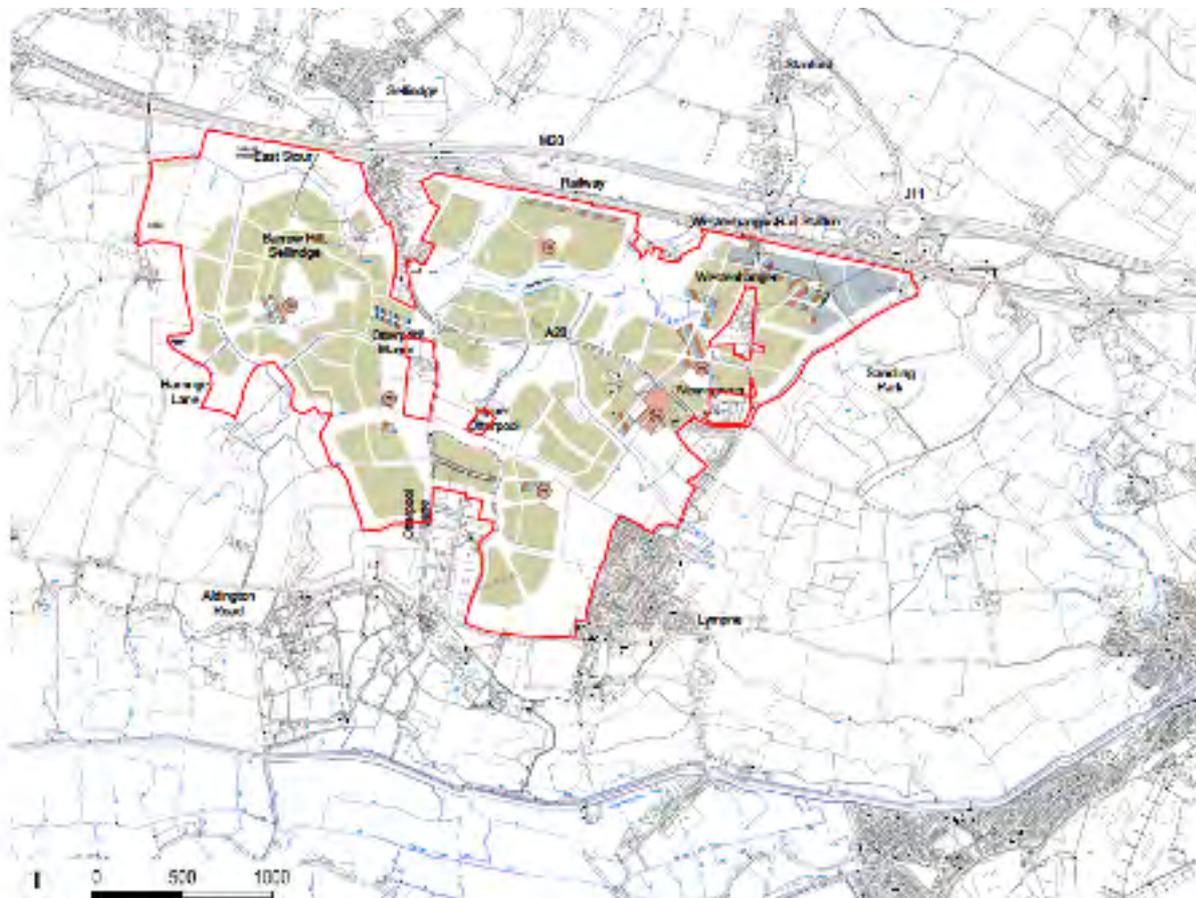
The Core Strategy commits FHDC to delivering a minimum of 350 dwellings (Class C3) per

annum on average over the plan period (until 2030/31 - inclusive from 2006/7) while seeking to deliver an uplift of 400 dwelling per annum up to 2025/6. This totals approximately 8,000 dwellings by the end of 2025/26 (Policy SS2 of the Core Strategy). Delivering “8,000 dwellings between 2006 and 2026 would result in a rate of house building in line with trends of recent decades” (paragraph 4.47 of the Core Strategy).

BNP Paribas Real Estate or another agent’s advice on the phasing strategy and land parcel identification from a marketing perspective would be based on a number of factors including:

- ◆ Maximising ultimate land value for the Council via the LLP.
- ◆ Promoting the delivery of a range of products and tenures concurrently across the site to ensure a consistent rate of housing delivery.

- ◆ Taking into consideration that FHDC plan to manage housing supply through the objective that at least half of new homes by 2026 are three bedrooms (or larger) (Policy CSD2 of the Core Strategy).
- ◆ Ensuring the quantum released to the market is carefully managed so there is not an oversupply at any one time,
- ◆ Maintaining a policy of a limited number of developers on site at any one time to ensure a smooth and harmonious housing and infrastructure delivery programme.
- ◆ In accordance with Parameter Plan OPM(P)1016 L from the application for outline planning consent dated 6th December 2018, residential development areas have been suggested as illustrated in brown in the image below:



To remain aligned with the outline planning application, it is recommended that the LLP refers to agreed Parameter Plans alongside any development timelines seen in the Design and Access statement to educate the collective opinion on phasing strategy. As the statement suggests, careful consideration would need to be paid in order to provide the necessary mix and quantum of development to maintain a strong combined trajectory of housing delivery alongside necessary social and physical infrastructure. Considering these factors will help ensure that each parcel is delivered successfully both individually and in terms of the wider Otterpool Park development.

In accordance with the Design and Access Statement, the phasing plans associated with the outline application have taken into consideration the programme for necessary infrastructure, associated cost and resulting viability assessments for 5-year intervals. As such, each phase must consider the level of infrastructure necessary on a physical and social level to accompany the quantum of development proposed across the wider site.

The outline application identified that the first phases should be focused around two areas in order to establish Otterpool Park and complement all future phasing:

- ◆ To the north and east establishing the Town Centre, Westenhanger Castle and Gateway character areas
- ◆ To the west in the distinct character area of Otterpool Slopes

It is understood that the LLP will be responsible for undertaking the initial infrastructure works as master developer. This initial phase of works will add value and differentiate the site further. Given the site's distinctive landscape characteristic, it is paramount that primary landscaping works are implemented to promote a sense of place.

Through past experience with schemes of this nature, it should be recognised there will be the requirement to secure early cash receipts to begin the recovered of initial capital investment. Launching the marketing of the first phase(s) of the site shortly after obtaining outline planning consent is recommended, in line with the timing of infrastructure delivery both on a basis necessary for individual parcel delivery and from a strategic point of view considering the wider site.

The indicative phasing will inevitably evolve but it would be necessary to understand the key financial objectives and discuss between the LLP and agent the rate of land sales over the course of the project and how this can be enhanced without adversely affecting land values. With this in mind, to ensure the first phase of development does not prejudice the wider landholding and marketability of subsequent phases, it is recommended that consideration is given to a comprehensive, architecturally led design code. This strategy has been particularly successful at the Kingsmere project in Bicester, for example, and has enhanced design quality and serviced land values.

Whilst at present the site has been divided indicatively into a number of parcels for planning purposes, it may well be that the approach differs slightly if there were perceived to be a requirement for a larger or smaller land parcel at any one point in time, or if indeed the LLP's cash flow requirements were to change over the course of the business plan. In this context, the site is considered to be deliverable in a variety of ways, which can be explored with the wider technical team in due course.

11.5 - IDENTIFY INITIAL LAND RECEIPTS PER PARCEL

Assuming a plan or accommodation schedule is available for each parcel within the submitted planning application documents, BNPPRE or another agent would undertake a development appraisal, considering the sales values per unit and associated development costs. This would be cross referenced against the current financial model which would be updated accordingly, both at time of appraisal and again following disposal, when value is crystallised.

The agent would also undertake research into comparable land transactions within the surrounding areas/similar projects in order to estimate plot sales and prices per acre.

As the scheme has Garden Town and placemaking status, the agent will review and assess the value of each parcel when sold, which will allow all stakeholders to project future land sales throughout the lifetime of the project.

11.6 - AFFORDABLE HOUSING

In accordance with the Planning and Delivery Statement, affordable housing will be distributed through the development in clusters, with their size determined having regard to the location within the development to ensure the new garden settlement develops as a mixed and sustainable community.

It would be worth noting that, during the course of parcel disposals, housebuilders will undergo a competitive Registered Provider tender process when bidding, ensuring value is driven.

11.7 - COMMERCIAL

Recognition for the importance of the commercial and community uses in a scheme such as Otterpool Park is growing after many years in the shadows of the residential elements.

Where traditional neighbourhood centres used to mean only convenience retail, Otterpool Park aims to develop a sustainable shift towards a mix of uses, including residential, workspace, healthcare and other community facilities.

The recent coronavirus pandemic is likely to result in long-term changes in the way we live, work, shop and communicate which will heighten the importance of delivering a desirable mix of uses going forward.

Understanding and establishing levels of demand from different non-residential uses is vital. This task should form a key element of the early stages of the development strategy as it ensures that the town centre and other commercial areas are relevant to the scale of the residential development and is crucial to its long-term success.

Early engagement is also essential to placemaking and creating real lasting social value for the town centre. Often, this will entail bringing together community groups, developers and councils to achieve a consensus about the town centre and finely tuning it to the needs of the local community and wider catchment. We also need to be mindful that, whilst the social benefits of such schemes are easily documented, demonstrating a commercial benefit to investing in the non-residential uses can be challenging in certain situations.

It is important to engage in analysis on determining the best location and layout for the commercial Centres within the wider masterplan. Contradiction can exist in balancing community preferences and commercial viability. Understanding the drivers and influencing factors on the location of non-residential uses is crucial in striking the right equilibrium.

Timing for the delivery of the non-residential uses is an important consideration when strategising. Whilst it may not be financially viable to open some uses when the first residential units are occupiers, activating the non-residential areas on a temporary or “meantime” basis may be important. This is becoming an increasingly important facet of development and as such, the range of meantime uses has grown significantly.

Opening and activating a town and commercial centre from an early stage is beneficial to longer-term placemaking; it provides residents with the built infrastructure from the moment they move in. Rather than allowing people to create patterns in the absence of the town centre, the centre can set the tone for the rest of the development and start to build a community.

It can often be difficult to generate key occupier interest and engagement at an early stage and engagement with local and regional businesses is important during initial stages.

Important to the success of the new town and commercial centre and its attractiveness is its ability to draw people in, creating footfall throughout the day and maximising dwell time and spend. We recognise that there needs to be multiple reasons to be there not just traditional convenience retail. We often advise on the benefits in linking the town centre with schools, nurseries, care homes, doctors’ surgery, leisure centre, gyms, collection points and the like.

Non-residential development needs to be designed and built with flexibility in mind, allowing uses to change over time, responding not only to the demands of the local communities which they serve but also the changing landscape of retail and technology. This will ensure the future sustainability of the centre.



12. Quality Assurance and Monitoring

12. Quality Assurance and Monitoring

RISK MANAGEMENT

Risk Register Strategic Risk

RISK	Original risk			MITIGATION MEASURES	ACTION TAKEN	Mitigated risk			Change in risk level	Milestone drop off	RESPONSIBLE OWNER
	PROBABILITY	IMPACT	SCORE			PROBABILITY	IMPACT	SCORE			
Project becomes unviable due to unforeseen additional cost, particularly up front infrastructure, required for phase 1	3	5	15	Ongoing update of financial model and infrastructure schedule to monitor changes and assess options. Take advice from BNP Paribas and PWC on maximising financial efficiency of the project and pursuing other additional sources of income (eg council housebuilding). Be ready to bid for future funding sources from central government, including ongoing discussions with Homes England about funding.	Infrastructure costs and phasing being reviewed to maximise efficiency of spending. Discussion with Homes England. Participation in East Kent Infrastructure Deal negotiations with bid for funding for OP.	2	4	8	✓	Outline Planning Application	JB
Slowdown of economy due to Covid results in stagnation of housing market and lower property and land values	5	2	10	Viability planning takes long term view and allows for scenarios of lower economic and housing growth. Given early stage of project the immediate impacts are limited, but longer term impacts eg on council borrowing should be planned for.	Discuss with advisors as part of financial risk management	3	2	6	✓	Developer Led - Tier 3 Works (Residential)	JB
Political and reputational risk if Council's financial spend on project is seen to be imprudent or not in best public interest	2	3	6	Set out financial planning in Business Plan		2	3	6	—	Enabling Works - Tier 3	JB/AJ
No / inadequate funding for infrastructure, and therefore risk of inability to deliver vision/objectives; piecemeal delivery, infrastructure delays and housing delivery not accelerated	3	3	9	Financial model assumes no external funding. Be prepared for bidding opportunities for government and other funds. Review infrastructure programme and delivery rates to ensure realistic.	Ensure delivery vehicle tasked with forward delivery of infrastructure. Lobbying Homes England and MHCLG	2	2	4	✓	Outline Planning Application	JB
Dispute between Board and council Members/ dismantling of LLP	3	4	12	Use shareholder meetings to ensure political direction agreed Set out objectives clearly at start Maintain good working relationships with officers and members Presentations to update all members	regular liaison and review of priorities through business planning legal advice on protecting future of the company	2	4	8	✓	Last Developer signed up	JB/ Board
Board underperforms or fails to fulfil its duties/ fails to agree	1	3	3	Use recruitment process to ensure right skills are included	Legal advice taken on governance matters and all policies	1	3	3	—	Last Sales Received	JB/Chair of board
Site allocation not supported in Core Strategy Review (CSR) by Inspector or plan found unsound	3	5	15	Take advice on evidence base. Involve PINS early for informal and formal advice on process. Benefits from having a live application to demonstrate intention to deliver.	Counsel advice provided	2	5	10	✓	Outline Planning Application	AJ/DS/JW
Technical constraints and challenges require additional work and time prior to application being determined, including water nutrient issue	4	5	20	Programme for additional work on nutrients being agreed with consultants. focus for programme remains getting to start on site rather than achieving PP.	Critical path being reviewed; tier 2 work underway	4	4	16	✓	Outline Planning Application	JW
Agreement not reached with Homes England over its role as partner and development of its land. Relates to agreeing funding for infrastructure.	3	3	9	Continue discussions with contacts at Homes England on landowner and planning side, reinforcing importance of shared objective of allocation in CSR. Proposal options expected Oct 2020.	Set up meeting with Paul Kitson/ Barry Cummings	2	3	6	✓	Outline Planning Application	JB/AJ
Local government reorganisation, eg formation of a unitary authority	2	3	6	It would take several years to implement, likely to affect later years		2	3	6		Last Developer signed up	JB/AJ

¹ Board decision 15 July 2020 minute 3

² Board decision 15 July 2020 minute 4



Appendices

Appendix 1 - Otterpool Park Vision



Vision



OTTERPOOL PARK
COUNTRYSIDE • CONNECTED • CREATIVE



Welcome

Just over three years ago in 2016 the Government published a prospectus to local authorities asking them to express an interest in providing settlements within their administrative areas.

After carefully considering the potential of a garden settlement in the Folkestone & Hythe District to meet our housing need, we submitted an Expression of Interest to the Government in July of that year, proposing Otterpool Park as a new garden settlement. On 11 November 2016 the Ministry for Homes, Communities and Local Government announced its support for Otterpool Park and our journey to deliver on Ebenezer Howard's garden city movement became a reality.

During the past three years we have achieved a number of milestones; from the publication of our Charter to set out our aspirations for a garden community of the future, successful land assembly, the development of a masterplan and the submission of an outline planning application.

We have advanced the project to a stage where we have now established Otterpool Park LLP, who will take on the role of Master Developer and assume responsibility for the principle of development all the way through to implementation of a new community phased across a 30-year timeline.

We are in a unique position as sole landowners and custodians of Otterpool Park to curate the development at the highest level. We commit to delivering on our promises to our project partners, local people and new members of the Otterpool Park community as it grows over the next three decades.

This is a unique approach to delivering large-scale new homes development and communities and recognises a project of the size and ambition of Otterpool Park; at the heart of this approach is a team who can demonstrate experience of delivering at scale, quality and pace.

Otterpool Park is an exciting opportunity for us to deliver an exemplar garden town, bringing homes across a range of tenures, green spaces, leisure facilities, healthy economy, good quality of life, and major infrastructure improvements.

This document sets out the vision for our garden town, set against the principles for garden communities; it underpins the strong case we have developed for Otterpool Park and starts to lay out our objectives for the site. Stakeholders, businesses and residents have generously informed and influenced the project to date and it is greatly appreciated.

It is now the task of Otterpool Park LLP and its newly appointed board to deliver a once-in-a-generation opportunity to deliver the most exciting new community.

COUNCILLOR DAVID MONK
LEADER, FOLKESTONE & HYTHE
DISTRICT COUNCIL





OUR VISION

Countryside, connected, creative

The plans for Otterpool Park are being led and driven forward by Otterpool Park LLP, to deliver a next generation garden town that will support sustainable living and a healthy economy; provide the best quality of life for existing and future residents; and respond to local landscape and character.

Otterpool Park will offer the very best of a rural and urban lifestyle. Everything that's needed will be there – homes, workspaces, schools, shops, community facilities, spaces for leisure, arts and culture.

It is well positioned in the heart of the Kent countryside, just a few miles from the coastal towns of Folkestone and Hythe and offers excellent connectivity to London and Europe by road and rail.

Set around the historic Westenhanger Castle and park, Otterpool Park will be a special place respectful of its past and designed for its future.

It will be a healthy and inspirational place to live, work and visit, characterised by large amounts of green space and its strong culture and community.

Otterpool Park will be an attractive location for businesses to succeed and will make the most of its connections to the thriving creative and digital communities in nearby Folkestone.

Over the next 30 years, Otterpool Park will move the garden town concept into a new era, place-making a new community fit for today's lifestyles and relevant for generations to come.



Green and open space
ON THE DOORSTEP



Less than 15 min
FOR COAST, COUNTRYSIDE
AND CULTURE

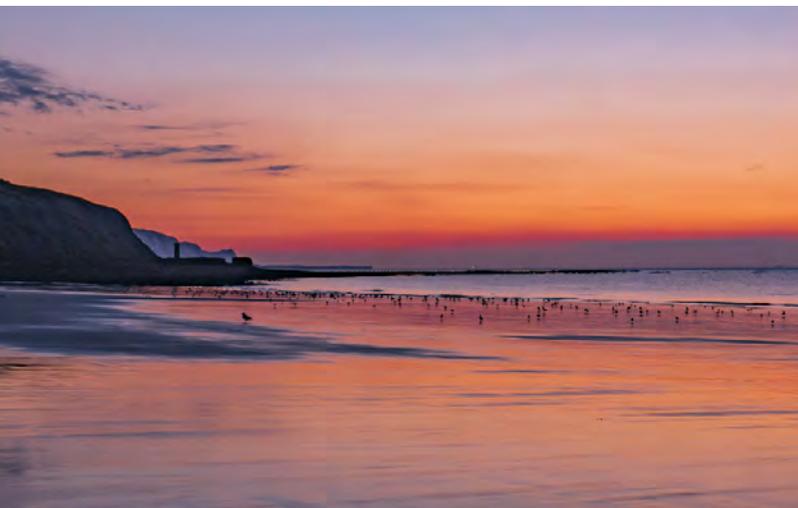
Countryside and coast

Living and working in Kent, the Garden of England, means enjoying the feeling of fresh air and green, open spaces.

The sea is just minutes away, so you can have the best of coast and country.

Walks and bike rides, nature trails and pond dipping.
Or just sitting watching the world go by.

Otterpool Park will offer an exceptional quality of life, whether you prefer action and adventure or quiet and contemplation.



Connected

Get to where you need to be from our strategic location, with plenty of options for how to get about.



54 minutes

FROM LONDON ST PANCRAS



35 minutes

FROM FRANCE BY EUROTUNNEL



LESS THAN

2 hours

FROM PARIS, BY EUROSTAR FROM ASHFORD



FLY FROM

London Ashford Airport,
Gatwick or Heathrow



FAST ACCESS TO
M20 and M2



Superfast broadband

MEANS WELL-CONNECTED HOMES,
WORKSPACES AND SCHOOLS



Creative soul

As part of a district that champions all things creative, Otterpool Park will be a whole new place inspired by the very best design and influenced by the culture and heritage of the area.

Everyone can find a home here, helping to form a new community with its own identity, values and traditions.





Garden communities explained

A garden city (or garden community) is a holistically planned new settlement which enhances the natural environment and offers high-quality affordable housing and locally accessible work in beautiful, healthy and sociable communities. The garden city principles are an indivisible and interlocking framework for their delivery, and include:

- Land value capture for the benefit of the community.
- Strong vision, leadership and community engagement.
- Community ownership of land and long-term stewardship of assets.
- Mixed-tenure homes and housing types that are genuinely affordable.
- A wide range of local jobs in the Garden City within easy commuting distance of homes.
- Beautifully and imaginatively designed homes with gardens, combining the best of town and country to create healthy communities, and including opportunities to grow food.
- Development that enhances the natural environment, providing a comprehensive green infrastructure network and net biodiversity gains, and that uses zero-carbon and energy-positive technology to ensure climate resilience.
- Strong cultural, recreational and shopping facilities in walkable, vibrant, sociable neighbourhoods.
- Integrated and accessible transport systems, with walking, cycling and public transport designed to be the most attractive forms of local transport.

Visit tcpa.org.uk for more information on garden community principles.

The case for Otterpool Park

Otterpool Park is an opportunity to create an exciting new garden town which, over 30 years...

ADDRESSES THE AREA'S GROWING HOUSING DEMANDS

Creating a mixed, balanced and vibrant community with up to 10,000 homes for everyone – keyworkers, families, older people, vulnerable people. Presented in a variety of styles and sizes, every one of them a beautiful place to live.

USES ITS STRATEGIC CONNECTIVITY AND PROMOTES SUSTAINABLE TRANSPORT

Maximising existing connectivity by rail and road and proximity to Folkestone, London and Europe and developing sustainable transport strategies to promote healthy options for walking, cycling and public transport.

SUPPORTS THE ECONOMY BY PROVIDING JOB OPPORTUNITIES AND WORKSPACES

Delivering around 9,000 job opportunities and up to 127,244sqm of floorspace for businesses to locate, relocate or expand.

SUPPORTS THE CREATIVE AND DIGITAL INDUSTRIES

Expanding capacity for the large concentration of these industries in the local area, attracting and retaining businesses within the district while providing access to housing and social infrastructure.

PROVIDES EVERYTHING ITS COMMUNITY NEEDS AND IS SUSTAINABLE

Incorporating the infrastructure, education, medical, community and leisure facilities required for a sustainable and healthy new community.

IS EXEMPLARY IN EVERY RESPECT AND BECOMES A REFERENCE POINT FOR THE WAY NEW PLACES ARE DESIGNED

Accounting for today's lifestyles and flexible in its nature to adapt to future advancements and ways to live and work, incorporating the very best design, technology and innovation.



Placemaking for Otterpool Park

We envisage a place where a new community grows over several decades. It will be inspired by, integrate and bond with the natural landscape, character and heritage of this special place.

Otterpool Park will be distinctive in its own character, culture, diversity and traditions. That said, it will have strong associations with the countryside and communities around it, in particular aligning with the culture and creativity of nearby Folkestone and Heritage of Hythe.

The new garden town will be enriched with green spaces that create plentiful opportunities to walk, play, explore and socialise.

Residents will be able to put down roots for themselves and their families in characterful, socialable and distinctive neighbourhoods. All facilities are within an easy distance, with plenty of ways to travel further afield.

There are lots of ways to work or run a business at Otterpool Park too, whether from a home office or studio, or in the workspaces available in the town centre.





*Otterpool Park
will be:*

*Green
and blue*



*Reflective
and engaging*

*Creative and
innovative*



*Resilient and
self-sufficient*





Connected and walkable

Healthy and accessible



Biodiverse and sensitive

Diverse and distinct





LUKE QUILTER
CHAIRMAN OTTERPOOL PARK LLP

This vision is an important step on the journey of our newly formed board towards the delivery of Otterpool Park. Our objective for the coming year is to establish ourselves as a locally accountable organisation that will enable the delivery of the Garden Town and support residents, partners and stakeholders to create a 'Garden Community' in a district that is extraordinary.

It's already home to all types of people – from artists to musicians, innovators to educators, makers to entrepreneurs; they come together in Folkestone and Hythe to enjoy our countryside and miles of stunning coastline, a world-class cultural scene and fantastic connections to Europe and the rest of the UK.

Our aspiration to deliver 10,000 homes, around 9,000 jobs, across a 30-year period makes sense for a place that consistently attracts from London and the wider south east. When we see the profound effect that the Covid-19 pandemic has had on our day to day lives, the concept of a community that has over 50% green space, walkable neighbourhoods, leisure on the doorstep and the very best of modern health and education provision, the opportunity becomes all the more relevant – right now.

Over the coming months, as we move towards presenting Otterpool at planning committee, we look forward to building delivery relationships to enable on the ground regeneration with a wide range of partners and stakeholders, in both the public and private sectors. We want to work with forward thinking house builders, developers and investors to build a new community; to bring together all this district has to offer and communicate it far and wide.

Our focus is centred on enabling a people-led Garden Town that not only turbo charges our local economy but delivers a remarkable community for the next generation.

A place that is a beautiful, countryside, Kentish town, close to the sea.





OTTERPOOL PARK

COUNTRYSIDE · CONNECTED · CREATIVE

Appendix 2 - Brief Biographies of the Directors

JENNY HOLLINGSBEE

Jenny has been a District Councillor representing North Downs West Villages for 25 years. She is Cabinet Member for Communities and Deputy Leader. Her responsibilities range from the Voluntary Sector and Health & Wellbeing to Community Safety, Lifeline, Street Homeless and Area Officers.

Jenny has been involved in Community activities all her life Jenny's business experience has been in insurance and stockbroking and for over 20 years, prior to retirement, as a Business Studies and ICT Teacher at The Marsh Academy as well as the Work Experience Co-ordinator.

Jenny is keen to ensure that Folkestone & Hythe District Council is recognised as an innovative pioneering forward thinking local authority delivering the best for its residents in its development of 'Otterpool Park'.

REBECCA SHOOB

Rebecca started her career in the travel industry. She then joined RAND Europe to work on project and event management, primarily in the field of information security. Prior to being elected in 2019, she had worked across different corporate functions, including HR, IT and office management, in both the private and not-for-profit sectors.

Rebecca has had a number of voluntary roles, mainly in advice work and refugee support,. She has a keen interest in food and gardening and is a founder member of Incredible Edible Cheriton which aims to promote growing food for all in an urban environment.

DINAH ROAKE

Dinah has a wide knowledge and varied experience of large scale development and urban regeneration gained working at a senior level in private, public, housing association and third sectors.

Dinah's passion for delivering great places and exemplary sustainable design for people to live, grow and sustain their lives and their communities is supported by her experience and skills. This includes negotiating and securing substantial physical, social and community infrastructure necessary for successful garden cities.

Since 2018 Dinah has been the Director for a community-led housing society in Lewisham, East London.

Dinah's current work is underpinned by design and construction expertise as a qualified architect for over 30 years. She is also an expert member of the British Standards Institute's 'Smart and Sustainable cities and communities' Committee.).

LUKE QUILTER

Co-founder of Sleeping Giant Media and Giant Campus, and CEO of both, Luke Quilter is Kent's multi-award winning digital marketing entrepreneur.

With an excess of 15 years' worth of experience in digital marketing, Luke currently runs three businesses based in Kent and regularly lectures, coaches and teaches his expertise; specialising in search engine optimisation, pay per click advertising, social media, and business start-ups.

SALLYANNE LOGAN

SallyAnne has over twenty years of experience working in the private, voluntary and local government sector on community related projects. In recent years, SallyAnne has been leading the team who have orchestrated and negotiated the creation of a stewardship body for Chilmington Green which is in the borough of Ashford, working for the borough council. She is Chief Executive of the CMO operating under a council-CMO contract. In 2019, SallyAnne was part of a consultancy team working with Homes England to produce a stewardship toolkit for Homes England's own large scale sites. SallyAnne's strength is in working with partners and local people, building consensus and common solutions to meet local need. Her passion is people and building strong communities where local ownership and empowerment is at the heart. It is these attributes, alongside her stewardship experience, where she hopes to add greatest value to Otterpool Park, ensuring local people (existing and new) feel involved, connected and empowered to shape what will be a fabulous place to live, work and play.

JOHN BUNNETT

John is a chartered surveyor with over 30 years development experience gained both in the private and public sector. His early career was spent in developing a range of major schemes across the UK for large multinational organisations. John entered the public sector joining Thanet District Council in 2004 as strategic director for planning, property and environmental services. John was promoted to deputy chief executive in 2007 and in 2009 joined Ashford Borough Council as chief executive. As one of three nationally designated growth areas Ashford had a major regeneration and development program of work which John lead throughout tenure at Ashford. This involved multi-million pound developments in the town centre substantial infrastructure projects such as junction 10 a and strategic leadership for the council on the Chilmington Green development which comprises some circa 6000 homes and 4000 jobs. Following a further two years in the private sector leading residential and other major development John returned to the public sector joining FHDC in 2018 as Corporate Director. The main attraction to this job was the involvement in the Otterpool project. John now leads the professional team at the LLP and has overall responsibility for the delivery of the project.

ANDY JARRETT

Over 40 years professional experience in town planning and regeneration. Director level positions in private and public sectors, leading multi- disciplinary teams, advising on major projects across the country, but mainly in Kent, including the Channel Tunnel, town centre redevelopment and new settlements. Led large scale urban and rural regeneration partnerships with economic, social and environmental agendas. Direct experience of small scale residential development, with one "self-build" under the belt. Locally, held director positions at the Creative Foundation and Shepway Business Centre, a former trustee of Folkestone Sports Centre Trust and a school governor at Pent Valley Technology College.



Appendix 3 –
Otterpool Park, Westenhanger,
Kent – Market Report prepared
by Strutt & Parker



Otterpool Park, Westenhanger, Kent- Market Report

Prepared for: Otterpool Park LLP

Date: 11th August 2020

Prepared by: Tim Mitford-Slade MLE MRICS
George Gibbons

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1. Introduction

- 1.1 This document has been prepared in order to assist Otterpool Park LLP with an understanding of the current development land market within Kent. This document is attached as an Appendix and is prepared solely for Otterpool Park LLP in order to assist on how to deliver the Otterpool Park project within budget. This document is prepared for internal purposes only and no liability whatsoever can be accepted to third parties for the whole or part of its content.
- 2.1 The planning application states that Otterpool Park is *an opportunity to create a genuinely landscape led garden settlement that integrates with the existing communities as well as the rural surroundings, to provide new homes, employment, retail, social infrastructure, community and leisure facilities. It strives to achieve high levels of sustainability, in a manner that integrates and benefits the wider district.*
- 1.2 This report sets out our opinion of the Kent development land market, the key stakeholders within the area, and our opinion of exit values for the surrounding areas and competing schemes of Otterpool Park.

2. The UK Development Land Market

- 2.1 The outbreak of COVID-19, declared by the World Health Organisation as a “Global Pandemic” on the 11th March 2020, has significantly impacted global economies. International travel restrictions as well as restrictions on businesses and individuals’ behaviour and activity have been implemented by most countries across the world. The housing market was effectively shut for seven weeks, having closed on 23rd March. It reopened on the 13th May with house moves and viewings able to resume under social distancing and safety rules in England.
- 2.2 As lockdown is now easing, the residential development market is starting to recover. Construction on the majority of suspended development sites has restarted across the UK. Productivity per site is now increasing; however, the majority of housebuilders are seeking sufficient confidence in the sales market before commencing with new plots and new sites. The focus of construction has been on completing homes already started and those reserved, so fewer new homes and sites have been started.

Otterpool Park, Westenhanger, Kent- Market Report

2.3 In April, new homes starts fell to just 5,000 across the UK according to NHBC, this is just 5% of the number started the same time last year. By early May, the number of new sites started was 10% of the pre-lockdown average. During the height of lockdown, large housebuilders, i.e. those delivering 500 homes per year, more commonly suspended their sites than other builders. New sites started in the UK are illustrated on the graph below:

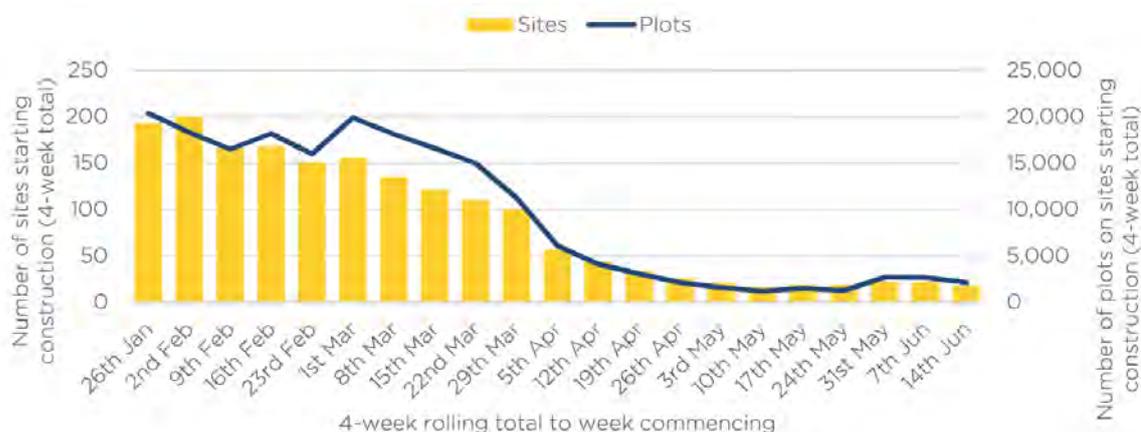


Figure 1: New sites started in the UK (Glenigan)

2.4 Although construction was put on hold, the granting of planning permissions have held up reasonably well. On average 290 sites gained permission per month since mid April, that is 26% below the pre-Covid average, also 1,200 sites with planning consents due to expire before the end of the year have been given an extension to 1st April 2021. The extension of these consents will support the recovery in sites started over the coming year.

2.5 To summarise, in the short term, we will see fewer sites being brought to market as landowners prefer to wait for more clarity. However, cash rich developers may be able to make the most of the reduced competition for sites. In the medium term, changes in the land market will be linked to what happens in the wider housing market. We currently anticipate that residential transactions will be significantly reduced over the next three months, but capital values will be less affected, with falls of -5 to -10%, returning to stronger growth in the medium term. In this scenario, the impact on land values should be limited. However, if house prices fall more sharply or recovery in the housing market is slower due to ongoing economic uncertainty, this may feed through into downward pressure on land values.

3. Kent Development Land Market (Garden Town Market)

3.1 We have identified the following large competing garden town schemes within Kent and the relevant key stakeholders (Otterpool Park is marked using a red star):

- Ebbsfleet Garden City (15,000 units) ★
- Chilmington Green (5,750) ★
- Mountfield Park, Canterbury (4,000) ★
- Borough Green Gardens, Sevenoaks (3,000) ★
- Highsted Park Garden Village, Sittingbourne (8,000) ★
- Lenham Garden Community (5,000) ★

Otterpool Park, Westenhanger, Kent- Market Report



Address: Ebbsfleet Garden City, Ebbsfleet ★
 Dwelling Yield: 15,000
 Planning: Under Construction
 Developer: Homes England/ Keepmoat Homes/ Redrow



Information: Where London meets the Garden of England, on the banks of the River Thames, Ebbsfleet exploits its strategic location to continue the tradition of great placemaking in the UK; combining the best of urban and rural living and building on the ethos and pioneering spirit of Georgian, Victorian and Edwardian planned communities to deliver a new benchmark for 21st century development including up to 15,000 high quality new homes.

Address: Chilmington Green, Ashford ★
 Dwelling Yield: 5,750
 Planning: Planning Granted
 Developer: Hodson Developments/ Barratt Homes

Information: Chilmington will be a new community of up to 5,750 quality homes, a district centre and community infrastructure. This will create over 1,000 jobs in the next 20 years, coming forward in four main phases with several hundred homes delivered per year.



Otterpool Park, Westenhanger, Kent- Market Report

Address: Mountfield Park, Canterbury★
Dwelling Yield: 4,000
Planning: Under Construction
Developer: Corinthian land

Information: An exciting new living experience to the south of Canterbury, Mountfield Park will become one of the largest new communities in South East England with around 4,000 homes. An abundance of local facilities – including schools, shops and a medical centre – glorious green spaces and convenient transport links.



Address: Borough Green Gardens, Sevenoaks★
Dwelling Yield: 3,000
Planning: In Planning
Developer: TBC

Information: Borough Green Gardens is set to include approximately 3,000 new homes, including a mixture of tenure types, plus affordable and family sized housing to create a diverse community, a Relief Road; removing up to 900 vehicles movements at morning and evening peaks from driving through Borough Green, Two primary schools; 1 x two-form, 1 x three-form, New employment floorspace; creating hundreds of new jobs, Community and neighbourhood hubs, Doctors surgery, Local shops and Sports centres and playing fields



Address: Highsted Park Garden Village, Sittingbourne★
Dwelling Yield: 8,000
Planning: In Planning
Developer: Quinn Estates

Information: This mixed-use development proposal seeks to deliver a key piece of much needed infrastructure, circa 8,000 dwellings, self-build plots, commercial space, public open space and community facilities in a highly sustainable location in the Swale Borough. The proposed scheme will be set within an attractive landscaped and parkland setting and will provide a high-quality environment.



Otterpool Park, Westenhanger, Kent- Market Report

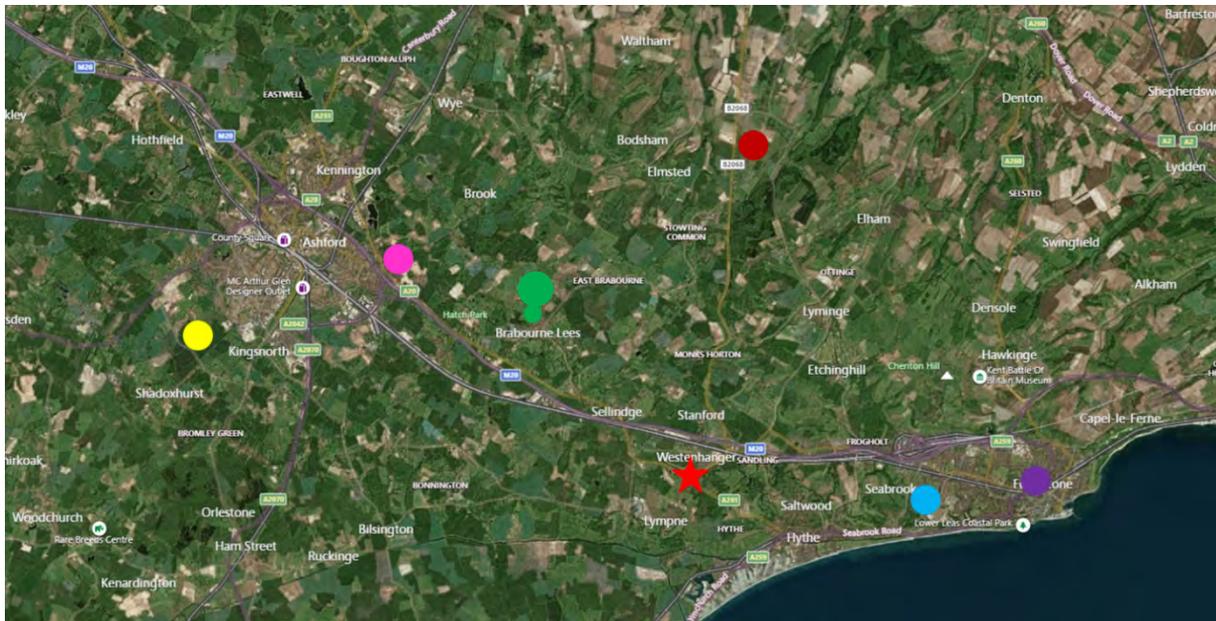
Address: Lenham Garden Community ★
 Dwelling Yield: 5,000
 Planning: In Planning
 Developer: Maidstone Borough Council/ Barton Willmore

Information: The large garden village scheme, proposed by Maidstone Borough Council (MBC), would see more than 5,000 houses built to the east of Lenham.



4. Competing Schemes & Key Stakeholders

4.1 We have identified the following live competing schemes and the relevant key stakeholders (Otterpool Park is marked using a red star):



Address: Radstone Gate, Thorn Lane, Stelling Minnis, CT4 6DA ●
 No. of Units: 28
 Developer: Pentland Homes
 Distance: 5.7 miles

Address: Abbie Fields, Lees Road, Brabourne Lees, Ashford, TN25 6QB ●
 No. of Units: 5
 Developer: Piper Homes South East Ltd
 Distance: 3.9 miles

Address: Phase B, Ingles Gardens, Folkestone, CT20 2RF ●
 No. of Units: 35
 Developer: Murston
 Distance: 5.7 miles

Address: Hinxhill Park, Hinxhill Road, Willesborough, Ashford, TN24 0NB ●
 No. of Units: 192
 Developer: Bellway Homes
 Distance: 6 miles

Otterpool Park, Westenhanger, Kent- Market Report

Address: Barratt Homes at Chilmington, Hedgers Way, Kingsnorth, Ashford, TN23 3GN ●
No. of Units: 86
Developer: Barratt Homes
Distance: 9 miles

Address: Shornccliffe Gardens, Royal Military Avenue, Folkestone, CT20 3SH ●
No. of Units: 122
Developer: Taylor Wimpey
Distance: 4.3 miles

5. Market Commentary & Residential Market Sales Evidence

Ashford

- 5.1 Ashford has seen significant growth in new developments in recent years particularly following the introduction of High Speed rail services in early 2010 which now enable commuters to travel from Ashford International to London St Pancras in a journey time of 37 minutes. This has brought a wealth of new buyers into the local market, principally from South East London on the back of rising house prices in the Capital and the affordability of East Kent with such reduced commuter times. Ashford has long been identified as a growth area by successive Governments and current policy remains to support further growth of the town.
- 5.2 Ashford Borough Council has been exceptionally proactive in facilitating the wider regeneration of the town centre and brownfield sites around the international station. Indeed, it is these placemaking projects which are one of the key attractions for Ashford and include a new leisure complex anchored by Picturehouse at Elwick Place, a new brewery and destination eating venue from Chapel Down on Victoria Way and a new TV and Film Studio complex with hotel and apartments at New Town Works which was granted planning permission in April 2020. Further developments along Victoria Way include a 275 home development by U+I and Carrington Group and a new 18,500 sq.ft Aldi which was opened in 2019. Victoria Way West is a new development anchored by 635 apartments by Quinn Estate and GRE nearing completion and Quinn Estates have also been instrumental along with George Wilson Holdings in bringing forward the 590,000 sq.ft Ashford Commercial Quarter which now provides the best Grade A office accommodation in this part of Kent.
- 5.3 However, the majority of demand is domestic and the take up of new stock in the town has been relatively strong despite difficulties in the housing market between 2010 and 2014. During this period house sales dropped and development slowed, the net result being that as market conditions improved in late 2014 onwards the capital value of existing and new build stock in the town has risen steadily.
- 5.4 Examples of new and recently completed schemes in the market place include the following:
- The Gate by Hodson at Chilmington Green
 - Bridgefield by Taylor Wimpey at Cheeseman's Green
 - Green Oaks by Crest at Finberry, Sevington
 - Repton Park by Taylor Wimpey at Repton Park
 - Victoria Quarter by Orbit at Victoria Way
 - Town Farm Place by Matthew Homes at Willesborough
 - Chestnut Grange by David Wilson Homes at Willesborough
 - Conningbrook Lakes by Westerhill Homes at Willesborough
 - Oakfields by Orbit at Shadoxhurst

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- Lyons Gate by Taylor Wimpey at Aldington
- Saxon Woods by Redrow at Hamstreet
- Watermill Court by Jarvis Homes at Charing
- Kingsbridge by Countryside at Headcorn

5.5 We have made reference to the following comparable transactions in Ashford and the immediate surrounding areas:

- **Finberry and Green Oaks by Crest** –Crest are a well-established housebuilder and their scheme to the south east of Ashford is maturing with increasingly strong values being achieved and provides a range of house types. A sample of recent sales is as follows: **(Average £345 psf, exit rate of 5 units per month)**

Address	Beds	Size Sq.ft	Price	£ psf
Plot 223 Ashton	1	572	£210,000	£367
Plot 378 Thurnham	2	753	£285,000	£378
71 Wagtail Walk	2	753	£265,000	£352
Plot 447 Brook	2	757	£277,500	£367
87 Wagtail Walk	2	764	£270,000	£353
67 Wagtail Walk	2	775	£265,000	£342
Plot 214 Fairfield	3	932	£340,000	£365
77 Wagtail Walk	3	936	£305,000	£326
Plot 243 Farthing	3	936	£320,000	£342
Plot 212 Hawkenbury	2	960	£327,500	£341
Plot 508 Poplar	3	1,017	£365,000	£359
56 Nuthatch Drive	3	1,023	£320,000	£313
Plot 511 Poplar	3	1,038	£365,000	£352
Plot 380 Lilyvale	4	1,287	£425,000	£330
Plot 492 Maple	4	1,323	£480,000	£363
Plot 491 Cedar	4	1,521	£525,000	£345
Plot 540 Mulberry	5	2,026	£600,000	£296

- **Conningbrook Lakes** is a new development currently under construction to the east of Ashford on the outskirts of Willesborough. As the name suggests, this development sits alongside an expanse of open water being a former gravel quarry and is considered to be a superior product in terms of outlook of competing schemes. Recent evidence includes the following: **(Average £363 psf, exit rate of 4 units per month)**

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Address	Beds	Size Sq.ft	Price	£ psf
Plot 65	2	811	£299,999	£370
Plot 70	3	953	£360,000	£378
Plot 69	3	1,047	£390,000	£372
Plot 46	4	1,285	£473,000	£368
Plot 47	4	1,554	£533,500	£343
Plot 32	5	1,790	£630,000	£352

- **The Gate at Chilmington Green** is now well advanced in terms of construction and acts as the gateway scheme for the wider Garden Settlement. The first homes have now been occupied and the recent sales and reservations hold the best comparable evidence for sales values in this part of Ashford: **(Average £349 psf, exit rate of 7 units per month)**

Address	Beds	Size Sq.ft	Price	£ psf
Plot 17	2	831	£299,995	£361
Plot 15	3	1,156	£430,000	£372
Plot 19	3	1,156	£410,000	£355
Plot 58	4	1,256	£429,995	£342
Plot 63	4	1,256	£405,000	£322
Plot 14	4	1,531	£518,000	£338
Plot 10	4	1,531	£499,995	£327
Plot 45	3	992	£365,995	£369
Plot 59	3	992	£355,000	£358

Folkestone

- 5.6 Although Folkestone is not the most highly regarded of the coastal towns in Kent, the effort to regenerate the town centre and surrounds and its links to the High Speed rail network have made it a more recognised residential location, particularly as it offers greater value for money than other more highly regarded coastal towns. Otterpool Park is located close to good travel links, shopping facilities and amenities.
- 5.7 Folkestone has experienced significant regeneration in recent years, particularly around the harbour and Old Town area. The Harbour Arm has been restored and is popular during the summer months, providing local food and drink outlets, live music and the well regarded Rocksalt restaurant. The seafront benefits from planning consent for the development of a mixed use scheme of up to 1,000 units, including apartments, townhouses, beach houses and commercial space. The former Folkestone Harbour railway station is currently being renovated, and will form part of the wider project of the

Otterpool Park, Westenhanger, Kent- Market Report

renovated viaduct, new boardwalk and beach nourishment. Folkestone's Creative Quarter has also transformed the Old Town area over the last decade, now providing a prime visitor attraction with numerous local retailers, arts and crafts, cafes and restaurants. The cumulative effect of the regeneration of Folkestone is having a positive influence on property values, as the town becomes a more attractive location for potential purchasers.

5.8 We have made reference to the following comparable transactions in Folkestone and the immediate surrounding areas:

- **Westbrook Drive, Folkestone** is a housing development constructed in 2017. There have been a number of resales in the years since construction, and some of the initial new build sales fall within the last 24 months. Considering wider political impacts, property price growth has been limited in this period, and as such, we still see it as relevant evidence. The sales here are as follows: **(Average £300 psf, exit rate of 3 units per month)**

Address	Size Sq.ft	Price	£ psf
4, St Marys Walk	1507	£385,000	£255
11, Curzon Avenue	947	£285,000	£301
12, Foster Way	732	£240,000	£328
10 Westbrook Drive	947	£285,000	£301
77, Westbrook Drive	969	£294,995	£304
79, Westbrook Drive	969	£289,745	£299
1, Hayward Gardens	1399	£409,795	£292

- **Shorncliffe Heights, Folkestone** is a housing development by Taylor Wimpey to the west of the traditional built-up area of Folkestone. The units brought to the market over the past 18 months have been predominantly semi-detached and detached units, which can be summarised as follows: **(Average £261 psf, exit rate of 5 units per month)**

Address	Size Sq.ft	Price	£ psf
29, Kunwar Avenue	1324	£310,750	£235
31, Kunwar Avenue	1324	£310,995	£235
25, Kunwar Avenue	1152	£310,750	£270
27, Kunwar Avenue	1152	£314,500	£273
21, Kunwar Avenue	1324	£310,750	£235
23, Kunwar Avenue	1324	£308,500	£233
1, Hayward Gardens	1399	£409,795	£292

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2, Dragoon Place,	850	£277,500	£326
4, Dragoon Place	915	£290,000	£317
17, Kunwar Avenue	1442	£330,500	£229
19, Kunwar Avenue	1442	£331,995	£230

- Trinity Drive, Folkestone** is a scheme constructed in 2017 of similar design to the Westbrook Drive development, in a central location to the north of Folkestone Central station. Three resales have taken place in the previous 24 months, which can be summarised as follows: **(Average £265 psf, exit rate of 3 units per month)**

Address	Size Sq.ft	Price	£ psf
22, Trinity Drive, Folkestone, Kent CT19 5UU	1195	£310,000	£259
28, Trinity Drive, Folkestone, Kent CT19 5UU	1044	£305,000	£292
9, Trinity Drive, Folkestone, Kent CT19 5UU	1711	£430,000	£251
17, Trinity Drive, Folkestone, Kent CT19 5UU	1711	£420,000	£245
28, Trinity Drive, Folkestone, Kent CT19 5UU	1044	£305,000	£292
9, Trinity Drive, Folkestone, Kent CT19 5UU	1711	£430,000	£251

- Parkside, Folkestone** is a new-build scheme of town houses in a central location north of Folkestone Central train station. They are relatively large for townhouses, although in units of this design a lot of space is usually lost in landings, stairs and hall ways, and as such the value per sqft is traditionally lower. The majority of these units are circa 1,800 sq ft, and sold between October 2018 and May 2019 between £380,000 - £420,000, averaging £224 psf. The capital values give a good benchmark of what can be purchased in the area for this price.
- Grasslands, Capel le Ferne** is a new development by Jarvis Homes just outside Folkestone. The detached units here range between 1,539 sqft and 1,722, with six sales recorded between April 2019 and October 2019. The prices achieved ranged from £495,000 - £549,000, equating to an average of £310 psf. There were also three terraced units sold in this period, ranging from £285,000 - £305,000. At 1,012 sqft – 1,076 sqft, these averaged £287 psf.
- Ingles Gardens, Folkestone** is a new scheme by Murston homes. The majority of the units are large semi-detached / terraced dwellings, between 1,422 sqft – 1,671 sqft. These units have been

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achieving between £420,000 - £455,000, equating to an average of £291 psf. Unit 38, a 2,173 sqft detached dwelling, is Sold STC for £575,000, equivalent to £265 psf.

Canterbury

- 5.9 Whilst some parts of Kent including Ashford, Maidstone, Medway and Ebbsfleet have seen significant new supply in recent years, Canterbury is somewhat unique in the fact that there have been few if any, major new build residential led development projects in the last 10 years. Ever since Fairview, Bellway and Western Homes developed land around the City Centre at the peak of the market in 2007, Canterbury has suffered a significant drop in the supply of new residential stock. With the introduction of High Speed rail services into the City in 2010, the growth of the three universities and significant increase in population, Canterbury has seen strong price growth on the back of limited supply. This imbalance needs to be addressed and there is now significant pressure on Canterbury City Council to deliver new housing to Canterbury and the surrounding areas.
- 5.10 Canterbury itself is likely to see a significant increase in the supply of housing in the coming years, particularly in the shape of Mountfield Park which was granted planning permission in December 2016 for up to 4,000 dwellings to the south of the City Centre, close to the A2 junction of the village of Bridge. Aside from Mountfield Park, there are 1,000 new units planned by way of strategic allocation at Sturry and Broad Oak to the east of the City as well as up to 500 new homes planned to the south of the City centre at the former Howe Army Barracks, with units being marketed by Taylor Wimpey and Thanington Park will feature up to 750 units to the west of Canterbury and was recently launched to the market by Pentland Homes.
- 5.11 We have made reference to the following comparable transactions in Canterbury and the immediate surrounding areas:
- **Orchard View, Sweechgate** is a housing development located to the northeast of Canterbury, just past Sturry by Wedgewood Homes. This development comprises ten detached homes and three detached bungalows. The sales here are as follows: **(Average £353 psf, exit rate of 4 units per month)**

Address	Size Sq.ft	Price	£ psf
Plot 1	1,334	£455,800	£342
Plot 2	1,334	£438,000	£328
Plot 3	1,506	£495,000	£329
Plot 4	1,506	£484,000	£321
Plot 5	1,506	£495,000	£329
Plot 6	1,679	£500,000	£298
Plot 9	1,797	£600,000	£334
Plot 11	968	£440,000	£455
Plot 12	968	£440,000	£455

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- **Polo Field, Canterbury** is an exclusive collection of three, four and five bedroom homes by Millwood Designer Homes situated in a quiet rural location between the village of Littlebourne and the city of Canterbury. The sales here are as follows: **(Average £382 psf, exit rate of 3 units per month)**

Address	Size Sq.ft	Price	£ psf
Plot 7	1,894	£750,000	£396
Plot 13	2,443	£905,000	£370
Plot 18	1,894	£780,000	£412
Plot 15	2,443	£900,000	£368
Plot 16	2,443	£885,000	£362
Plot 9	2,443	£890,000	£364
Plot 17	2,443	£886,000	£363
Plot 2	1,517	£585,000	£386
Plot 6	1,894	£765,000	£404

6. Residential Land Values

6.1 Residential Land Values

6.1.1 We have summarised recent residential land sales within Kent below:

Bellway at Peter's Village, Burham:

- 152 units comprising 80% housing and 20% flats on parcels 1a and 1b;
- All open market dwellings with no affordable housing or Section 106 costs;
- Fully serviced to the boundary;
- Net developable area of 10.326 acres at a density of 14.7/ac;
- Sold to Bellway in late 2015 for £15.625 million;
- Sale price reflects £1.513 million/ac;
- Land sale reflects £102,800 per plot or £95.50 psf.

Bellway and Ashberry at Peter's Village, Wouldham:

- Parcels 2C/D/E/F;
- 228 units with 32% AH (74 units) and no Section 106 costs;
- Fully serviced to the boundary;
- Net developable area of 11.19 acres at a density of 20/ac;
- Exit values £350psf;
- Sold to a JV between Bellway and Ashberry in 2018 for £18.65 million;
- Sale price reflects £1.67 million/ac serviced;
- Land sale reflects £82,000/plot on a serviced basis or £111,500/plot private and £20,000/plot affordable.

Orbit at Peter's Village, Burham:

- 86 units comprising 57% housing and 43% flats on parcels 1c and 1d;

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- 43 open market and 43 affordable units at 50% but no Section 106 costs;
- Fully serviced to the boundary;
- Net developable area of 3.34 acres at a density of 25.7/ac;
- Sold to Orbit in 2016 for £5,807,500;
- Sale price reflects £1.739 million/ac but considered high density albeit with 50% affordable housing;
- Overall land sale reflects £80.45 psf but 50% affordable.

Cala at Peter's Village, Wouldham:

- Parcel 1F
- Placed under offer in 2019 at £10.825m
- 142 units with 29 affordable homes (20%) with no S106
- Net developable area of 5.52ac at a density of 26/ac
- High proportion of flats (46%)
- 114,344 sq.ft with exit values of £350psf
- Land sale shows £1.96m/ac but high density and reflects £76,000/plot blended

Bovis at Peter's Village, Wouldham:

- Parcels 2A and 2B;
- Serviced land for 119 units of which 20% is affordable;
- Fully serviced to the boundary with no S106 or abnormals;
- Net developable area of 6.28 acres at a density of 19/ac;
- Total net area 103,175 sq.ft;
- Exit values £350psf;
- Sold to Bovis in early-2019 for £9.9 million at a blended rate of £83,000/plot;
- Sale price reflects £1.575 million/ac for serviced land parcel;
- Land sale reflects £99,000/plot private assuming the AH is £20,000/plot.

Millwood at Cripple Street, Maidstone:

- 36 units comprising 25 open market and 11 affordable units and policy compliant Section 106 costs;
- Sold to Millwood under an option agreement with price agreed at £2,990,000;
- Unserviced land;
- Low density;
- Land sale reflects £83,000 per plot given 30% affordable units and unserviced land parcel;

Former Somerfield Site, Aylesford:

- 96 units with no affordable housing and £47,000 of Section 106 costs;
- Partially serviced brownfield site;
- Net developable area of 5.4 acres at a density of 17.6AC;
- Sold to Michael Schwartz in mid-2015 for £2.5 million for first phase of 24 units;
- Sale price reflects £1.84 million/ac;
- Land sale reflects £104,000 per plot with no affordable housing and partially serviced.

Countryside & Orbit at Maidstone Road, Charing:

- 131 units unserviced but consented on edge of Charing;
- Sold to Orbit and Countryside in 2019 for £9.3m plus £1.7m ransom payment;
- Sale price reflects £84,000/plot blended or £126,000/plot private assuming £20,000/plot Affordable Housing;
- Exit values £345psf;
- Sale price reflects £1.523 million/ac on phased payment basis;

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Barratt at Perry Court Farm, Faversham:

- 310 residential dwellings with 30% affordable housing;
- Gross area of 53.79 acres;
- Unserviced farmland;
- Sold for £28 million to Barratt in Summer 2017 inclusive of abnormal costs;
- Local values £320 psf;
- Sale reflects £90,300 per plot on an unserviced and policy compliant basis inclusive of abnormal costs;

Sunningdale at Station Road, Walmer:

- Phase One; 37 units;
- Purchased by Sunningdale House for £3.92m in March 2018;
- Shows £106,000/plot blended
- 16 Affordable units of which 8 apartments will be rented and 8 shared;
- A further £3.92m will be paid in February 2019 for Phase Two; 89 Units;
- £3.36m will be paid for the remaining land attached to 97 units and will be paid by 30 September 2019
- Total package shows 223 units at £11.2m
- Blended package £50,000/plot or £63,000/plot private and £20,000/plot AH
- Local values £275psf

Sunningdale at Ashford Road, High Halden:

- Mix development of 43 dwellings with 40% Affordable Housing
- Purchased by Sunningdale House for £3.172m in August 2019;
- Site area 5.7ac shows gross land price of £555,000/ac and a net price based upon net developable area of 3.2ac at £1m/ac
- Shows £74,000/plot blended or £109,000/plot private and £20,000/plot AH
- Local values £340psf

Barrett at Allington, Maidstone:

- Mix development of 26.8ac net
- Purchased by Barrett for £34.2m in July 2019 on a subject to planning basis;
- Site area shows gross land price of £1.276m/ac less abnormal costs and S106;
- Minimum land price in the contract shows £840,000/ac unserviced with 25% Affordable Housing;
- Local values £360psf

The land transactions indicate values ranging from £50,00 per plot up to £115,000 on largescale sites of between 100 and 135 dwellings at an average of £84,400 per plot at £1.13m per acre.

6.2 Commercial Land Values

6.2.1 We have summarised recent commercial land sales within Kent below:

Land at Ashford Road, Maidstone:

- Sold Price: £5m;
- 45.18 acres;
- £110,666 per acre;
- June 2020;

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Phase 2, Orbital Park, Ashford:

- Sold Price: £1.49m;
- The land parcel extends to 2.79 acres (121,532 sq. ft.). The premises was sold in an open market transaction and planning has been permitted for B1, B2 and B8 units to be built upon the site;
- £534,229 per acre;
- February 2020;

Land at London Road, Gillingham:

- Sold Price: £1.5m;
- The site totals 4 acres with 36,061 sq ft of accommodation within the demise;
- £375,000 per acre;
- December 2019;

Plot 4, Eurolink East Five, Sittingbourne:

- Sold Price: £3.06m;
- The plot measures approximately 3 acres and makes up part of a larger 28 acre development site
- £375,000 per acre;
- December 2019;

The lack of industrial land within the County has pushed land values to levels not seen before. In the primary location of Dartford, land values are now reported to be at £1.5 million per acre. As you move further into the County, away from the M25 values drop to a reported £650,000 per acre in Rochester, while Sittingbourne has achieved £450,000 per acre, representing a 10% increase over the last 6 months. Industrial development land values in East Kent area have remained stable, primarily due to the relative lack of occupational demand, and we would expect a land value of £200,000 to £250,000 per acre at the subject location.

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George Gibbons
Graduate Surveyor

Strutt & Parker
2 St Margaret's Street
Canterbury
Kent
CT1 2SL

11th August 2020

Appendix 4 - Glossary

Glossary

The Council – Folkestone and Hythe District Council

The LLP – Otterpool Park Limited Liability Partnership

The District – the district of Folkestone and Hythe

Appendix 5 -
Otterpool Park - A New
Garden Town in the Folkestone
and Hythe district

Otterpool Park

A new garden town in the Folkestone & Hythe district



Introduction

In 2017 we produced a Charter for Otterpool Park that set out in more detail our aspirations for the new garden town. The document built on the high level principles set out in the Expression of Interest submitted to Government in June 2016 and the Sustainability Wheel. The Charter focused on creating a place that is truly sustainable; as the plans for Otterpool Park develop these principles continue to guide our vision and are reflected in our council ambitions below.

We have a clear picture of what we want Otterpool Park to deliver.

A sustainable new garden town

Sustainable development is about maximising the environmental, social and economic benefits that development can bring, enhancing the environment, building strong communities and providing jobs; not trading one benefit against another but building in a way that delivers gains across all three and enables us to invest in communities across the district.





Enhancing the environment

A real garden town

The garden town will provide a minimum of 50% green space reflecting existing landscape features and providing three new distinctive destination parks, giving public access to a diverse natural environment. Allotments and orchards will be provided for people to grow their own food, and neighbourhoods will have easy access to playing pitches and play areas.

Creating habitats for wildlife, providing food and adapting to a changing climate

The town will be designed to provide new habitat corridors so that wildlife can move between the town and the wider countryside. The government is introducing a requirement for new development to improve biodiversity by 10% - Otterpool Park will go beyond this and deliver gains of at least 20% across the lifetime of the development. Green spaces, ponds and watercourses can also be used to provide shade, reduce flooding from storms and filter waste water, using natural processes.

Promoting walking, cycling and public transport

Walking, cycling and public transport will be at the heart of the new town, using new technologies to help people plan their journeys and order and share rides. Westenhanger Station will be enhanced to become a new transport hub where travellers can easily switch between the train and buses, bikes or taxis to get to their destinations quickly.

Reducing our environmental impact

Otterpool Park will be designed to deliver the overall ambition of a low-car and low-carbon destination by developing an integrated approach to energy, water, travel and digital planning. New buildings will be designed to minimise energy use and be carbon neutral wherever possible.

Creating strong and healthy communities

Giving residents a voice in how their town is run

The original garden towns gave residents a strong voice in how their neighbourhoods were run and this continues today, more than a century after they were founded. Otterpool Park will be developed and managed in perpetuity with the direct involvement of its residents and businesses; residents will be directly engaged in long-term management and stewardship, fostering a shared sense of ownership and identity.

Preserving cultural heritage and inspiring the new

Westenhanger Castle will be a focal point within a restored parkland and garden setting. This rich cultural heritage will inspire new contemporary design, which in turn will enhance that heritage. Development will be shaped by design codes, which will set out rules about how the town's neighbourhoods, streets, squares and buildings will be laid out.

A diverse range of housing types and tenures

Otterpool Park will deliver up to 10,000 homes across a range of housing densities, types and tenures to provide the right mix of homes for people at all stages of life and for all budgets, including more than 2,200 affordable homes. Plots will also be provided for people who want to build their own homes (known as self-build or custom-build), either working on their own projects or as part of a group with other self-builders to build their own neighbourhoods.

Innovative Approaches to Delivery

A new medical centre, drawing on the best examples from elsewhere and the latest digital technologies, will provide a 'one-stop shop', including GPs and primary care treatment during the early stages of the town's development, to pioneer new models of care and reduce pressure on hospitals.



Creating jobs and building new businesses

Diverse Employment Opportunities

Otterpool Park will help to grow businesses, both existing and new; an Innovation Centre will be built early on in the town's development, and easy access to London and Europe through High Speed rail links will help businesses access professional services and new markets. Building the garden town also offers opportunities to start new businesses in energy efficient construction and renewable technologies, and for young people to train in the new skills that our economy needs.

New town and neighbourhood centres

While the future of many of our traditional high streets is uncertain, people will still want to meet, exchange ideas, shop, relax and have a meal. New town and neighbourhood centres will be created that will provide flexibility for people to set up shops, cafes, workshops or office spaces on a temporary or longer-term basis, to share space and try out new business ideas.

Secure a digital town of the future

Otterpool Park will support advanced digital technologies, including the emergence of 5G and the IoT (Internet of Things); ultra-fast fibre optic broadband will be expanded to the premises at Otterpool Park to improve connections for new residents and immediate neighbouring communities where there are problems with broadband speeds and connectivity.

