



Homes
England

Holly Jones
Planning Policy Manager
South Oxfordshire District Council
135 Eastern Avenue
Milton Park, Milton
OX14 4SB

15 February 2018

BY EMAIL ONLY

Dear Holly,

Housing Development at Chalgrove Airfield

Thank you for your letter dated 9th February.

I am writing to respond to two points raised in the letter, namely Homes England's intention to use its compulsory purchase powers to bring forward the site if it cannot be acquired by agreement and the timeline for delivery of new homes. I also provide an update on our investigations into off-site highways improvements necessary to mitigate the effects of our proposals.

I set out our position on each point under separate headings below.

CPO

I confirm that Homes England's Board has approved the commencement of preparatory work that will be required prior to the making of a CPO including serving notices on landowners to ascertain details for their interests and exercising the agency's statutory powers to enter and survey the site within the indicative masterplan at Chalgrove Airfield and to purchase any additional land and rights to ensure the effective delivery of the scheme while at the same time trying to acquire the site by agreement.

Whilst this has necessarily focussed on Martin-Baker Aircraft Company Limited (MBACL), there is other third party land that is needed to deliver off-site highways improvements.

As you know, we have entered already into private treaty negotiations with MBACL. Our most recent offer to MBACL has not been accepted, hence our resolution to commence the preparatory work that will be needed should it be necessary to acquire their interest using compulsory purchase powers. We will continue to negotiate to reach terms with MBACL in tandem with carrying out the preparatory work for the CPO; however should our negotiations be unsuccessful, we will have undertaken the necessary preparation for a CPO, and will be asking our Board to resolve to use our compulsory purchase powers to deliver the land that is needed to facilitate our proposals for part of the site, with the remainder being offered back to MBACL. We are confident MBACL will remain on the site and operate and grow their business as they do now because that forms the basis of the private treaty negotiations.

In terms of our negotiations with other third parties regarding the land necessary for the highways improvements, we have not started these because the extent of off-site improvements is not yet agreed with Oxfordshire County Council (OCC). Until such time as Homes England knows the extent of the land that is

Homes England
Fry Building, 2 Marsham Street, London, SW1P 4DF

0300 1234 500
homesandcommunities.co.uk

required, we consider it would be unhelpful to enter into negotiations because this would only cause confusion.

We anticipate that the off-site highways solutions will be agreed in principle over the next two months or so with OCC and your authority, and once we have reached that position, we will approach the relevant landowners to start the process of private treaty negotiations to acquire the necessary land. We anticipate that our private treaty negotiations with all parties will continue throughout the spring and beyond. Our project timetable assumes submission of a planning application by the time of the Examination in Public (EiP) into the draft Local Plan – estimated to be July 2018 – with an Inspector's report anticipated by the end of 2018. Based on the expectation that the allocation for Chalgrove Airfield (STRAT 9) will be approved, we anticipate this will be the point at which the application is approved by SODC. We envisage that if terms have not been agreed for acquisition by agreement, then this will be the point at which our Board would be asked to make a formal resolution to make the CPO. Assuming that to be the case, then in broad terms, we would expect the inquiry into the CPO to be held in mid to late 2019, with a decision by the end of 2019.

We are in the process of instructing our team to undertake the preparatory work for the CPO process. Once they are instructed – surveyor, solicitor and QC – we will provide you with a detailed update on our strategy and timetable. At this stage, we envisage these appointments will be completed in early March. If the CPO is confirmed and there is the normal delay before ownership is transferred to Homes England, this would mean Homes England controls all of the land to deliver the scheme within a further 3 months. This is early 2020 and is the date by which planning permission would be granted.

Timetable

We have outlined a broad estimate of the timescale for the planning process, namely submission of an application in July 2018 and determination by the end of 2018, aligning with your authority's estimate of when the Inspector's report would be received. If there is no judicial review at this stage and Homes England controls all of the land necessary to deliver all of the off-site highways improvements, we have assumed that the s106 agreement would be signed within 3 months because it is our intention to progress discussions with your authority and other stakeholders throughout the planning process, hence we are confident we could meet this timetable.

As you know, Homes England has already 'soft market' tested the proposal with a number of leading developers, and as we move through the planning process, we will start the formal selection process so that by the time the planning permission is issued, we will have selected our partner. This will allow seamless transition for our development partner to start immediately on submission of reserved matters and condition discharge. If this starts in Spring 2019, we have assumed this stage will last approximately 12 months, and a start on site will occur in Spring 2020. On this timetable, the first house would be occupied in 2021.

In the event that it is necessary for Homes England to compulsorily acquire any interests, we anticipate that this process will formally start (subject to the necessary resolutions and approvals being obtained) as soon as the Inspector's report is available confirming the allocation and/or your Council has resolved to approve the proposals. As we will have identified all of the affected landowners earlier in the process and notice will have been served on them in July 2018 as part of the planning process, our private treaty negotiations will continue after submission.

However if we have not been able to acquire all of the interests by either of the triggers identified above, the affected interests will be included in the formal start of the CPO process. At this stage we can only indicate the timetable in the broadest terms, and the Planning Inspectorate is indicating around 12-18 months from the start of the process. We have assumed therefore that the Inquiry would be late summer / early autumn with a decision by the end of 2019. Again, assuming no judicial review and transfer of the interests within say 3 months, as we have explained above, the planning permission would be issued in early 2020 when the legal agreement is signed. With our development partner following exactly the same process but just a year later, this would mean that a start on site would be in 2021 and the first house occupied in 2022.

In effect, if the use of compulsory purchase powers is necessary, this delays a start on site by around 12 months. These different development timescales are set out on the attached schedules. We have also attached an indicative build out rate for the scheme. We have assumed that neither the planning process

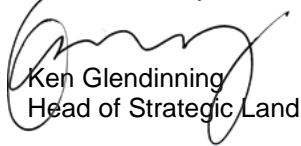
nor the CPO itself will not be judicially reviewed. Should this occur, clearly the broad process that we have outlined would slip.

Off-site highways improvements

Our discussions with your authority and OCC on off-site highways improvements continues. I attach a note prepared by AECOM which identifies each of the improvements that are being investigated and an initial estimate of the cost and the proportion that would be expected to be funded by our proposals at Chalgrove Airfield. The current estimate is approximately £90m and I confirm this is in line with our estimates and the development is viable on this basis. This remains 'work in progress' and AECOM and OCC continue to discuss the cumulative package of measures.

I trust this provides you with a clear explanation of Homes England's position and I look forward to discussing this with you at our meeting next week.

Yours sincerely,



Ken Glendinning
Head of Strategic Land