

Town and Country Planning Act 1990 and

The Acquisition of Land Act 1981

Public Local Inquiry into:

THREE RIVERS DISTRICT COUNCIL (LAND AT HENBURY WAY, OXHEY DRIVE, BRIDLINGTON ROAD, ST ANDREWS ROAD, THE PARADE, PRESTWICK ROAD, FAIRFIELD AVENUE AND STATION APPROACH, SOUTH OXHEY) COMPULSORY PURCHASE ORDER 2016

Statement of Evidence

Pursuant to Rule 15 of

The Compulsory Purchase (Inquiries Procedure) Rules 2007

of

Mike Woolliscroft

On matters relating to delivery of the Scheme

27 October 2016

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1. INTRODUCTION

1.1 Qualifications and Experience

1.2 I, Michael Woolliscroft, hold a Bachelor of Engineering Degree in Civil Engineering from the University of Liverpool and a post graduate diploma in Structural Engineering from the University of Liverpool.

1.3 Following graduation I joined Halcrow Group Ltd, a multidisciplinary engineering consultancy, where I worked as a design engineer on major civil engineering projects. In 2005 I joined Taylor Woodrow Construction as a project manager with responsibility for a section of the Kings Cross St Pancras Underground redevelopment project. I subsequently became the Project Director for the Baker Street Station redevelopment project.

1.4 In January 2008 I joined Berkeley Homes as Project Director for the delivery of a Crossrail Station at the Royal Arsenal Riverside regeneration project in Woolwich. In 2011 I joined the operational board for Berkeley Homes (East Thames) Ltd and my responsibilities grew to cover all aspects of the Royal Arsenal Riverside development, which consisted of 2711 new homes, retail and leisure facilities.

1.5 In November 2012 I moved to St Edward Homes Ltd, The Berkeley Group joint venture with M&G Real Estate, as Managing Director. In this role I managed a portfolio of five developments; two of which were in planning or design (Kensington Row, Millbank/Ergon House) and three which were in construction (375 Kensington High Street, Stanmore Place and 190 Strand).

1.6 In April 2014 I joined Countryside Properties as a Divisional Director for its Regeneration Division which was subsequently renamed Countryside Partnerships.

1.7 I am currently Operations Director for the West London region of Countryside Partnerships with responsibility for developments in Ealing, Slough, Hounslow and the South Oxhey Initiative. Over 3900 new homes, 84,000 square feet of retail and 16,800 square feet of community premises are being created between these developments.

1.8 I manage a team of 65 staff covering all aspects of development including design, procurement, construction, sales and community engagement. We currently have approximately 450 site operatives employed across 5 construction sites.

1.9 As Operations Director I have been involved in the South Oxhey Initiative project since June 2015. During this time I have managed Countryside's role in the negotiation of the Development Agreement between Countryside and the Council (as well as associated contracts with Home Group Ltd and Home Group Developments Ltd), the preparation of planning applications, and pre-construction preparations that recently enabled the commencement of works on Phase 1 on 12 September 2016.

1.10 In this statement I provide the following:

1.10.1 An introduction to Countryside Properties;

1.10.2 The structure of the development team that has been established for the South Oxhey Initiative; and

1.10.3 Progress achieved over the past year and the delivery programme ahead.

2. DESCRIPTION OF COUNTRYSIDE

2.1 Founded more than 55 years ago, Countryside is a leading UK home builder specialising in place making and urban regeneration.

2.2 Following a successful initial public offering in early 2016, Countryside is listed on the London Stock Exchange. This has brought new funding into the business and is allowing us to accelerate our growth.

2.3 For the year ended 30 September 2015 we completed 2,364 homes with revenues of £615.8million. As of 22 September 2016 the Group had a market capitalisation of £1.15billion. We had net assets of £546m as at 31 March 2016.

2.4 We operate through two complementary divisions, Housebuilding and Partnerships.

2.4.1 Our Housebuilding division develops sites that provide private and affordable housing, on land owned or controlled by the Group. It operates under the Countryside and Millgate brands, primarily around London and the South East of England. Its operations are supported by a significant land bank of 18,273 plots.

2.4.2 Our Partnerships division specialises in urban regeneration of public sector land, delivering private and affordable homes by partnering with local authorities and housing associations. Our Partnerships land bank includes 7,727 plots plus a further 7,188 plots at preferred bidder stage. For the half year ended 31 March 2016 our Partnerships division completed 803 homes and was active on 38 sites. It is this division that is involved with the South Oxhey Initiative.

2.4.3 The Group has delivered over 4.5 million square feet of commercial and retail floorspace with a further 2.5 million square feet committed as part of live developments.

2.5 Countryside has earned a reputation for high quality, sound governance and good management practices. These are certificated to internationally recognised standards. Our reputation for honesty, integrity and delivering value has enabled us to successfully partner with a broad range of public and private sector organisations. For example, we are members of the HCA's Delivery

Partner Panel 2 for the South East, Midlands and Northern Lots. We are also members of the GLA's London Development Panel.

- 2.6 We have a strong and committed senior management team, led by Group Chief Executive Ian Sutcliffe, with extensive industry knowledge and operational capability gained across multiple macroeconomic cycles, and supported by an experienced Chairman and Board.

3. OWNERSHIP AND FUNDING

- 3.1 Countryside Properties (UK) Limited (CPUK) is the principal operating company of the Countryside Group. All other trading companies in the Countryside Group are subsidiaries of CPUK.
- 3.2 Through a series of intermediate non-trading companies, the ultimate holding company of the Countryside Group is Countryside Properties plc (CPPLC). CPPLC is a non-trading company listed on the main market of the London Stock Exchange.
- 3.3 The Countryside Group benefits from a corporate revolving credit facility amounting to £300m expiring in May 2021.

4. REGENERATION EXPERTISE

- 4.1 The Partnerships division has a 30 year track record of delivering more than 45 urban regeneration projects making it one of the most experienced regeneration partners in the UK. It operates primarily in and around London (Partnerships South) and in the North West of England (Partnerships North).
- 4.2 The Countryside business benefits from a very experienced team, with many staff having worked in the regeneration field of the residential development sector for over 20 years. This enables Countryside to provide comprehensive management of the whole development process.

Working with communities

- 4.3 Countryside is committed to working with communities to ensure that its projects achieve the wide objectives of regeneration with as little disruption as possible. We invest in community engagement through high quality communication, the employment of Resident Liaison Officers, creation of Community Boards, Community Funds and local employment and training. These core community engagement practices are described below:
- 4.3.1 **Resident Liaison Officers** – Our RLO's report directly to the Community Development Director. They have four key roles: to keep residents advised on decant programmes, liaising closely with HA/LA Decant Management Teams and deal with problems that may arise from the construction works, e.g. interruption to services and to operate our customisation service.

- 4.3.2 **Community Board** – These can make an important long-term contribution to local empowerment, for example, the Community Board established for the regeneration of the South Acton Estate has run successfully for 4 years and provides a forum for discussion of all aspects of the project from phasing to construction environmental issues.
- 4.3.3 **Community Fund and Sponsorship** – Supporting local community initiatives in through the setting up of scheme-specific community funds. For example the Nightingale Estate Community Development Fund has secured £600,000 for funding since 1999. In the case of the SOI Countryside will be providing support to enable local groups to access public sponsorship.
- 4.3.4 **Local Employment and Training** – Delivering numerous programmes across London and the South East. All of which have included, as a minimum, provision to prioritise job opportunities for local people in construction related work and training opportunities.
- 4.3.5 **Establishing links with local schools** - To promote site safety, awareness of the development industry and, at senior schools, information on training and employment opportunities. [e.g. Newton Primary, Berrymead School, Acton]
- 4.4 Countryside recognises that successful community engagement needs to be tailored to suit the specific requirements of the communities involved. We adapt our approach to ensure that it is effective and use lessons learned to inform improvements across our projects .At the major, twenty-one phase, regeneration project transforming the troublesome South Acton Estate, Countryside has been able to measure the social impacts of regeneration after the first phase. Countryside employed Social Life and Reading University to carryout research based on an independent survey of 544 households. A report is included in Appendix 1. This survey clearly shows how after the first phase the community reported an improvement to how safe they feel as well as improvements to their wellbeing and general satisfaction.
- 4.5 Through carrying out surveys like this, Countryside has been able to understand how we can adapt our methodology in order to improve the outcome of the regeneration project. A summary of our response to the findings of the survey is included in Appendix 2.

Example projects

- 4.6 The following shortlist of example projects demonstrates Countryside's expertise in mixed use regeneration projects like the South Oxhey Initiative:
 - 4.6.1 New Broughton, Salford

Involving the transformation of a 74 hectare areas over a 15 year period, delivering more than 3,000 mixed tenure homes, a full range of community facilities and services including high quality open space, shops, leisure, employment, education and training. Cllr John Merry, Leader of Salford City Council commented on the project *“This may be one of the largest and most ambitious regeneration schemes in the country, but it remains grounded in meeting the needs of local people and retaining the area’s strong sense of community”*. (Quote provided for Countryside case study)

4.6.2 The Old Brewery Quarter, Cardiff

This involves the regeneration of derelict site into an exciting mix of city centre restaurants, cafes, bars, offices and new homes. The scheme delivered 53,709 square feet of retail and commercial spaces as well as 30,449 square feet of residential space.

4.6.3 Canning Town, Newham

Countryside is working in partnership with the London Borough of Newham and Affinity Sutton on East City Point. This multi-phased, mixed-use scheme will deliver 649 new mixed tenure homes, high quality open space and the new Keir Hardie Primary School.

Countryside delivered a new 2 form primary school at the heart of this development. This was delivered in lieu of a land payment to the Council.

Sir Robin Wales, the Mayor of Newham stated: *“The area’s £3.7billion regeneration programme is one of the largest in Europe with East City Point playing an important part. Residents are at the very heart of building a new Canning Town. Countryside understands this and is working closely with residents to ensure they have been involved at every stage.”* (Quote provided for Countryside case study)

4.6.4 Brook Valley Gardens, Dollis Valley, High Barnet, London

Shortlisted: NLA Awards – Best Residential Project 2013

London Planning Awards – Highly Commended

Although Countryside have only recently reached practical completion on our first phase of works at Brook Valley Gardens, we have already gained a commendation at a highly prestigious awards ceremony.

Countryside were selected through a competitive OJEU process and were chosen to redevelop the Dollis Valley Estate based on a combination of our strong financial offer, extensive partnering experience and placemaking vision for the area. Countryside secured planning permission to redevelop the Dollis Valley estate in June 2013. The

proposals include demolition of 440 existing flats and maisonettes and construction of a high quality mixed-tenure development of 631 new family homes. The estate is located directly south of High Barnet tube and its busy High Street and enjoys good access to public transport of Rail, Tube and Buses. There are a series of high quality amenity spaces – pocket parks with integrated play spaces- and a new community facility and nursery. The tenure mix includes social rent, shared ownership, and private sale.

Nigel Eade, Chair, Dollis Valley Partnership Board, provided the following commendation: *“I am writing in my capacity as Chair of the Dollis Valley Partnership Board to express the Board’s and residents’ support for the Dollis Valley regeneration being carried out by Countryside in partnership with L&Q. With regard to the design, development and planning process, residents have been involved at every stage from feasibility through the design and the development of the scheme to setting up of the Partnership Board through a variety of media, including public meetings, exhibitions and design and planning workshops.”* (Quote provided for Countryside case study)

4.6.5 Acton Gardens, Ealing

Countryside is working with L&Q and Ealing Council to deliver 2,800 new homes which will eventually replace 1,800 existing units, 50% of which will be affordable. This is a large multi-phased scheme, requiring long-term financial commitment from both partners. Countryside and L&Q set up a limited liability partnership, Acton Gardens LLP to bid for and deliver the scheme under a Development Agreement with the Council in 2010. We are each responsible for 50% of the LLP’s funding requirements and share equally the risks and rewards made from the scheme. Once the LLP has completed the development of the South Acton estate, Ealing Council will transfer the freehold to L&Q who will manage the whole area post completion.

The development area of 52 acres will provide improved access, connectivity to the wider area and much improved transport links as well as 36,500 square feet of new community and retail facilities.

David Colley, Ealing Council Regeneration Manager, said the designs drawn up by Countryside’s masterplan architects, HTA, and the residents was also important. *“Countryside gauged quite quickly from talking to residents that one of the things they really valued were their open spaces. The final masterplan increased both the quality and amount of open space whilst at the same time giving that uplift in densities which the council was looking for.”* (Quote provided for Countryside case study)

Janet Coker, who has lived on the estate for 39 years and has been the chair of the Acton Gardens Community Board, praises the partnership for not only involving the

residents but listening to them: *“We wanted every flat to have a balcony and they agreed and now people have their own private space. We got a really nice big kitchen with plenty of units. The flats are spacious and they are nice and warm and they are soundproofed. The estate is a lot safer. People I know who at one time wouldn’t walk down to South Acton station are quite happy to walk through the estate now.”* (Quote provided for Countryside case study)

5. COLLABORATION WITH HOME GROUP DEVELOPMENT LTD

- 5.1 For the delivery of the South Oxhey Initiative Countryside is working in partnership with Home Group Developments Ltd (HGDL). HGDL is the development arm of Home Group Ltd, a social enterprise and charity that is one of the UK’s largest providers of social and affordable housing.
- 5.2 This relationship, formalised in a collaboration agreement, provides the project and Council with additional expertise and resource, particularly in relation to the affordable homes and management of the transfer of Thrive tenants to Home Group.
- 5.3 Countryside and HDGL are currently partners in two major regeneration projects that will deliver over 850 new homes. The excellent, close-working relationship between the organisations is strategically important to both businesses and we are actively bidding on a further project of at least 700 new homes.
- 5.4 The Countryside and Home Group teams work closely. Countryside provides overall project management but benefits from the skills and experience that exists in the Home Group business from staff that are allocated to the project up to Board level.
- 5.5 Directors of both businesses meet each quarter to discuss live projects as well as future opportunities.
- 5.6 A letter from Home Group Developments Ltd in support of this statement is included in Appendix 3.

6. SOUTH OXHEY INITIATIVE DELIVERY

- 6.1 The South Oxhey Initiative project is a particularly exciting opportunity for Countryside and its delivery represents an important part of the Partnerships South business plan to September 2020. The business is set to fund the project and realising the financial returns that this investment is forecast to achieve.

Housing

- 6.2 During the bid stage we proposed a masterplan that will provide the Council with the significant uplift in housing required together with major improvements to the urban design, replacement retail amenity, higher quality buildings, and a substantially improved public realm.

- 6.3 The delivery of the 514 new homes together with new public and retail amenity over three distinct construction phases enables Countryside to rejuvenate the town centre whilst maintaining and strengthening the existing community.
- 6.4 Once selected as the Council's preferred bidder in June 2015, Countryside began designing the policy compliant and economically deliverable master plan and submitted a hybrid planning application that was registered with the Council's planning department on 4 January 2016. It was consented on 31 May 2016. We have since progressed the detailed design and construction planning that has enabled works to commence 21 days ahead of the delivery programme included in the Development Agreement which we entered into with the Council on 18 December 2015. £2.7 million has been spent on the project up to October 2016 and £35 million will be invested during the course of Phase 1.
- 6.5 The overall project is delivered over three main phases. Phase 1 works are planned to progress across five sites over the next two years. This includes the delivery of 56 homes across the three satellite sites (by 31 March 2018), 84 homes on the site of the existing town centre car park (once replaced on Henbury Way), and the replacement retail zone and public open space at Station Approach for which the detailed planning application was registered with the Council's planning department on 3 October 2016.
- 6.6 The delivery of the first 48 affordable homes at the Maylands Road and Hallows Crescent satellite sites enables the progression of Phase 2 which is planned to take place between March 2018 and 2020. This in turn enables progression of Phase 3 between 2020 and 2022.
- 6.7 Following the commencement of Phase 1 works on 12 September construction activity has progressed well over the 3 satellite sites at Hallows Crescent, Maylands Road and Hayling Road, and also on the core site at Henbury Way.
- 6.8 We anticipate progressing designs for Phase 2 from February 2017.
- 6.9 As well as construction works progressing well, our community engagement is also being well received. On 10 September 174 members of the public attended our 'Meet the Team' event held at the South Oxhey Parish Hall with generally very positive feedback being received. Our Residents' Liaison Officer was on site and available to the public during the first few weeks and was therefore available to explain the project to all interested parties. We are also in advanced stages of creating a Community Board for the project. Elections for resident board members will take place at an AGM being planned for 06 December 2016.

Retail

- 6.10 The delivery of high quality public open spaces and a strong mix of retail uses is essential in ensuring a vibrant and economically sustainable retail zone is created. Our proposal focuses the retail space in two areas either side of Prestwick Road; Station Square and Market Square.

Retail has been placed in the areas with greatest footfall and street frontage. Parking is provided both in front of the shops and behind the foodstore.

- 6.11 We are pleased to have agreed heads of terms with Lidl for the delivery of an 18,449 square foot foodstore. This store, which will be delivered in phase 3, will draw-in customers that may also use the neighbouring shops.
- 6.12 Countryside is working with Three Rivers District Council to ensure certain retail and commercial amenity is provided in the scheme. We have agreed to the requirements of the Retail Strategy as part of the Development Agreement.
- 6.13 It is recognised that the town centre that exists today benefits from some good shops and businesses that offer the public important services. We are eager for many of these operators to take up opportunities in the new scheme and over recent months we have progressed discussions and are in the process of agreeing undertakings.
- 6.14 As the scheme progresses we will expand our discussions to include other operators as well as considering others that may help bolster the mix and quality of the overall offering.
- 6.15 Our phasing strategy maintains the availability of retail space and we are working to ensure a suitable mix of operators exist at all times.
- 6.16 We are confident that the completed scheme will provide the high quality public amenity that is required by the South Oxhey community.

7. SCHEME FUNDING

- 7.1 As an expert in regeneration projects like the South Oxhey Initiative Countryside is confident in the financial modelling that has proven the viability of the whole project. Our modelling uses assessments of costs and values that have been acquired through extensive market research. The principal variables are construction costs and the value of the market sale housing and these are monitored on a monthly basis with full financial modelling of the project being revisited at least every 3 months.
- 7.2 Construction costs are based on specialist trade contractor advice specifically procured for the South Oxhey Initiative project as well as our own knowledge that has been gained from delivering numerous comparable projects in similar locations in the outer suburbs of London.
- 7.3 The value of the market sale homes that has been modelled is based on market research into both comparable developments and individual plots sales in close proximity to the sites, as well as advice from local estate agents.
- 7.4 To the end of October 2016 the Countryside Home Group Development partnership have spent over £2.7 million on the project. This has funded development of the hybrid planning application

and detailed design, enabling works and initial construction of phase 1. A further £4.5 million of orders are placed for groundworks, piling, beam and block flooring and bricks.

- 7.5 The delivery of Phase 1 works requires investment from Countryside and HGDL of over £35 million. This will be funded equally between the parties. Countryside will fund its share through its revolving credit facility, while HGDL will draw funds from an internal group facility and equity provided by its parent company Home Group Ltd. Home Group Ltd has excellent financial strength with £142 million of undrawn loan facilities and £1.3 billion of unencumbered assets. The letter from HGDL confirming this is included in Appendix 3.
- 7.6 Whilst market conditions change, and the financial returns of the overall project is subject to variances, Countryside is confident that the underlying need for housing provides a relatively stable landscape for housing development through regeneration projects like the South Oxhey Initiative.
- 7.7 Phases 2 and 3 are included in Countryside's 5 year business plan. Funding will also be provided from the group's credit facility. In order to realise the financial returns it is important that these phases also proceed to programme.

8. **CONCLUSION**

- 8.1 Countryside and HGDL are delighted to be working with Three Rivers District Council on the South Oxhey Initiative and we have been impressed by the Council's management of the project to date.
- 8.2 Countryside and HGDL both have a well-proven track record in delivering regeneration schemes and working with the public sector. For the reasons given in this statement and in the rest of the evidence, I am satisfied that the project is deliverable and that it will bring about substantial benefits. This is further supported by the significant steps that have already been taken, including the start of works in Phase 1.
- 8.3 On 10 September 2016 we held our 'Meet the Project Team' event prior to commencing works on site. It was great to see how engaged and generally positive the South Oxhey community is about the project. Our subsequent engagement with the public during the site establishment activities has also demonstrated a wide support and anticipation of the benefits that will be delivered. We are committed to working with the community and expect that by doing so we can minimise and mitigate short term environmental disruption caused during the course of the project. We will also instigate measures to promote integration of new residents into the South Oxhey community.
- 8.4 The planned activity across the five Phase 1 sites over the next two years will employ a workforce of up to 200 people. We will be working with local employment agencies and colleges

to facilitate our suppliers' recruitment of locally based resource. We will also be using the project to provide a number of apprenticeships with NVQ qualifications.

8.5 Countryside is proud of the places that it creates and the positive outcome its projects has on people's lives.

8.6 The qualities of the masterplan, coupled with our considered approach to construction and conscientious letting of retail spaces and delivery of urban realm, will result in a safe and pleasant residential zone with vibrant and successful retail and public spaces.

8.7 The South Oxhey Initiative is an extremely exciting project for Countryside and one that we are proud to be delivering.