

South Lancaster Growth Catalyst: Progress Update 23 June 2021

Report of Cabinet

PURPOSE OF REPORT

To set out the background and latest status of the South Lancaster Growth Catalyst programme including Bailrigg Garden Village. A briefing note summarising progress to date is appended to this report.

This report is public

RECOMMENDATIONS OF CABINET

- (1) That Council note the overview of the South Lancaster Growth Catalyst appended to this report, and indicative timeline of next steps; with further decisions relating to the project to be considered at a future Council meeting.

1.0 Introduction

- 1.1 The currently undeveloped land to the south of Lancaster, adjacent to Lancaster University and the village of Galgate, has long been recognised as the district's most viable location for the housing growth required to provide quality living and a thriving local economy into the future.
- 1.2 The policies of both City and County Councils reflect this view based on comprehensive evaluation and analysis over a prolonged period, with Lancaster City Council's Local Plan and Lancashire County Council's Lancaster District Transport Masterplan identifying opportunities for significant, high-quality development in the South Lancaster area.
- 1.3 Progress toward delivering on this strategic site has been enabled by two distinct, but interdependent, government funding initiatives:
- the **Garden Village programme**, led locally by the City Council via a partnership approach; and
 - the **Housing Infrastructure Fund**, led by Lancashire County Council and requiring a formal partnership arrangement with the City Council; the reconfiguration of transport infrastructure is known as the **South Lancaster Growth Catalyst**.

2.0 Bailrigg Garden Village

- 2.1 This longstanding policy context provided a valuable starting point in March 2016 when the Department for Communities & Local Government (DCLG) sought expressions of interest for '*locally-led Garden Villages, Towns and Cities*', with associated project funding.
- 2.2 The emerging Local Plan evidence, coupled with the ongoing Transport Masterplan activity, and existing partnerships with key stakeholders Lancaster University and the Homes & Communities Agency (HCA), enabled a well-developed expression of interest which proved to be successful in securing

Garden Village status and subsequent funding allocations via HCA.

- 2.3 From early 2017 onwards, the Council and its partners have been progressing with plans to deliver a high-quality settlement with an emphasis on sustainable living, local identity, and high levels of connectivity.

3.0 Housing Infrastructure Fund

- 3.1 Both the Local Plan and the Transport Masterplan recognised the need for substantial reconfiguration of highways access, particularly around M6 junction 33, to unlock the full scale of potential development in South Lancaster. Significant levels of external funding would be required to deliver the necessary transport infrastructure.
- 3.2 In July 2017 DCLG invited expressions of interest for the Housing Infrastructure Fund (HIF), aimed at unlocking large strategic housing growth opportunities.
- 3.3 Lancashire County Council submitted an expression of interest for HIF funding in respect of South Lancaster in September 2017. From March 2018 to March 2019 the expression of interest was developed into a detailed funding bid, with the funding award of £140m announced at the March 2020 Budget.
- 3.4 The scale and scope of this initiative requires a high level of formality, including a formal Partnership Agreement between the key stakeholders: Lancashire County Council, Lancaster City Council and Homes England. Negotiations are currently ongoing as to the terms of this agreement, which must be in place by the end of August 2021 in order to progress with the project.

4.0 Briefing Note

- 4.1 A briefing note summarising the activities, milestones and decisions relating to the Garden Village project and South Lancaster Growth Catalyst is appended to this report, along with links to relevant background information.

5.0 Partnership Agreement

- 5.1 The delivery of the programme is dependent on achieving a formal Partnership Agreement between partners in order to secure the HIF funding. Assuming this decision sits outside the Budget & Policy Framework, Council will be asked to approve the terms of this agreement at its meeting of 28 July 2021 in order to meet the key project milestone of confirming the agreement by the end of August 2021.
- 5.2 Beyond the immediate stage of the project, indicative future project milestones are shown below. All dates are subject to detailed planning once the Partnership Agreement is established, and therefore may change as the project moves forward.

2022/23: Potential early release of housing

2023: Consultation and adoption of Area Action Plan

2027: HIF infrastructure project completion

RELATIONSHIP TO POLICY FRAMEWORK

The South Lancaster Growth Catalyst will directly enable the delivery of Local Plan Policy SG1: Broad Location for Growth – Bailrigg Garden Village, as well as contributing substantially to the council's strategic priorities:

- *A Sustainable District*: creating a settlement with a focus on connected, sustainable living, biodiversity, climate resilience and a shift to low- or zero-carbon transport
- *An Inclusive and Prosperous Economy*: supporting and promoting significant levels of investment, skills development, innovation and fair employment
- *Healthy and Happy Communities*: putting wellbeing at the heart of the development through high-quality housing and access to arts, culture, leisure and open spaces

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing):

Whilst numerous elements of the South Lancaster Growth Catalyst are subject to impact assessments, none directly relate to this progress update report.

LEGAL IMPLICATIONS

None directly relating to this report. Legal implications relating to the project will be addressed via the appropriate route.

FINANCIAL IMPLICATIONS

None directly relating to this report. Financial implications relating to the project will be addressed via the appropriate route.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:

None directly relating to this report. Resourcing implications relating to the project will be addressed via the appropriate route.

SECTION 151 OFFICER'S COMMENTS

As we move to the next stage more detailed work and close examination of the Partnership Agreement needs to be undertaken to ensure that the Council is not incurring any additional financial risk, or where risks are identified that we fully understand the magnitude and mitigate those risks where appropriate in accordance with the Council's Budget and Policy Framework and decision-making process.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and can confirm that should the decision to enter into the Partnership Agreement sit outside of the current Budget & Policy framework then this will be for Full Council. Conversely if it can be taken within the Budget & Policy Framework then Cabinet will be the decision-making body.

BACKGROUND PAPERS

As referenced in the appended briefing note.

Contact Officer: Jason Syers

Director, Economic Growth & Regeneration

Telephone: 01524 582302

E-mail: jsyers@lancaster.gov.uk