

CABINET

BAILRIGG GARDEN VILLAGE GOVERNANCE PROPOSALS 3RD October 2017

Report of Chief Officer (Regeneration and Planning)

PURPOSE OF REPORT			
To seek Cabinet approval for the governance arrangements for the Bailrigg Garden Village project.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date of notice of forthcoming key decision	04 September 2017		
This report is public.			

RECOMMENDATIONS OF COUNCILLOR JANICE HANSON

- (1) That the Governance Structure for Bailrigg Garden Village illustrated in Appendix C be approved and put into operation.
- (2) That the Project Plan contained in Appendix B be noted and the Planning Policy Cabinet Liaison Group be asked to monitor the natural evolution of that plan with key decisions required against milestones being referred back to Cabinet as appropriate.
- (3) That Cabinet notes that a further £130K bid for top up Capacity funding was submitted to the Homes and Community Agency in August under delegated authority and that this funding also be accepted by the Council, if successful.
- (4) That delegated authority be given to the Chief Officer (Regeneration and Planning) in agreement with the Chief Officer (Resources) to approve the making and acceptance of further external funding bids as appropriate for project development / capacity purposes only.
- (5) That the General Fund Revenue Budget be updated as appropriate to reflect any additional expenditure and associated funding arising from recommendations 3 and 4, subject to there being a nil impact on the Council's overall resources.
- (6) That officers report back to Cabinet prior to entering into any commitments beyond those needed to undertake the master planning,

infrastructure planning and community consultation alongside the Local Plan process needed to inform the project implementation stage.

1.0 Introduction

- 1.1 Back in July 2016 local authorities were invited to submit expressions of interest in the delivery of Locally Led Garden Villages. These are properly master-planned new settlements to be designed close to and well connected to large sustainable settlements, with the capacity to deliver between 1,500-10,000 new homes.
- 1.2 The Homes and Communities Agency encouraged the City Council to examine the potential for such a Garden Village in Lancaster District given the identified need for housing growth evidenced in the emerging Local Plan.
- 1.3 After some creative deliberation considering how to apply the published criteria for Expressions of Interest to the circumstances in Lancaster District, officers developed a concept plan which took the preferred option for an urban extension in south Lancaster, and redesigned it around other planned change at the University Campus to create a proposal to be branded as “Bailrigg Garden Village”.
- 1.4 Although not separated from the City of Lancaster by extensive swathes of countryside, there was nevertheless scope to create visual separation through landscaping to create the impression of formally leaving the southern edge of Lancaster and entering a separate purposely designed settlement integrated around the University campus and its sustainable transport hub.
- 1.5 On 14th December 2016 Full Council agreed to publish a consultation draft Local Plan which underwent a period of public consultation between January and March 2017. That plan had been updated to include the Garden Village as a firm proposal. On 2nd January 2017 the Minister for Planning announced that the City Council’s Expression of Interest has been successful. The details of the Expression of Interest are attached as Appendix A.
- 1.6 The City Council has received £230,000 in Capacity Funding to assist it to develop the project, and has also received support and guidance from the regional office of the Homes and Communities Agency to initiate the project and undertake the first stages of high level visioning. A further bid for top up Capacity Funding of £130,000 was also made to the HCA in August following discussions with them to assist with Project Management and Senior Officer Capacity, the outcome of which is expected to be known by December 2017.
- 1.7 The Homes and Communities Agency on behalf of the Government are particularly keen to see the City Council finalise and adopt its project plan for delivery of the Garden Village and formally establish its governance structure.

2.0 Proposal Details

- 2.1 The delivery of the Garden Village will take a number of work streams. It also has to be delivered in such a way that it does not undermine the due process in the adoption of the new Local plan for the district. It is by no means accepted locally as a project which the community wholeheartedly supports so development of its delivery mechanisms has to run parallel with the Local Plan examination and adoption process for a time.
- 2.2 The aim will be to prepare for delivery of the project on the assumption that the Garden Village will be accepted by the Planning Inspectorate. This will significantly reduce the lead in time to development commencing on site. To respect the democratic process there is not an intention at this time to enable a start on site until the Local Plan has confirmed the allocation.

- 2.3 Appendix B to this report contains the broad first stage project plan. This will be subject to change as external consultancy support and project management resources are commissioned and fine-tuned.
- 2.4 Appendix C shows the proposed governance structure for the project. Members will see that the Strategic Board comprises the main public sector bodies involved in delivering the project. These are the City Council, the County Council/LEP and the Homes and Communities Agency (HCA).
- 2.5 The University of Lancaster is also an important partner in assisting with the delivery of the project, however it also has significant landowner and development interests in the project which have to be taken into account. Using the model governance structure for a Garden Village in the HCA guidance the university, as a developer interest would normally sit within the Landowner and Developer advisory group. The HCA's initial view on the proposed governance structure was to contain the university's interest in this area.
- 2.6 However the university as a partner in the project is far more than just its estates development and landowner interests. It is one of the main economic drivers in the district, a significant employer in the Garden Village and has a wealth of academic, technical; and innovation expertise which can be brought into the help the project deliver something truly unique and transformational. The Health Innovation Campus will commence shortly under the university's lead.
- 2.7 The challenge therefore is to facilitate an important place shaping role for the university within the project without creating a conflict of interest with its estates and development interests. The solution suggested by Management Team is for the Strategic Project Board to have advisory and non-voting representation from the University through its corporate and innovations arms, whilst its landowning and estates arm engages in the process solely through the Landowner and developer group. The Homes and Communities Agency accept this position.
- 2.8 Members are asked to note that it is proposed to use the Planning Policy Cabinet Liaison Group with its established reporting mechanisms and terms of reference to provide political supervision of the project with important decisions and milestones being reported into Cabinet when required.

3.0 Details of Consultation

- 3.1 Discussions have been held with the Homes and Communities Agency and the University of Lancaster which have provided input to this report.

4.0 Options and Options Analysis (including risk assessment)

	Option 1: To agree the proposed Governance Structure	Option 2: To agree a Governance structure which excludes any representation from the University on the Project Board	Option 3: not to agree a Governance Structure.
Advantages	Establishes the structure for reporting and control of the project at an early stage before significant decisions	Eliminates entirely any suggestion of conflict of interest with the University's role	None

	need to be made.		
Disadvantages	None	Distances the university from shaping strategy and using its significant resources and innovation to help shape the Garden Village.	Further delay in progressing the project. Failing to meet the expectations of the HCA. Reputational damage.
Risks	Risk of conflict of interest associated with the University's role has been mitigated.	Risk of alienating the university from the project.	Ministerial intervention

5.0 Officer Preferred Option (and comments)

5.1 Option 1 is the preferred option

6.0 Conclusion

6.1 The project is now entering an important stage where significant areas of work need to be commissioned and external funding accounted for and monitored. Ministers are keen to see progress and the HCA are pressing for formal governance processes to be set up. Now that the issue of how to treat the university as part of the governance structure has been resolved progress on establishing the structure and putting it into operation needs to occur.

RELATIONSHIP TO POLICY FRAMEWORK

The Bailrigg Garden Village is the largest single housing land allocation in the Council's emerging Lancaster District Local Plan which is due to be recommended for submission to the Secretary of State in December 2017.

CONCLUSION OF IMPACT ASSESSMENT

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

The Governance process by itself does not give rise to significant impacts. The development behind the project will have impacts in terms of loss of land currently in rural usage. In human rights and equalities terms the usual balances between impact on people's homes, and addressing the intergenerational inequalities surrounding access to housing will be addressed through the planning process.

LEGAL IMPLICATIONS

The establishment of an appropriate governance process reduces risk to the Council in terms of challenge to its appropriate use of external Government funding, the means by which the Council will use its land assets, and other due diligence requirements for a project of this size.

FINANCIAL IMPLICATIONS

Servicing the governance structure throughout the project will require significant resources, the majority of which are expected to be provided for through ongoing capacity funding by the HCA for the duration of the project as part of the national Garden Village programme.

The top up capacity funding bid if successful will enable the Council to redirect some of its existing key staff resources into managing the development phases of this project, whilst enabling these posts to be backfilled in order for the Council to continue being able to deliver on other key projects it is currently working on as well as procuring additional consultancy support.

If approved, the General Fund Revenue Budget will need to be updated as appropriate to reflect any additional expenditure and associated external funding, subject to there being a nil impact on the Council's overall resources.

OTHER RESOURCE IMPLICATIONS

Human Resources:

The management of this project alongside a number of other major corporate projects has a growing and significant impact on existing staff resources. The means to secure delivery effectively is being reviewed.

Information Services:

Not significant

Property:

Not significant

Open Spaces:

Not significant

SECTION 151 OFFICER'S COMMENTS

Has no further comments on the report

MONITORING OFFICER'S COMMENTS

Has no further comments on the report and will prepare options for governance agreements.

BACKGROUND PAPERS

none

Contact Officer: Andrew Dobson

Telephone: 01524 582303

E-mail: adobson@lancaster.gov.uk

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