

Report to Executive

Agenda
Item:

A.2

Meeting Date: 8th May 2017
Portfolio: Economy, Enterprise and Housing
Key Decision: Yes
Within Policy and
Budget Framework No
Public / Private Public

Title: ST CUTHBERT'S GARDEN VILLAGE
Report of: Corporate Director of Economic Development
Report Number: ED17/17

Purpose / Summary:

To set out the next steps in progressing the planning of St. Cuthbert's Garden Village, as well as to seek approval for those necessary to advance the project, including the release of the allocated revenue budget; governance arrangements; and the commencement of stakeholder and community engagement.

Recommendations:

Executive is asked to:

1. note the outline programme for progressing the planning of St. Cuthbert's Garden Village, including key work streams and initial milestones;
2. approve the release of the gross revenue budget provision for 2017/18, of £115,000, to support the progression of the project;
3. note that external funding of £228,000 (which is £178,000 greater than budgeted) has been awarded to the Council and will be spent in accordance with the details outlined in para 4.3 subject to confirmation via an Officer Decision Notice
4. approve a governance framework within which the project can be advanced;
5. approve the commencement of stakeholder and public engagement on the Garden Village including that formally required by Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

Tracking

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1. BACKGROUND

1.1 Following the submission of an expression of interest in July 2016 in response to the Government's 'Garden Villages, Towns and Cities Programme', the area of land known in the Local Plan as Carlisle South was selected in January 2017 as one of the first 14 garden villages to be supported.

1.2 The concept of Carlisle South (now with the working title of St. Cuthbert's) is embedded in the Local Plan. The plan contains a clear commitment and policy aim to develop a masterplan which will be adopted as a Development Plan Document (DPD). The masterplan will:

- establish the vision and concept for the work;
- set a framework to guide the preparation of future planning applications;
- provide a framework against which future planning applications will be assessed;
- enable and support the co-ordination and timely delivery of infrastructure provision; and
- facilitate the delivery of land release to help address the imbalance of employment land between the north and south of the city.

1.3 The Local Plan also highlights the potential for the future development of a southern link road linking junction 42 of the M6 with the southern end of the A689, with the concept being an integral part of the masterplan process.

1.4 Approval to progress with master planning St. Cuthbert's was forthcoming in the Council's Local Development Scheme which was approved by Executive in August of 2016. In recognition of this £115k was subsequently confirmed for the project in the Council's approved budget for 2017/18, with a provisional allocation for future years too. The budget approval states however that the release of this £115k is reliant on Executive approval, which is now being sought.

2. PROJECT OVERVIEW

2.1 Whilst the intention was always to progress a high quality, well planned development at Carlisle South, progressing it as a Garden Village requires a firm commitment to the highest degree of place making and necessitates innovative thinking across all aspects of its planning and delivery. Fundamental is that it must be viewed as a corporate project and not simply a planning exercise. This reflects that the Council will need to consider the roles that it can play, along with partners

such as the Homes and Communities Agency, in taking an active stake in delivery and longer term stewardship.

2.2 The Garden Village project remains at an early stage. Prior to inclusion in the programme efforts have been focussed on the collection of evidence to help inform the masterplanning exercise. Of note here is that the Council is now in receipt of a draft landscape and townscape assessment for the location as well as an employment sectors study, both of which were funded using previously secured external capacity grant. Much work also remains ongoing to better understand the land ownership situation in the area, as well with regards to progressing route identification and feasibility work for the Southern Link Road. The City Council continue to work very closely with the County Council on the latter of these.

2.3 Moving forward work will be broadly focussed around four key but inter-related strands, each with their own short term priorities, as set out below:

- **Masterplanning** – this is concerned with providing a blueprint to guide how the area will develop including the location, types and quantity of new development, including connectivity between component parts. The production of a masterplan will be an evolutive process with initial efforts, and the priority over the next 12 months, focussed on developing a vision and objectives for the development as well as the production of a concept plan following a process which will have explored various alternative options.
- **Planning Process** – the production of Local Plans are governed by the Town and Country Planning (Local Planning) (England) Regulations 2012. There are prescribed consultation requirements that must be met including Regulation 18 which requires the Council to notify key stakeholders that we will be preparing a Local Plan for Carlisle South and to invite them to make representations about what the Local Plan should contain. The priority over the next 12 months will be concentrating efforts on a prolonged period of engagement, ensuring the Regulation 18 requirement is discharged in the process, to help clarify the key issues the Plan needs to address, as well as to aid the refinement of the vision and objectives for the Garden Village. This work will be parallel to and equally help to inform the evolving concept plan.
- **Southern Link Road** – this is concerned with the identification of a preferred route and the development of a business case to support subsequent development funding bids. The priority over the next 12 months will be procuring consultants to undertake this technical assessment and to have made good progress towards the completion of the work which is envisaged

to take 18 months to complete. The County Council are the lead on this key strand of work with the tendering process now live.

- **Delivery and Implementation** – There are two aspects to this work strand. The first relates to quantifying the infrastructure needed to enable and support the development of the Garden Village, including understanding when this infrastructure will be needed as well as its costs. Linked to this, and a key priority over the next 12 months, will be undertaking modelling to better understand the financial viability position of the proposition. The second strand of this work is concerned with understanding the need for and scope of interventions to support and/or secure greater control over the actual release and delivery of the site. This will involve exploring a number of existing delivery models and assessing how these could be applied in the context of St. Cuthberts reflecting local land ownership patterns etc. The priority over the next 12 months for this work will be the preparation and consideration of a report which sets out options for Members and ultimately the recommendation of a preferred way forward.

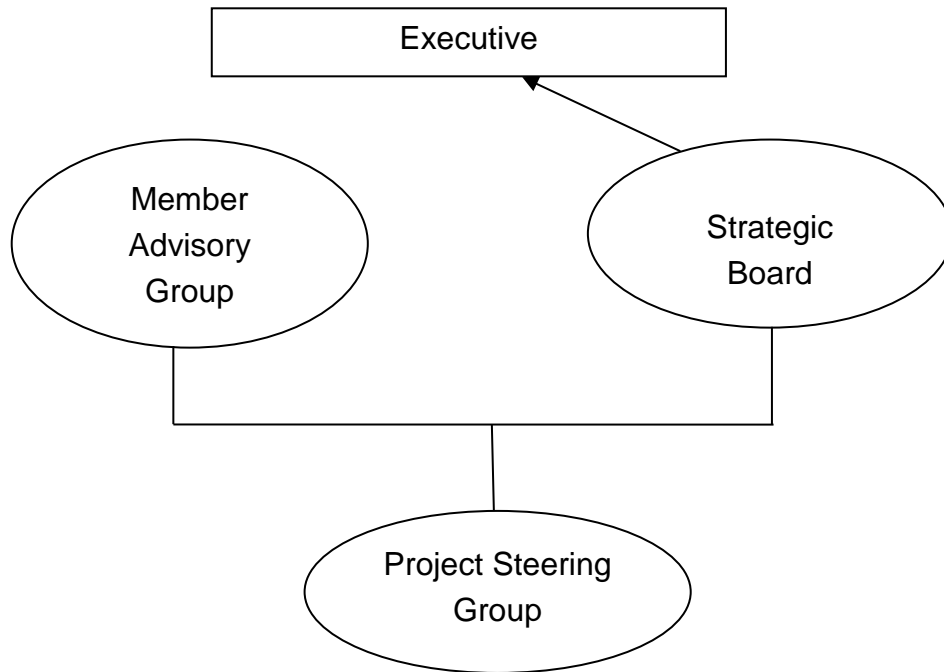
- 2.4** Work is ongoing to develop a more detailed project plan which identifies the interim milestones to help achieve the above short-term priorities, including target dates and broad funding allocations. This process is being supported by the Homes and Communities Agency. It is proposed that the project plan, given it will be a living plan which is continually updated, be subject to sign off through the governance framework outlined below, and specifically the Strategic Project Board.

3.0 GOVERNANCE

- 3.1** At a corporate level Carlisle South has already been identified as a significant project which requires direct support and close monitoring by the Corporate Project Board. The Corporate Director of Economic Development is the allocated project sponsor with the Investment and Policy Manager the Project Manager. Beyond this operational governance on a site of this scale and nature is critical and the appropriate arrangements for this have been discussed with and advised upon with the Homes and Communities Agency drawing on their experience from elsewhere.

- 3.2** Executive is asked to approve a three tiered governance framework which would comprise of a Members' Advisory Group; Strategic Project Board and a Project Steering Group, as outlined in the below diagram.

Figure 1 – Proposed Governance Structure



- 3.3** The Member Advisory Group would be a cross party working group similar to the Local Plan Members Working Group which has proved extremely successful. The main focus of this group will be to play an active part in refining the vision, objectives and the masterplan for the site as these emerge, including delivery options. It will also be an important forum for updates and information dissemination so that this in turn can be passed back to the respective political parties. Membership will be determined by the relevant portfolio holder who will chair the group meetings.
- 3.4** Alongside the Members Advisory Group it is considered important to have a Strategic Project Board which will be chaired by the Corporate Director of Economic Development. It is recommended that this Board also include senior officer representatives from key partner / delivery agencies including Cumbria County Council, the HCA, Environment Agency and Highways England, as well as any others the need for which becomes apparent as the project progresses. This Board will be crucial in ensuring wider strategic awareness of the project and its needs, as well as reviewing progress against the project plan. Similar to the Members Advisory Group the Board will also provide a steer on options as they emerge and play an active part in refining the vision, objectives and the masterplan for the site as these emerge. Crucially the Board would be the route through which the

Executive are updated and any key decisions requiring Executive approval referred from.

- 3.5** A project group is also proposed to be convened which in many regards will simply formalise existing working arrangements. This group will be led by City Council officers but will also comprise of officer representatives from Cumbria County Council and the HCA's ATLAS team. Other representatives from other agencies of relevance would be drafted in as and when necessary including for example from the Environment Agency. The main purpose of this group will be to undertake the day to day work on the project taking a steer and sounding from the Board and Members and making progress towards project milestones. Other duties will include the drafting of briefs for work and support which it is necessary to procure; the analysis and interpretation of evidence and policy drafting; leading on engagement efforts; pursuing funding opportunities and responding to general enquiries.
- 3.6** Executive is asked to approve the proposed governance framework with the precise terms of references for these groups to then be presented as drafts to and approved by each of the respective groups.
- 3.7** It is worth reiterating at this stage that St Cuthbert's is a long-term project the delivery of which will span several decades. Project governance will therefore need to be kept under regular review and evolve accordingly particularly as preferred delivery options become clear. It is also worth clarifying that under the proposed arrangement any key decisions will continue to rest with the Executive or Council where these are within the Policy and Budget Framework.

4.0 RESOURCES

- 4.1** At the Council meeting on 7th February 2017 the MTFP revenue bid in respect of Carlisle South was approved. This totalled £115k comprised of £25k towards ensuring appropriate staff capacity is available within the Local Plans team; approximately £60k towards developing a masterplan for Carlisle South including additional evidence to underpin this; and a £30k contribution towards the phase 2 feasibility study for a southern link road to help bridge an identified funding gap.
- 4.2** Inclusion within the garden village programme has brought delivery enabling funding of £228,000 for the first year of the programme (2017/18), with each location awarded the status receiving the same amount of money. This funding is understandably intended to supplement as opposed to substitute local funding reflecting its intention to help accelerate and add value to projects. Notwithstanding

this the Council's approved budget for 2017/18 does include a £50k saving (on the basis of match grant funding having been envisaged) resulting in a net local commitment of £65k (£115k - £50k). The total budget to support the project in 2017/18 is therefore £293k.

- 4.3 The precise allocation of this funding is still emerging being evidently linked to the refinement of the emerging programme plan. An indicative expenditure profile is however as set out in the table below.

Area of Expenditure	Expenditure	Commentary
City Council Allocation £65k		
Staff Capacity	£25k	Aligns with MTFP bid and enables a project support officer to immediately be put in place to support the proposed governance arrangements as well as the wider team. New post is envisaged to be part time on an initial 12 month fixed term contract. Residual budget will ensure flexibility is available to increase hours within the team to respond to peaks, which is an arrangement which supported the timely progression of the Local Plan.
Southern Link Road	£30k	Aligns with MTFP Allocation. Cumbria County are actively procuring consultants for the phase 2 study with an appointment due in May / June. This contribution will therefore be needed as envisaged during
Operational budget / evidence.	£10k	This will provide an operational budget ensuring money is available to support engagement efforts including venue hire etc.; printing; design costs; advertising etc.
Sub Total £65k		
Garden Village Programme Grant Funding £228k		
Advisory Support	£30k	Hyas Consulting have been appointed as an advisor to Officer's to support the development and refinement of the project plan; establishment and

		implementation of the governance arrangements; preparation of briefs for concept planning; assisting with viability assessments and advising on delivery options.
Masterplanning	£100k	The Council does not have the in-house expertise and technical capabilities to prepare a concept plan, and as such this expertise will need to be procured. The indicative cost reflects the need for an innovative approach including engagement and is comparable to the costs encountered by others in undergoing this stage.
Additional Evidence	£100k	It will be necessary to procure additional technical expertise on matters such as viability and flood risk. Depending on the costs of the Southern Link Road Phase 2 study, which will become clear once an appointment is made, further funding may need to be diverted to support the timely progression of this critical piece of evidence.
Sub Total	£228k	
GRAND TOTAL	£293k	

4.4 As the Garden Village programme is a flagship programme for the government, it has been indicated that there will be a 2018/19 budget against which to bid for ongoing work. However, this is likely to be a competitive process, and as such it will be necessary to demonstrate that the Council have effectively spent the finance already received to meaningfully progress the project meeting key milestones set out in the project plan.

4.5 Updates on expenditure will be reported to each of the aforementioned governance groups as well as the Council's Corporate Project Board.

5.0 CONSULTATION

- 5.1** The delivery of a Local Plan is governed by the Town and Country Planning (Local Planning) (England) Regulations 2012. Regulation 18 is directed at the preparation of a local plan. It broadly sets out that the local planning authority (LPA) must notify both specific and general bodies, together with local residents and businesses, of the subject of the local plan, and ask these bodies and groups what the local plan ought to contain. The preparation of a local plan is therefore very much a bottom up process, where early engagement is key to future outcomes.
- 5.2** Whilst there will be a formal Regulation 18 consultation for a minimum period of six weeks to gather the above opinions, opinions will be gathered informally over a prolonged period through more informal and ongoing engagement with stakeholders including the public. At this stage such engagements will be focussed on gathering the views and opinions of others and will not seek views on any draft policy text or preferred options, importantly ensuring no Council preference is expressed.
- 5.3** Representations, feedback and dialogue at this stage will meaningfully help inform the evolution of the vision and objectives for the site as well as the concept plan and therefore broad principles for the masterplan.
- 5.4** It is important to note that the phase 2 assessment of the Southern Link Road includes a need to consult stakeholders and the public at an appropriate stage once a preferred route has been identified. Every effort will be made to align this consultation with those required from the masterplanning and planning regulation perspective.
- 5.5** It is envisaged that the process of engagement and consultation will be inclusive of all groups and individuals who are likely to have an interest in the area. Technical specialists such as the Environment Agency, United Utilities, Natural England etc. are envisaged to form one stakeholder group, whilst others could be made up of landowners and agents, developers and local residents and parish Councils.
- 5.6** As with the Local Plan it is likely that minimum consultation requirements will be exceeded with ample opportunity for genuine engagement and input into the process. Careful consideration is being afforded to how this can be tailored to the nature of the proposal and more innovative methods employed to maximise participation and the value of outputs from the process.

6.0 CONCLUSION AND REASONS FOR RECOMMENDATIONS

6.1 The recommendations are necessary so that the budget required to support progression of the project, fulfilling the commitment in the Council's approved Local Development Scheme, is made available. The award of Garden Village status for St. Cuthbert's reinforces the need to make timely progress with financial and additional support provided to aid this. Accordingly approval of the governance structure and the commencement of stakeholder engagement are pre-requisites to being able to progress the planning of St. Cuthbert's.

7.0 CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

7.1 St Cuthbert's Garden Village will have a significant influence in terms of shaping how Carlisle will grow and function long into the future. Accordingly it will have a significant, direct and positive impact on a number of Carlisle Plan priorities including:

- *“supporting the growth of more high quality and sustainable business and employment opportunities”* – through identifying new sites for development and opportunities to better balance the local economy;
- *“addressing Carlisle's current and future housing needs”* – through being the single largest development site and therefore contributor to supply across the latter stages of the current Local Plan period and much of the next one, including affordable and specialist housing;
- *“working more effectively with partners to achieve the City Council's priorities”* – through recognition that the scale of the project requires the input, commitment and direct support of a wide array of stakeholders and partner agencies.

7.2 The flagship status of the Garden Village programme is already and will continue to ensure that Carlisle is promoted nationally and more widely recognised as a place with ambitious and innovative aspirations.

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**Appendices
attached to report:**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

CORPORATE IMPLICATIONS/RISKS:

Economic Development – See body of report.

Governance – The governance arrangements and decision making process are set out within the body of the report. It is noted that any consultancy support will need to be procured in accordance with the Council's own procedure rules and the legal section should be approached to prepare contracts.

Resources – The budget for 2017/18 included an additional amount of £115,000 allocated for the Carlisle South Masterplan/Southern Relief Road. There were also further allocations in 2018/19 to 2020/21 totalling £335,000. The budget can only be spent once a further report to Executive is considered and Executive approve its release. This report now satisfies that requirement. The 2017/18 budget also included an expectation of £50,000 external funding from the Garden Village Fund, with a further £50,000 expected in 2018/19 to 2020/21 (£200,000 in total). This report confirms that the external funding made available in 2017/18 is £228,000, meaning an increase of £178,000 in external funding and £293,000 funding available overall. The report outlines how this overall funding pot will be allocated to deliver the outcomes of the project.