

Report of	Meeting	Date
Corporate Director (Business) (Introduced by the Executive Member for Business)	Executive Cabinet	3 September 2009

## CENTRAL LANCASHIRE, BLACKPOOL GROWTH POINT

### PURPOSE OF REPORT

- To update Members on the Growth Point and the envisaged procedural arrangements.

### RECOMMENDATION(S)

- That the Council enter into a Collaboration Agreement, and terms of reference. Details to be agreed by the Corporate Director (Business) in conjunction with the Executive Member (Business).

### EXECUTIVE SUMMARY OF REPORT

- This report presents an update on the Growth Point, refers to the benefits for Chorley Borough and the Partnership arrangements that are needed to oversee delivery. These arrangements will be set out in a Collaboration Agreement, which will document the partners' obligations in delivery of the Partnership aims.

### REASONS FOR RECOMMENDATION(S)

#### (If the recommendations are accepted)

- To enable the Growth Point partnership to be formally created and the benefits to the Borough secured.

### ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- None.

### CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region	x	Develop local solutions to climate change.	
Improving equality of opportunity and life chances	x	Develop the Character and feel of Chorley as a good place to live	x
Involving people in their communities	x	Ensure Chorley Borough Council is a performing organization	

## **BACKGROUND**

7. In October 2007 the local authorities of Preston, Chorley, South Ribble and Blackpool, along with Lancashire County Council and (what is now) the Homes and Communities Agency (HCA), submitted an expression of interest to Communities and Local Government (CLG) to become a second round housing Growth Point. The expression of interest was accepted by Government and Growth Point status was granted in July 2008. The Councils were awarded initial funding of £150,000 to prepare a Programme of Development and this was submitted to CLG in October 2008, which was accepted by Government in December 2008.
8. The development proposals will be worked up, tested and delivered through the Local Development Framework (LDF) process this will ensure the Council can manage the process.
9. This first Programme of Development covers the 2009-2011 period and was effectively a bidding document which sought capital and revenue monies from the total £100million Growth Point Fund and the £200 million Community Infrastructure Fund (CIF2), the CIF2 fund being accessible to only Growth Point partnerships.
10. In response to the Programme of Development, the Government awarded the Central Lancashire and Blackpool authorities £4.9m capital and £377,000 revenue for the financial years 2009/10 and 2010/11. However in July 2009 the Government announced, as part of its Building Britain's Future Housing Pledge, that a proportion of the provisional capital allocation for year 2010/11 will be diverted to other government housing initiatives.
11. Provisional Government revenue allocations for 2010/11 have not changed but the capital funding for 2010/11 has been reduced from £3,003,795 to £1,700,011. The Government proposes similar adjustments for all local authorities seeking central Government support for capital investment through the Growth Fund. In terms of attracting Government investment, whilst the initial award is relatively small, by continuing to participate in the Growth Point, the partnership will be presented with further opportunities for bidding against Growth Point and Community Infrastructure funding streams, in the understanding that other Government funding will be prioritised towards Growth Points.

## **CHORLEY PERSPECTIVE**

12. Chorley's commitment to the Growth Point was on the following basis:
  - That the Council commits to the Growth Point but reserves the right to withdraw if insufficient funds are available to help accelerate the development of the LDF Core Strategy.
  - That the Council commits to the Growth Point subject to a satisfactory negotiation on the memorandum of understanding including the following:
    - a sufficient revenue funds available to help accelerate the development of the LDF Core Strategy
    - that any housing development in Chorley does not exceed the amount set out in the Regional Spatial Strategy (approx 417 per annum)
    - that the greenbelt is safe guarded
    - sufficient capital funds to help the programme of development
13. Following discussions with Government Office and Lancashire County Council, who are the accountable body, funding is available to accelerate the LDF process. This is fundamental as it will help control development and ensure that it complies with the criteria set out above.

14. In addition the Council have received a letter from Government Office for the North West confirming Chorley's position. In the letter GONW state that ....

participation in the Central Lancashire/Blackpool Growth Point does not commit Chorley Council to a level of housing growth other than that which it has signed up to deliver in the Programme of Development. In Chorley's case this amounts to a level of housing delivery no greater than that envisaged in RSS. If at any point in the future there is an intention to change the agreement reached through the Programme of Development this would clearly need careful negotiation and the agreement of respective Local Authorities.

15. In addition the area was benefited from additional funding. On 4 August the Government announced that £3.3 million CIF2 funding for Buckshaw Village railway station. The Council also received increased housing grant allocation which will help deliver new affordable housing in the Borough.

### **THE GROWTH POINT PARTNERSHIP**

16. The Growth Point partnership will be supported by a Leaders' and Chief Executives' Group, that will take strategic decisions, and a Programme Management Board that will form the steering and programme management group. The Board will recommend, on an annual basis, for the consideration of the Leaders' and Chief Executives' Group, a Project Action Plan which will allocate separate revenue and capital funding resources to specific Growth Point Projects in that year, plus a list of planned schemes for the following year. The Collaboration Agreement and Terms of Reference will set out the formal partnership agreement and the role and purpose of the two groups. Once signed by all partners, the Agreement will enable progress on delivery of planned projects.
17. In light of the fact that the growth fund capital grant for 20010/11 has been reduced and the recent announcement that the Growth Point has been awarded CIF2 funding towards delivery of the new railway station at Buckshaw Village, there may be slight adjustments to specific capital projects in the Project Action Plan. Projects will be prioritised towards those that can show early delivery. A finalised list of projects will be presented to the next Leaders' and Chief Executives' Group meeting for agreement at the end of September.

### **IMPLICATIONS OF REPORT**

18. This report has implications in the following areas and the relevant Corporate Directors' comments are included:

Finance	x	Customer Services	
Human Resources		Equality and Diversity	
Legal	x	No significant implications in this area	

### **COMMENTS OF THE ASSISTANCE CHIEF EXECUTIVE (BUSINESS TRANSFORMATION)**

19. The Growth Point Bid provides a number of financial benefits to the Council. Initially the money for Buckshaw Railway Station will allow the scheme to be implemented. We have also benefited from additional capital funds for social housing schemes as growth point areas have been given some level of priority for funding from the Housing Capital allocations from Government.
19. In respect of revenue the growth point provides funding to employ additional staffing amongst the group to fast track some of the work necessary to complete the LDF Core Strategy. Other financial benefits will accrue from procuring works for the LDF process

jointly with other Council's and some assumptions have been made in this respect when calculating the sums to be budgeted to complete the LDF process.

**COMMENTS OF THE CORPORATE DIRECTOR (GOVERNANCE)**

20. Legal input will be provided into the negotiation of the collaboration agreement to ensure, in particular, that governance and indemnity arrangements are satisfactory.

**JANE E MEEK  
CORPORATE DIRECTOR (BUSINESS)**

There are no background papers to this report.

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Jane Meek	5285	17 August 2009	Chorley Growth Point Sept 09 Cabinet Report