

Report of	Meeting	Date
Corporate Director (Business) (Introduced by the Executive Member for Economic Development and Regeneration)	Executive Cabinet	6 December 2007

GROWTH POINT EXPRESSION OF INTEREST BID

PURPOSE OF REPORT

- To outline the main features of the bid.

RECOMMENDATION(S)

- That the approval of the Executive Cabinet be sought to the pursuance of an Expression of Interest Bid for Growth Point designation of the Central Lancashire and Blackpool areas.

EXECUTIVE SUMMARY OF REPORT

- Councils in the North of England have been invited by the Government to apply to become Growth Points. A Growth Point designation would mean accelerated housing growth over requirements as set out in the Regional Spatial Strategy (RSS). In return for faster housing growth additional funding for the provision of infrastructure may be available and increased opportunities to secure affordable housing. English Partnerships would be the main delivery vehicle to provide advance infrastructure. Central Lancashire – South Ribble, Preston and Chorley – appears to fit the Government’s criteria for a successful bid. However it became apparent that Blackpool was also likely to bid. On advice from Government Office a single joint bid for Blackpool and Central Lancashire has been submitted. Consultants were appointed to prepare an Expression of Interest bid, with costs shared equally between Central Lancashire Councils and Blackpool.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- Growth Point designation is expected to provide greater opportunities for more affordable housing and associated infrastructure.

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		Ensure Chorley is a performing Organisation	
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BACKGROUND

7. The Department of Communities and Local Government (DCLG) has invited bids from councils who wish to be designated as Growth Points or Eco Towns.
8. The concept behind the DCLG initiative is to increase housing supply, and in particular affordable housing, as quickly as possible. The first phase has involved the south of England and the Midlands and the Government is rolling this out to the North of England. It appears that in return for increasing the rate of housing development that some monies will be made available to provide for the necessary infrastructure. The housing development must be sustainable not only in terms of general location and environmental issues but must also be aligned with strong forecast economic growth.
9. The joint LDF work to date and the earlier sub-regional economic and planning work carried out by GVA Grimley suggests that a sound basis exists to demonstrate that Central Lancashire – South Ribble, Preston and Chorley – can meet these sustainability criteria.
10. This matter was discussed at the Joint LDF Working Group on 27 September 2007 in the context of the LDF Core Strategy work. At this stage there is no commitment required as it is only an expression of interest. If there is no commensurate delivery of infrastructure the councils could withdraw from the “bid”. To submit a bid it has been necessary to obtain consultancy support (from GVA Grimley) and the 3 councils have agreed to share the costs of this from their respective LDF funds. The work involved will be of considerable value in the LDF process irrespective of whether the bid is successful.
11. The deadline for submitting an Expression of Interest was 31st October, with a decision on successful bids being made in February.
12. In preparing the bid a meeting was held with officers of the 3 Councils and the County Council, GONW and English Partnerships as well as Blackpool. This meeting explored the intentions of Central Lancashire and Blackpool to potentially submit rival bids for Growth Point status. On advice from GONW it was apparent a successful bid was more likely if Blackpool and Central Lancashire Councils worked together and submitted a joint bid. On this basis, a joint Central Lancashire and Blackpool submission was prepared.
13. In addition further information was provided by English Partnerships that a potential delivery mechanism is for funding to be made available for infrastructure through a Community Investment Fund. The concept is for an initial amount of capital to be transferred into the fund to provide necessary infrastructure with monies then recovered from developers (a so called ‘roof tax’) and this receipt to then be returned to the fund for further infrastructure projects, and thus the fund would be sustained.

DETAILS OF THE BID

14. The key features of the bid are:-
 - At least 4,000 affordable homes to be provided across the combined area by 2016.
 - A total of 20,000 new homes across Central Lancashire and Blackpool over the next 9 years.

- A £10,000 per unit 'roof tax' tariff that would raise £130million for infrastructure investment.
- It is not just housing growth that is envisaged but also for this to provide the impetus for bringing forward major employment sites for local jobs.

15. No firm commitments have been given to particular sites for development but in Chorley the bid envisages the remaining land at Buckshaw Village to be a key component.

IMPLICATIONS OF REPORT

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

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

JANE MEEK
(CORPORATE DIRECTOR (BUSINESS))

Background Papers			
Document	Date	File	Place of Inspection
Background Reports Central Lancashire, Blackpool Growth Point Bid document and appendices	October 2007		Members Room Town Hall

Report Author	Ext	Date	Doc ID
Julian Jackson	5280	20 November 2007	