

Report of	Meeting	Date
Corporate Director (Business) (Introduced by the Executive Member for Business)	Executive Cabinet	12 February 2009

## CENTRAL LANCASHIRE, BLACKPOOL GROWTH POINT

### PURPOSE OF REPORT

- To inform Members of the outcome of the second stage submission bid and propose a way forward.

### RECOMMENDATION(S)

- 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:
  - 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 fund the programme of development (as set out in paragraph 11 below)

### EXECUTIVE SUMMARY OF REPORT

- At the end of last year the Government announced the Growth Point areas and the funding awards for the next two years. The Central Lancashire and Blackpool Growth Point has been offered £5.27million over the next two financial years split between capital and revenue. Chorley's involvement in the Growth Point was on the basis that 417 units per year for 7 years would deliver affordable housing more quickly. However, this was to be done on the basis that it would not exceed the amount of housing development set out in Regional Spatial Strategy and would not include any greenfield sites. It is important to Central Lancashire that any growth is managed and this can only be done by having currently an adopted Local Development Framework Core Strategy. The revenue money offered is insufficient to provide the staff necessary to accelerate the LDF. In addition to revenue funding there were a number of capital projects which affected Chorley including the implementation of the Chorley Town Centre Audit and Design Strategy. There are a

number of pros and cons for staying and withdrawing from the Growth Point Initiative. However fundamental to the Growth Point Initiative is an approved LDF Core Strategy. It is therefore proposed that Government should be asked to switch some of the funding from capital to the revenue support to accelerate the LDF Core Strategy.

## REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- To ensure that Members are made aware of the latest situation with the Growth Point proposals.

## ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- None, as Members need to be fully informed on this matter so as to decide the future course of action.

## 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		Develop the Character and feel of Chorley as a good place to live	X
Involving people in their communities		Ensure Chorley Borough Council is a performing organization	

## BACKGROUND

- The Government has embarked on a national network of Growth Points. That proposed for Central Lancashire and Blackpool is part of a second series of New Growth Point locations that were successful in their initial Expression of Interest bids in July 2008. The local authorities for each of these New Growth Points were then invited to work up proposals to accelerate housing development including bids for funding resources to enable this to happen. These proposals were included in Programmes of Development that were submitted to Government at the end of October 2008. The Programmes of Development also included bids for the second round of Community Infrastructure Funding (CIF2).
- The local authorities that are partners in the Central Lancashire, Blackpool Growth Point are Chorley, Blackpool, Preston and South Ribble Councils and Lancashire County Council. The Expression of Interest award included £150,000 to help with on-going expenses such as in putting together the Programme of Development bid document where the authorities were assisted by consultants.
- The Growth Point Fund award for Central Lancashire, Blackpool is approximately £5.27 million made up of £377,625 revenue and £4,895,656 capital to be provided in the 2009/10 and 2010/11 financial years divided up as set out below.

## Latest Position

### Central Lancashire and Blackpool

	2009/10	2010/11	Total
<b>Capital</b>	£ 1,891,862	£ 3,003,795	£ 4,895,656
<b>Revenue</b>	£ 161,839	£ 215,786	£ 377,625
<b>Total</b>	£ 2,053,701	£ 3,219,580	£ 5,273,281

11. With regard Chorley the following bids were included.

- Enhancement of Local Authority Capacity: Central Lancashire Planning Teams – additional staff to assist with the acceleration of the Core Strategy and the production of SPD's required to deliver the Programme of Development.
- Chorley Town Centre Audit and Design Strategy
- Promoting High Quality Design: Production of Design Guidance SPD (all)
- Skills Gap Analysis and Training Programme to ensure that personnel are identified and fully trained to deliver the Programme (all).
- Various Enabling Studies and Initiatives (all) responding to DCLG Requirements
- Various Priority Evidence Base Enhancement Projects (all) i.e: Planning Obligations Tariff Model/Viability Assessment Study  
PPG17 Assessment  
Key Issues Studies (key sites)
- Complementary Public Transport Infrastructure Investment (all)  
i.e. Kick Start Public Transport Fund  
Growth Point Smart Card and Network Ticketing Initiative  
Improvements for Pedestrians and Cyclists  
Smarter Choices and Residential

### Chorley's Position

The issue for members is whether we remain a partner in the Growth Point and accept the Government offer. The offer letter from the Government does not set any conditions in relation to the funding apart from regular feedback as to the implementation of programme of development.

The pros and cons of remaining part of the Growth Point are:

PRO's	CON'S
<ul style="list-style-type: none"> <li>• Affordable Housing – accelerated growth will deliver affordable housing quicker. With regards Chorley the amount of development is limited to the RSS figure for the Borough. The amount of development proposed can be accommodated on allocated and reserved sites with the need to amend the Greenbelt boundaries.</li> <li>• Infrastructure funding – Being part of</li> </ul>	<ul style="list-style-type: none"> <li>• Accelerated Growth – if sites are brought forward for development on an accelerated basis will the Government request the Council to allocate more sites in 16 years time.</li> <li>• Public Perception – The public may perceive that Chorley is having more development than can be accommodated.</li> </ul>

PRO's	CON'S
<p>the Growth Point enables the authority to have access to the Community Infrastructure Fund (CIF2)</p> <ul style="list-style-type: none"> <li>• Capital Projects – the Programme of Development includes bids for a number of capital projects. The main one for Chorley is funding to implement the Town Centre Audit and Design Strategy.</li> <li>• Staffing – Revenue funding for staff and studies to accelerate the LDF Core Strategy. An approved LDF Core Strategy and Subsequent DPD's will enable us to manage growth in the area.</li> </ul>	

If the Council decides to withdraw from the Growth Point the pros and cons are:

PRO's	CON'S
<ul style="list-style-type: none"> <li>• Development – Housing development will be at a steady pace – essentially market led.</li> </ul>	<ul style="list-style-type: none"> <li>• LDF Core Strategy – If Chorley withdraws it will have a detrimental affect on the joint core strategy and we will have to develop our own LDF Core Strategy with the associated staffing and study costs – These are significant.</li> <li>• The policies in the current Borough Plan will soon be out of date. If there is no LDF Core Strategy in place development in the Borough may be decided on appeal.</li> <li>• Affordable Housing – The amount of affordable will slow as it is linked to Market sites.</li> <li>• Infrastructure/Capital Project funding will have to come from other sources.</li> </ul>

## CONCLUSION

12. Chorley agreed to submitting a growth point bid because of the benefits accelerated growth would bring. In Chorley's case this was the provision of affordable housing early. However, it is essential that any accelerated growth should be managed to ensure that development happens on the right sites within associated infrastructure. This can only be done through the planning process and in particular the LDF Core Strategy. The revenue funding is currently insufficient to deliver an accelerated Core Strategy and is proposed that the partners should go back to the Government and request a switch from capital to revenue funding.

## IMPLICATIONS OF REPORT

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

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

14. Whilst it is still not entirely clear what the Council will be allocated from Growth Point Bid funds, it is clear that the Council will have to continue to incur costs in respect of completing the LDF process. Therefore any funding received which will accelerate the process will to some extent mitigate the cost for the Council. In this respect a success bid would be necessary.

JANE E MEEK  
CORPORATE DIRECTOR (BUSINESS)

<b>Background Papers</b>			
<b>Document</b>	<b>Date</b>	<b>File</b>	<b>Place of Inspection</b>
Letter from Department of Communities and Local Government	10 December 2008		Council Offices, Union Street

  

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>	<b>Doc ID</b>
Jane Meek	5280	23 January 2009	Chorley Cabinet Growth Point Report Jan 09