



EXECUTIVE BOARD DECISION

REPORT OF: Executive Member for Regeneration
Executive Member for Resources

LEAD OFFICERS: Deputy Chief Executive

DATE: 14 March 2019

**PORTFOLIO/S
AFFECTED:** ALL

WARD/S AFFECTED: All

KEY DECISION: YES NO

SUBJECT: Growth Programme 2019/20: Site Disposal & Development Projects

1. EXECUTIVE SUMMARY

- 1.1 This report outlines the Growth Programme for 2019/20 and details the schedule of sites for disposal and seeks approval to dispose of these sites for development;
- 1.2 The report requests delegated authority to vary the Growth Programme for 2019/20 by adding or removing sites as required reflecting emerging priorities;
- 1.3 Each site will undergo an options appraisal to select the best way of disposing the site for development, delegated authority is sought to finalise the disposal route for each site following the options appraisal
- 1.4 This report also requests approval to extend the scope of the Development Investment Fund to include all growth sites within the programme.
- 1.5 The Council will work with local Registered Provider Partners, including; Together Housing, Places for People and Great Places to build new affordable homes across the Borough.

2. RECOMMENDATIONS

That the Executive Board:

- 2.1 Note the contents of this report and the Growth Programme for 2019/20 as attached in Annex 1;
- 2.2 Delegates authority to revise the Growth Programme for 2019/20 by adding or removing sites to the Growth Programme Director and the Chief Executive (designate) in consultation with the Executive Members for Resources and Regeneration;
- 2.3 Delegates authority to agree the disposal route for each site to the Growth Programme Director and the Chief Executive (designate) in consultation with the Executive Members for Resources and Regeneration with subsequent decisions on disposal by the Exec Member or Exec Board route as required.
- 2.4 Note the funding of the 'Development Investment Fund' as approved at Finance Council on 25th

February 2019 to provide financial support to bring forward and enable Council owned sites for sale and development.

2.5 Approve the extension of the scope of the Development Investment Fund to allow the funding to be used to bring forward and enable all Council owned housing and commercial sites.

2.6 Approve the use of Affordable Homes commuted sum payments received from planning section 106 agreements to be used to support the development of affordable housing schemes by one of the Council's Registered Provider Partners; Together Housing, Places for People and Great Places.

3. BACKGROUND

3.1 The Council remains committed to delivering a more prosperous Borough. The Council has invested in a Growth Team which brings focus to all development activities within the Borough and works with all landowners, private developers and funding agencies to bring forward residential, commercial, town centre and infrastructure projects.

3.2 These projects help to bring increased prosperity to the Borough through additional Jobs, Business Rates, Council Tax and New Homes Bonus.

3.3 The Council as one of the largest landowners in the Borough remains proactive and responsive to the development market to ensure Council owned land is disposed of in a manner to optimise the financial benefits for the Council as well as maximising the wider economic benefits for the Borough.

3.4 A Development Infrastructure Fund (DIF) was set-up in September 2016 to support de-risking Council owned sites for housing development. De-risking sites allows developers to make an informed decision on the development opportunity through the tender process which helps to reduce risk and contingency therefore increasing the financial offer.

3.5 To date the DIF has been used to procure site surveys, site investigations and technical assessments of Council owned sites to prepare them for disposal.

4. KEY ISSUES & RISKS

4.1 The Council has prepared an annual Growth Programme of activity for 2019/20 attached as Annex 1 which provides details of the sites considered for disposal and development in the year.

4.2 Officers will consider on a case by case basis the disposal and development route for each individual site and work closely with local Registered Provider Partners and the Council's Growth Framework Partners when tendering sites for disposal. In addition, and when appropriate to do so, the Council may revert to a wider marketing strategy for disposal through informal tender for higher value housing and commercial sites.

4.3 The Council will work closely with local registered providers; including Together Housing Association, Places for People and Great Places (as special purchasers where appropriate) to develop affordable housing to meet the Borough's need.

4.4 The Council will consider on a case by case basis the allocation of section 106 affordable homes commuted sums to assist in delivering challenging sites for housing. Section 106 funding will be used to support viability challenges on development sites suitable to provide affordable homes (for either rent or shared ownership).

4.5 The Council has expended approximately £170,000 from the original DIF budget of £250,000

and has brought forward sites as identified in the below table.

Site	Current Status
Roe Lee, Blackburn	To prepare sale of site, site successfully tendered and sale planned to complete March 2019
Alaska Street, Blackburn	To prepare sale of site, site successfully negotiated with Registered Provider partner and sale planned to complete April 2019
Tower View, Darwen	To prepare sale of site, site successfully tendered and sale planned to complete April 2019
Salisbury Road, Darwen	To prepare sale of site, site successfully tendered and sale planned to complete May 2019
Tower Road, Feniscliffe Bank	To prepare sale of site, site successfully tendered with a preferred bidder appointed in February 2019.

4.6 Following the success of the fund, it is proposed to extend the use of the fund to include all Council owned sites for housing and commercial development and extend the scope to include service diversions, site clearance and levelling, tree felling and fencing to secure sites.

4.7 Finance Council held on 25th February 2019 approved to increase the DIF budget back to £250,000 for 2019/20

5. POLICY IMPLICATIONS

Disposals will be in accordance with the Council's disposal policy and will meet the strategic aims of the Council's Growth Programme.

6. FINANCIAL IMPLICATIONS

6.1 A full assessment will be undertaken on all tender submissions for each site disposal and the recommended bid details will be presented for Executive Member or Executive Board decision prior to the appointment of a developer.

6.2 The S106 budget for affordable homes commuted sums will be transferred to the Growth Capital Programme so that new projects to provide affordable housing can be supported by the fund.

7. LEGAL IMPLICATIONS

7.1 The disposal of sites will be in accordance with the Council's disposal policy when disposal is by formal or informal tender.

7.2 The disposal of sites with their connected development/redevelopment will be in accordance with the Council's Growth Framework when disposal is by procurement of a developer partner.

7.3 The Council will need to ensure best consideration is achieved in any disposal of land subject to any dispensations or considerations that the Council may be legally entitled to make.

7.4 Reports outlining final Heads of Terms for the sale of land will be presented to the Executive Members for Resources and Regeneration or Executive Board for approval.

8. RESOURCE IMPLICATIONS

- 8.1 Support for the tender and procurement process will be provided from existing resources within the Growth Team and the Growth & Development Department.
- 8.2 Additional support will be required from the Procurement and Legal Department to complete land disposal transactions.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

- Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.
- Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*
- Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

Contracts for the disposal of sites will be conditional on planning with all consultations undertaken for individual schemes through the formal planning process.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	1.0
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CONTACT OFFICER:	Simon Jones, Growth Programme Director
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DATE:	27 th February 2019
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BACKGROUND PAPER:	None.
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