



Public Session

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To: Scrutiny Committee
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Title: Olympia Park – update on progress and next steps

Summary:

This report seeks to update Scrutiny Committee on the proactive work officers from Selby District Council have undertaken with landowners and other key partners to unlock delivery of Olympia Park, a key strategic site for the Council.

Recommendations:

Scrutiny Committee notes the work carried out to date, and proposed next steps, to enable the delivery of Olympia Park.

Reasons for recommendation

The report has been brought before the Scrutiny Committee to update members on the proactive work completed to date, and the proposed next steps, to unlock delivery of this strategically important site.

1. Introduction and background

- 1.1 Olympia Park is the strategic site from the current Core Strategy Plan period. It is expected to deliver up to 1000 houses and 23 hectares of new employment land. To date the eastern part of the site has not come forward under a planning application. This part of the site is owned by Selby Farms and the Potter Group.
- 1.2 In December 2015, a hybrid planning permission was granted for the western part of the Olympia Park site that included detailed planning approval for the primary infrastructure (the highway bridge over the Selby to Goole railway line and associated approach roads and the construction of a new link road from

the Selby by-pass to the Potter Group) and an outline approval for 863 homes, a new primary school, open space, a new A1 foodstore, public house and an over 55's residential scheme.

- 1.3 Despite lengthy discussions with the land owners (Three Swans Property Management acting on behalf of ForFarmers) it has not been possible to date to bring forward private sector led development proposals for the site due to viability issues associated with high infrastructure costs to access and develop the site.
- 1.4 Further due diligence work that has been carried out jointly by Selby District Council and North Yorkshire County Council over the last 12 months has confirmed the challenges of delivering the consented scheme in view of the high up-front infrastructure requirements. On this basis, the consented Olympia Park site does not form part of the Council's current 5 year housing land supply
- 1.5 Officers are therefore considering other options for bringing this strategic site forward for development in consultation with the site's key stakeholders.

2. The Current Position

- 2.1 The work to review the deliverability of the consented scheme and the wider Olympia Park opportunity can be summarised as:
 - The due diligence the County and District Councils have carried out on the consented scheme has now been completed. This has confirmed the viability challenges associated with bringing this scheme forward in isolation and we are working closely with the Three Swans to establish a way forward.
 - We are now exploring alternative options for delivery and the Council and North Yorkshire County Council are collaborating closely with the HCA regarding alternative options for unlocking the whole site and the submission of bids for funding to support the future development of the site.
 - This has also included opening up discussions with the owners of the eastern part of the Olympia Park strategic site to explore options for opening up the site from the East, direct off the Selby by-pass.
 - This has provided a foundation to prepare a bid for funding to the HCA's Housing Infrastructure Fund which is targeted at providing funding to Local Authorities to unlock major housing sites through investment in infrastructure.
 - The District Council is also working closely with the West Yorkshire Combined Authority and York, North Yorkshire and East Riding LEP to

ensure that Olympia Park remains a strategic priority for future funding opportunities.

2.2 In terms of the individual work streams identified in the last paper to Scrutiny Committee progress is as follows:

- **Infrastructure & ground investigations** – Mouchel due diligence work on the infrastructure costs associated with the consented scheme is now complete. Work on modelling the capacity of the Selby-by pass junction will be completed in early October
- **Viability and site valuation** – A high level appraisal carried out by Lambert Smith Hampton has demonstrated that the development of the consented scheme on the western part of the site is unviable based on current information.
- **Funding packages** – An Expression of Interest is to be submitted to the HCA's Housing Infrastructure Fund requesting funding to deliver a link road into the site from the Selby by-pass and to help with other developments costs such as abnormal ground conditions. Discussions are continuing with the West Yorkshire Combined Authority and York, North Yorkshire and East Riding LEP regarding potential investment in the scheme.
- **Delivery mechanisms** – Officers are continuing to explore public and public/ private delivery options although we believe unlocking the site from the Selby by-pass could enable a private sector led delivery solution, provided it is in accordance with an agreed comprehensive approach.
- **Resourcing & budget** – The Council's Housing and Regeneration Team has now been established and is assisting the Director of Economic Regeneration and Place to drive the scheme forward working closely with the key landowners and other partners such as WYCA, YNYER LEP and the HCA.

3.0 The alternative approach – access from the East

3.1 Since the last Olympia Park report to Scrutiny Committee in January 2017, the owners of the eastern part of the Olympia Park site (Potter Group and Selby Farms) have commenced discussions with the Council regarding how they could unlock the development potential of this part of the site and help to unlock it's wider potential by taking a new access direct from the A63 Selby by-pass. Our preliminary discussions undertaken with the eastern landowners suggest we may be able to now deliver over 1000 housing units with greater certainty.

3.2 The owners of the eastern part of the site have indicated a willingness to collaborate with the Council, HCA and other stakeholders to explore how the bringing forward of their land could facilitate the future development of the remaining Olympia Park site as part of an integrated development that unlocks the full potential of the site. This would include community facilities, open space, education provision and clearly defined pedestrian and cycle links with the town centre.

- 3.3 The landowners are working with the Council and the Homes & Communities Agency (HCA) to consider this further, based on the initial phases of development being accessed from the existing junction on the Selby by-pass. Any opportunity to access development from the Selby by-pass is likely to have a substantial positive impact on the deliverability of a comprehensive mixed use scheme. By working with the landowners Selby District Council will also benefit from a secondary/emergency access over the railway line which helps to future proof this scheme.
- 3.4 In parallel the Council is working with North Yorkshire County Council to model the capacity of the Selby by-pass junction and understand the quantum of development that could potentially be accessed from this point. This work will be completed in October 2017 but the early indications are that a significant amount of development land can be opened up on the eastern part of the Olympia Park site. We see this as an opportunity to bring forward the early phases of housing quickly and believe this could be achieved by 2020/2021.

4. Unlocking Funding

- 4.1 The Government recently launched the Housing Infrastructure Fund which is specifically designed to unlock housing sites through grant investment in infrastructure.
- 4.2 The Fund has two elements:
- A Marginal Viability Fund that is targeted at lower tier authorities with an investment limit of £10 million
 - A Forward Funding Programme targeted at upper tier and Combined Authorities with an upper investment limit of £250 million
- 4.3 Olympia Park meets the criteria identified in the prospectus for the Marginal Viability Fund and the Council is considering submitting an Expression of Interest proposal to fund the first phase of the link road that will facilitate the development of the eastern part of the site. This has to be submitted by the 28th September and it is anticipated that successful Expression of Interest bids will be announced in December 2017.
- 4.4 Successful schemes are likely to then be subject to further due diligence and the preparation of a detailed business case.

5. Next Steps

- 5.1 The key next steps and timelines are set out below.

| <u>Task</u> | <u>Date</u> |
|--|--------------------|
| WSP complete the modelling of the Selby by-pass junction capacity. | October 2017 |

| | |
|---|---------------------------------|
| HCA Housing Infrastructure Fund Expression of Interest submitted. | 28 th September 2017 |
| Likely timescale for successful HCA Housing Infrastructure Fund bids announced. | December 2017 |
| Complete work with key landowners to develop an approach that unlocks Olympia Park from Selby by-pass - as the first phase of a comprehensive development of the Olympia Park site. | January 2018 |
| Subject to a successful HIF bid, planning application for the development of the eastern part of the Olympia Park site submitted | March – June 2018 |

6. Legal/Financial Controls and other Policy matters

Legal Issues

- 6.1 If proposals to develop a comprehensive scheme for the site in partnership with the landowners are progressed, the Council may need to enter into some form of Partnership Agreement. Should this situation arise, any decision would be subject to the approval of the Council's Executive.

Financial Issues

- 6.2 At this point in time there are no proposals for the Council to invest in the site. The Council will continue to fulfil an important enabling role with partners to bring the site forward for development. Should the HCA Housing Infrastructure bid be successful, the grant funding would be routed through Selby District Council who would become the accountable body.

Impact Assessment

- 6.3 Any impact of developing a more integrated comprehensive scheme beyond the scope of the consented scheme will be assessed as proposals emerge..

7. Conclusion

- 7.1 The report provides Scrutiny Committee with the opportunity to comment on the work carried out to date, and the proposed next steps, to enable delivery of Olympia Park.

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Fig 1 Aerial Photo – Olympia Park

