



Report Reference Number: S/18/28

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

Summary:

This report seeks to update the Scrutiny Committee on the proactive work that officers from Selby District Council are undertaking with landowners and other key partners to unlock the delivery of Olympia Park, which is a key strategic mixed use development 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 work being undertaken to unlock the delivery of the strategically important Olympia Park site since the last report to the Committee in October 2018.

1. Introduction and background

- 1.1 As previously reported the Council's Adopted Local Plan Core Strategy identifies Olympia Park (shown on the aerial photograph in Appendix A) to deliver 1000 new homes and 23 hectares of new employment land in the period up to 2027, with a further 10.6 hectares reserved for longer term employment use (total 33.6 ha). The delivery of a mixed use scheme on the site is therefore a key priority for the Council.
- 1.2 The site is in three ownerships. The western part of the site is owned by **ForFarmers**, with **Three Swans Property Management Ltd** acting as the promoter of this part of the site. ForFarmers/Three Swans are in advanced negotiations with a potential development partner who will be responsible for

designing detailed proposals. The land adjoining the Selby by-pass is owned by **Selby Farms** and the **Potter Group** own the central part of the site

- 1.3 All three landowners are keen to bring forward comprehensive proposals to develop Olympia Park for a mixed use scheme and intend to appoint respective development partners to prepare more detailed proposals. Consequently they are supportive of the Council's proposals to secure funding from Homes England and the York, North Yorkshire and East Riding LEP to construct key infrastructure that will open the site for development.
- 1.4 Members will recall that western part of the site was granted a hybrid planning permission in December 2015 (outline planning permission for the development of 863 homes and detailed planning permission for highway infrastructure including a highway bridge over the Selby-Hull railway line and a link road from the Selby by-pass into the Potter Group site). However, no start on site was achieved due to the high infrastructure costs primarily associated with the bridge and this application has lapsed in December 2018.
- 1.5 On this basis, the allocated Olympia Park site does not form part of the Council's current 5 year land supply, as there was not enough evidence for the deliverability of this site at the time of writing the last 5 year housing land supply report.
- 1.6 At the update to Scrutiny Committee in October 2018 officers reported that proposals for bringing this strategic site forward for development were being discussed with the landowners based on a comprehensive, mixed use scheme accessed from the Selby By-Pass.
- 1.7 Members were also advised in October that the Council had been informed by the Homes England (formerly the Homes and Communities Agency) that £8.878 million of funding from the Government's Marginal Viability Housing Infrastructure Fund (HIF) had been approved in principle to help facilitate the delivery of this scheme, subject to further due diligence.

2. The Current Position and Next Steps

- 2.1 Homes England has now issued a formal offer letter to the Council confirming the award of the £8.878 million grant, subject to certain conditions being satisfied. These mainly relate to the Council providing details about how the grant will be spent and ensuring that a comprehensive scheme is delivered for the whole site. The Council is now required to complete a Grant Determination (funding) Agreement with Homes England by the 31st March 2019 to enable the funding to be drawn down.
- 2.2 This HIF investment will have a major impact on accelerating the delivery of the site, targeting funding at the construction of the access road from the by-pass through to the ForFarmers land and contributing to the cost of utilities and site preparation works. This investment will act as a catalyst for future development, but a crucial role for the Council will be to guarantee that mechanisms are put into place to ensure that comprehensive proposals are

developed for the site and that landowners/developers contribute towards the provision of common infrastructure.

- 2.3 The HIF investment has to be spent by the 31st March 2021. In order to achieve this critical deadline the Council will be working collaboratively with all of the landowners to prepare the necessary legal agreements for them to commit to the design and delivery of a comprehensive, integrated scheme for the whole site. Until legal agreements are signed with the respective landowners this will remain a project risk that will need to be actively managed by the Council.
- 2.4 The HIF funding may be supplemented by additional investment from the York, North Yorkshire and East Riding LEP. Up to £1.2 million of investment has been agreed in principle, subject to the approval of a Detailed Business Case, which is being prepared. It is anticipated that this will be considered by the LEP's Board for approval in June 2019.
- 2.5 To help ensure the delivery of a comprehensive scheme, the Council is developing a planning strategy for the Olympia Park site based on the following principles:
 - The Council is preparing a Planning Brief and Masterplan for the area shown on the plan in Appendix B of this report that is likely to be published in consultation draft form in June 2019. This document will set out design principles and an overall vision for the site, including the indicative location of key infrastructure such the primary school, neighbourhood centre and open space and it will establish a planning framework for determining future planning applications. Dependent on approval by the Council's Executive, the document will be subject to a 6 week public consultation period in June/July. Representations made at this stage will then be considered prior to the document being formally approved in the autumn of 2019.
 - A detailed planning application for the construction of the access road is likely to be submitted in June 2019 in order to meet the HIF investment timescales
 - Subsequent outline/hybrid planning applications for the development of the site for housing, employment and community uses will be submitted by the landowners and/or their development partners towards the end of 2019 once the Development Brief and Masterplan has been approved by the Council.
- 2.6 The Council has established a strong governance structure to oversee the development of the Olympia Park project that includes a Board (chaired by the Director of Economic Regeneration and Place) and a Project Team that meet on a monthly basis.
- 2.7 The Council is continuing its important enabling role, brokering meetings between the landowners who control the site and their potential development partners to ensure that a comprehensive development strategy is agreed for

the site for a scheme that has appropriate links to the town centre and neighbouring communities.

3. Legal/Financial Controls and other Policy matters

Legal Issues

- 3.1 The Council has the legal powers to accept the grant outlined in this report. The budgetary framework to accept the grant was approved by The Council at its meeting on the 22nd February 2018.
- 3.2 The Council, with the support of external Legal advice, is preparing legal agreements to formalise its relationship as the accountable body for the HIF investment with the respective landowners with a view to these being in place by the end of June 2019. As outlined above a site specific funding agreement is also being drawn up between the Council and Homes England that will enable the Council to begin drawing down the HIF grant.
- 3.3 Should the Council need to exercise its powers in terms of site assembly it has powers to acquire land by agreement under both the Local Government Act 1972 and the Town and Country Planning Act 1990. Any land required in order to implement the scheme which cannot be acquired by negotiation with landowners could require a compulsory purchase order to enable delivery of the scheme

Financial Issues

- 3.4 The £8.878 million Homes England grant funding will be will be paid to Selby District Council at agreed intervals under section 31 of the Local Government Act 2003, and will be based on progress reports from the local authority. As such Selby District Council will be the Accountable Body for the funding. The £1.2 million funding in principle from the York, North Yorkshire and East Riding LEP will be only be secured if a Detailed Business Case is approved.
- 3.5 This HIF funding is for capital works and the potential acquisition of land and it will not cover staff resources or holding costs

Impact Assessment

- 3.6 The development of a more comprehensive, integrated scheme for Olympia Park will bring considerable benefits for the town in terms the provision up to 1500 homes, the consolidation of existing employment on the site and the creation of significant new employment space and new jobs. It will also regenerate a key strategic site and gateway into Selby town.
- 3.7 A scheme of this size will also include the development of new education and community facilities, new and replacement open space and replacement allotments. These will benefit existing neighbouring areas as well as residents and businesses within the new development.

4.0 Next steps

- 4.1 The key milestones for the next stage of the project are outlined in the table below.

<u>Task</u>	<u>Date</u>
Grant Funding Agreement signed with Homes England	March 2019
First tranche of Homes England Housing Infrastructure Fund investment released (anticipated date)	April 2019
Decision on the YNYER LEP funding	June 2019
Collaboration Agreements signed between Selby District Council and the Olympia Park landowners	June 2019
Development Brief and Masterplan approved by Selby District Council	June 2019
Consultation on Development Brief/Masterplan	June/July 2019
Detailed planning application for the access road submitted	June 2019
Decision on the access road planning application	October 2019
Submission of outline/hybrid planning applications for the development of the site by landowners/developers	December 2019
Infrastructure works commence on site	January 2020
Deadline for the YNYER LEP Funding to be spent and the infrastructure physically completed	December 2020
Deadline for the Housing Infrastructure Funding to be spent	March 2021

5 Conclusion

- 5.1 Significant progress has been made on the Olympia Park project since the last update in October 2018. The Council has received a formal offer of £8.878 million grant funding from the Governments Marginal Viability Housing Infrastructure Fund and has brokered a number of meetings with key stakeholders to develop a delivery strategy for the whole site.
- 5.2 The project is now entering into a delivery phase that will require uses on the site to be established and a clear programme put into place to deliver the HIF infrastructure
- 5.3 The Olympia Park project is being governed by a Project Board and Project Team that both meet on a monthly basis.

5.4 Any decision for the Council to commit further resources to the project will require formal approval through the political process following appropriate due diligence and completion of a detailed business case/appraisal.

5.5 Potential future reports to Executive are outlined as follows:

- Progress report on the HIF investment, and approval of the Consultation Draft of the Development Brief and Masterplan – June 2019

6 Background Documents

Appendix A - Olympia Park Aerial Photograph

Appendix B – Olympia Park Development Brief and Masterplan boundary.

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Appendix A Aerial Photo – Olympia Park



Appendix B: Olympia Park Development Brief and Masterplan boundary

