



Public Session

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To: Overview and Scrutiny Committee
Date: 22 March 2018
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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 have undertaken with landowners and other key partners to unlock delivery of Olympia Park, a key strategic site for the Council.

Recommendation:

To note 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 completed to unlock the delivery of the strategically important Olympia Park site since the last report to the Committee in September 2017.

1. Introduction and background

- 1.1 The Council's Adopted Local Plan Core Strategy identifies Olympia Park 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 ha).
- 1.2 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-Goole railway line

and a link road from the Selby by-pass into the Potter Group site). However no start on site has been achieved due to the high infrastructure costs primarily associated with the bridge, despite a previous package of financial support being available from the LEPS and Homes and Communities Agency (now Homes England).

- 1.2 On this basis, the consented Olympia Park site is considered to be stalled and does not form part of the Council's current 5 year housing land supply
- 1.3 At the last update to Scrutiny Committee in September 2017 officers reported that other options for bringing this strategic site forward for development were being considered in consultation with the owners of the central and eastern part of the site and other key stakeholders.
- 1.4 These discussions were based on developing a comprehensive, mixed use scheme accessed from the Selby By-Pass and Members were advised that the Council was considering applying for external funding opportunities to accelerate the delivery of the site, including a potential bid to the Homes and Communities Agency's Housing Infrastructure Fund (HIF) that had been launched in July 2017.

2. The Current Position and Next Steps

- 2.1 The Housing Infrastructure Fund had two strands:
 - a. A Marginal Viability Fund of up to £10 million grant funding targeted at lower tier Local Authorities to assist with the delivery of specific sites.
 - b. A Forward Funding element of up to £250 million grant funding focused on strategic and high impact infrastructure proposals that was targeted at Combined and Upper-Tier Local Authorities.
- 2.2 Selby District Council submitted a Marginal Viability Fund proposal at the end of September 2017 to support the delivery of the Olympia Park site based on a comprehensive scheme accessed from the Selby By-Pass This bid was supported by Nigel Adams MP; the York, North Yorkshire and East Riding LEP, Selby College and the landowners/agents who control the central and eastern parts of the site. North Yorkshire County Council submitted a separate Forward Funding proposal to support the delivery of 7 sites in Selby, including Olympia Park.
- 2.2 The Council was advised on the 1 February 2018 that its Marginal Viability bid had been successful based on the £8.878 million requested. The HIF funding may be supplemented by additional investment from the York, North Yorkshire and East Riding LEP (up to £1.2 million agreed in principle) and the West Yorkshire Combined Authority.
- 2.3 The Government is expected to announce the successful Forward Funding schemes later this year, but these bids will be subject to a two stage due diligence process with funding unlikely to be finally approved until 2019. The

Forward Funding bid submitted by North Yorkshire County Council did include additional investment for Olympia Park. Although some of this funding duplicated the Marginal Viability proposals as a contingency, additional investment was targeted at flood mitigation measures, site preparation works, cycle/pedestrian connections to the town centre (including a bridge over the River Ouse) and education provision.

- 2.4 The emerging alternative proposals for the Olympia Park site seek to develop a comprehensive mixed use scheme accessed from the Selby By-Pass. Subject to further discussions with Planning the proposed scheme could deliver up to 1,500 homes, 24 ha of employment land (including some potential higher value uses); a new Neighbourhood Centre, new Primary School and associated open space.
- 2.5 The Marginal Viability Housing Infrastructure Funding will have a major impact on accelerating the delivery of the site, targeting funding at the construction of highway infrastructure; potentially assembling the western part of the site (currently owned by ForFarmers/Three Swans) and contributing to the cost of site preparation works. The specific allocation of funding from Homes England and the LEP will be subject to further discussion.
- 2.6 Although the funding will be routed through the Council, how the work is actually commissioned is still to be determined and will be subject to further discussion with Homes England and the prospective developers of the site
- 2.7 The next stage will be for the Council to respond to final clarification points that Homes England are due to issue in the week commencing the 12 March 2018. Subject to these points being addressed it is anticipated that the funding will be released in the summer of 2018.
- 2.8 The Housing Infrastructure Funding has to be contractually committed by the 31 March 2021. In order to achieve this critical deadline the Council will be working collaboratively with all of the landowners to prepare a comprehensive, integrated plan for the site.
- 2.9 At this stage it is anticipated that a revised planning application will be submitted at the end of 2018 with a view to work on the infrastructure commencing in 2019.

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 22 February 2018.
- 3.2 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

- 3.3 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.
- 3.4 This HIF funding is for capital works and the acquisition of land and it will not cover staff resources or holding costs if the Council pursues the potential purchase the ForFarmers/Three Swans interests. Assessment of these costs will be undertaken as part of the business case. There is £200k of funding allocated to help deliver Olympia Park in the existing Programme for Growth. .

Impact Assessment

- 3.5 The development of a more comprehensive, integrated scheme for Olympia Park will bring considerable benefits for the town in terms the provision of over 1,000 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.
- 3.6 A scheme of this size will also include the development of new education and community facilities around a new neighbourhood centre, new and replacement open space and replacement allotments. These will benefit both new residents and workers but also benefit neighbouring areas too.

4. Conclusion

- 4.1 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.

5 Background Documents

Appendix A - Olympia Park – Update on Progress and next steps

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