

REPORT TO EXECUTIVE

Date of Meeting: 9 July 2019

Report of: Chief Executive & Growth Director

Title: Liveable Exeter Garden City

Is this a Key Decision?

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

No

Is this an Executive or Council Function?

Council

1 What is the report about?

- 1.1 In May this year the Housing Minister confirmed the Exeter and East Devon bid under the Garden Communities programme was successful and we joined the list of communities that were designated Garden Communities. Initial funding of £750,000 was identified by Ministry of Housing, Communities and Local government (MHCLG) to support the authorities in delivering the programme. This report seeks approval to create a post of Project Director to support Liveable Exeter Garden City, a core team of three further posts: a commercial surveyor, a planning officer, and a project manager post; and the report seeks authority to put in place governance arrangements to direct and oversee the programme.

2 Recommendations

- 2.1 1. That Executive recommend and Council approve the creation of the Post of Project Director (Liveable Exeter Garden City)
2. That delegated authority be granted to the Chief Executive & Growth Director to make necessary amendments to the Job Description and reporting lines in the light of comments that may arise from Homes England and our sub-regional partners.
3. That Executive recommend and Council approve the creation of the following posts: Project Manager (Liveable Exeter Garden City); Commercial Surveyor (Liveable Exeter Garden City); Planning Officer (Liveable Exeter Garden City).
4. That Executive recommend and Council approve the establishment of a board to oversee the Liveable Exeter Garden City programme, the proposed composition of the Board and the draft terms of reference to be delegated to the CE&GD in consultation with the Leader of the Council and to be reported back to Executive at a future meeting of Executive.
5. That Executive recommends and Council approves a budget of up to £750,000, to be funded by an Earmarked reserve, set up for this purpose.

3 Reasons for the recommendation

- 3.1 Liveable Exeter was launched last year as a transformational Housing Programme to deliver a minimum of 11,000 dwellings over the next twenty years. It reflected a desire to increase housing provision within the established built up area of the city, to increase housing densities and to support ambitions for active lifestyles. The focus is on supporting aspirations for active travel reducing the need to travel by car, and thus prioritising pedestrians, cyclists and then public transport. It recognises the important role of design

quality and bringing forward Council owned assets. The Principles are intended to support the city's aspirations to be a leading city in the field of meeting urban challenges especially tackling carbon emissions. The programme is intended to drive at pace house building within the city and recognises the severe housing land supply problem in the city. It further recognises the challenge in finding housing land within the boundaries of the city and therefore requires redevelopment of brownfield land as the priority. This requires land assembly, master planning and an interventionist approach to development. Capacity and specific development skills are therefore essential. Homes England and the MHCLG have provided support in the form of the designation as a garden community that opens up funding and support. An initial £750,000 has been provided to inject pace in bringing forward the programme. In the spirit of this funding this report seeks authority to put in place the officer support and to begin the work of formalising a governance arrangement to support the delivery.

- 3.2** The Garden Community work reflects the mature partnership work that has been taking place for over a decade with East Devon DC, Teignbridge DC, and Devon County Council, and in recent years with Mid Devon DC. The Garden Communities designation was informed by a joint bid that showed 20,000 homes over the next twenty years between Exeter and East Devon, with Exeter delivering 10,000 homes. The bid was also informed by the emerging work on the Greater Exeter Strategic Plan. The timetable for the production of the Plan has slipped and there is clearly a need, post the recent local elections, for all councils to take stock in relation to the emerging plan and the process going forward. It is envisaged this also includes the arrangements for the garden communities programme as it effects East Devon and Teignbridge. Nevertheless it is important to the sub-region and the city that momentum is maintained and in the light of the acute housing supply problem in the city it is vital that the city drives the programme as it relates to the city. By establishing the Project Director Post and putting in place a governance board the City Council can ensure that momentum is maintained and as, and when, East Devon and our partners are in a position to commit to firm proposals we will be able to respond accordingly.
- 3.3** These arrangements require discussions with Homes England and our local partners and in the light of experience elsewhere in the country, the CE&GD will want to respond in an agile fashion to comments and to negotiate governance arrangements with local, regional and national partners. There are formal and informal arrangements in place for the Greater Exeter Growth Agenda and there is joint statutory Committee for all councils in the Heart of the South West that is addressing productivity, housing and growth. Increasingly focus is shifting from plan making to delivery and this initiative is an important initiative not just for the city but also for the region. It points the way for the Heart of the South West in providing alignment of the Local Industrial Strategy, the productivity plan, and housing delivery.
- 3.4** The Sub-regional and regional governance arrangements that are in place are unlikely to be effected by the delivery vehicle for the Liveable Exeter Garden City. The terms of reference for the Programme will focus on delivery and the challenge of bringing forward at pace the land for house building. The new board will need to address the whole development process from potential compulsory purchase orders, through to land acquisitions, land assembly and infrastructure provision, master planning and development briefs, making planning applications, community engagement, green infrastructure, marketing and communications, procurement and public value/social inclusion initiatives, skills development and alignment with employment and growth agendas.
- 3.5** The Cabinet Office supported the One Public Estate bid that included proposals for an Exeter Development Fund and master planning for St David's Station site. Both proposals are directly relevant to the Liveable Exeter Garden City Programme. Both demonstrate the need to deploy innovation to bring forward the right type of developments and recognise

the limitations in the current approaches to development. In recognition of this the terms of reference for the Liveable Exeter Garden City Board will want to be broad enough to embrace such matters. Equally, I would encourage a broad mix of partners at board level that can bring innovation and buy-in from national bodies as well as regional and local partners. Examples of this would be inviting a national presence on the board from Sport England (as our Local Delivery Partner), Homes England, the RIBA (Future Places), and possibly Arts Council England; and locally it would be good to have the key stakeholders in the city that align our Local Industrial Strategy ambitions with Liveable Exeter Garden City, and have a shared goal in delivering: health outcomes, social mobility, and carbon neutral Exeter. The focus of the board has to be about delivery, removing barriers to developing homes and jobs and making great places. Holding on to high standards for design and championing qualitative aspects of development can be a critical friend to the formal statutory planning system. A delivery vehicle provides confidence for funding initiatives to be channelled through the structure, it provides a mechanism for accounting programme management and improved communication between key stakeholders in the city. A programme board engenders confidence and this is important when bidding for future funding and securing private investment and national recognition. The proposed board is not intended to replace the formal planning responsibilities of the Council. The work is complementary to the formal planning processes and reflects that much of the work that will be required precedes the formal planning application stage. Indeed, typically the planning application stage is just one part of the development process.

4. What are the equality and diversity impacts of this decision?

- 4.1** This report seeks to provide capacity and a governance arrangement to oversee the programme. This will provide skills and resources to improve the quality of development; this will assist with equality and diversity impacts. Social justice/social inclusion is something we will wish to build into the programme. In time, individual development briefs and schemes will require assessment against policy and design guidance to take into account the equality and diversity impacts.

5 What are the resource implications including non-financial resources

- 5.1** The Liveable Exeter Housing Transformation programme identified the considerable resources that would be required to support the housing programme, in addition to the funding challenge of bringing forward development, such as infrastructure provision, the capacity of staff to support an accelerated provision of housing on numerous sites at the same time is a major constraint. The capacity of City Development and the City Surveyors team to bring forward numerous assets for the purpose of housing is severely constrained by the lack of staff. There is also the question of particular skills that are required to support a more positive proactive approach to bringing forward land. Whilst we have the necessary skills in house to handle CPOs, land assemble, joint ventures etc, we don't have sufficient numbers of staff in these specialist areas. We would normally address such matters by employing consultants, but we don't have budgets available for such work and it is appropriate to consider whether it is better to employ a core number of staff supplemented by technical support as the preferred approach to progressing the programme. The programme will also impact on support services such as legal and finance and again there is no capacity to support this programme.
- 5.2** The initial funding to build the team has come from MHCLG and, based on the approach we have pursued with the established Exeter & East Devon Growth Team, once a core team is in place the development of the programme will create opportunities to gain revenue funding to support the team in the longer term. The Council's budget does not include funding for the team.

5.3 This report envisages a core team of four posts that would be supplemented by a consultants' budget. There are a number of pressing matters that would be best progressed by way of consultants, such as: A master plan/development brief (including scale and massing) for the comprehensive development of the Water lane area of the city; and a study on an additional crossing of the canal to assist with active travel options in the Water lane area. This will allow for greater flexibility in the short term until we have greater confidence about the on-going funding to support the team. The team will work closely with the City Development team, the HRA team, the City Surveyors team; Exeter City Living and the Sport England Local Delivery Team. There will need to be a negotiation with our partners on the amount of funding that will be available. The original bid was made jointly and there will be a reasonable expectation that funding will help assist progressing the wider agenda. Therefore, assuming the funding of the core team is covered by this funding the remaining funding would be available for the other authorities and therefore no further commitments will be made on this £750,000.

6 Section 151 Officer comments

6.1 There is a total of £750,000 available. Once this money runs out, the posts will either have to be removed or alternative funding identified. If no external funding is identified, the funding of the posts will require additional savings to be identified.

7 What are the legal aspects?

7.1 The funds for this programme are limited to £750,000. Therefore consideration will need to be given to whether the proposed new posts are to be offered on the basis of, for example, fixed term contracts or by seconding existing employees to the posts. As noted by the section 151 officer, if the posts are permanent then alternative funding will need to be identified, or the posts removed. In the event that the posts are for two years or more, they will attract a right to redundancy payments. Accordingly it may be necessary to factor in potential redundancy costs. The Council's HR services will provide support on this aspect.

Consideration will also need to be given to accommodation and IT support for the programme team which will need to be considered in the context of the Council's move to Agile and Flexible working.

With regard to the proposed board to oversee the Liveable Exeter Garden City programme, support will be provided to the Chief Executive and Growth Director and Leader from the Council's Legal Services and Democratic Services in order to set up the board and draft the Terms of Reference and procedural rules for the board.

8 Monitoring Officer's comments

8.1 This report raised no issues for the Monitoring Officer save for the legal aspects noted above.

9 Report details

9.1 Garden Communities is the collective name for new garden villages, towns and cities, chosen by the Government to demonstrate successful approaches to large scale housing led development. Part of the government's plan to bring forward a long term pipeline of sites to meet growing housing needs in England and contribute towards the target of building 300,000 homes each year by the mid 2020's. The aim is to encourage proposals for ambitious, locally supported, new garden communities that will deliver housing growth at scale where homes are needed most local authorities with their partners identify projects which the government and Homes England can back with funding, direct support, advice

and brokerage. Garden Communities should be rooted in ‘Garden City’ principles and exemplify high quality design and place making together with innovative approaches to delivery and stewardship.

- 9.2** On 25 March 2019 five brand new garden towns were unveiled by Kit Malthouse: Grazeley in Wokingham; Meecebrook in Staffordshire; Hemel Hempstead; Uttlesford in Essex and; Ashchurch in Tewkesbury. One additional Garden Town has also been announced following the May local elections for the Greater Exeter area. Each local authority has received £750,000 of funding to develop bespoke plans necessary to fast-track delivery.
- 9.3** Homes England/MHCLG are looking to develop a consistent approach to supporting new Garden Community projects. Support work includes further work to undertake project appreciation, diagnostic of issues / barriers / opportunities and developing a multi-disciplinary approach. They will help develop a Project Delivery Plan to capture priorities on spend, Homes England role and support tasks include identifying any opportunities for aligning with other Homes England land and investment priorities and any links to other government programmes and implement and monitor the Project Delivery Plan.
- 9.4** The successful delivery of Liveable Exeter Garden City requires the City Council to address staff capacity, skills and project management arrangements. We are fortunate in having a good local example in the form of the Exeter and East Devon Growth Point team that shows what can be achieved with dedicated resources and a formal governance structure. Homes England and MHCLG will require evidence that steps have been taken to put in place the required resources, hence the initial funding that has been made available.
- 9.5** A comprehensive housing programme delivered at pace requires significant resources, whilst much of the existing staffing available to the Council’s services related to housing and development will be supporting the programme. There is absolutely no capacity available to deliver a transformational programme. Whilst our staff are familiar with change and perform under pressure and against tight timetables, anyone familiar with the redevelopment of the bus and coach station site, or prior to that Princesshay, will be aware of the significant resources required to deliver comprehensive redevelopment schemes involving joint ventures. Land assembly, involving potential CPOs and complex deals, sometimes requiring existing uses to be churned out from one site to another, and requiring relocations, service diversions, highway stopping up orders etc, when undertaken on a number of sites simultaneously places significant burdens on the existing staff resources. Therefore without a dedicated team to support this housing programme we will fail to deliver at the pace required. We need a step change in delivery to satisfy the planning inspectorate that our housing transformation programme, that seeks to meet the housing needs of Exeter within the municipal boundaries and by so doing preserve the high value landscapes of our ridgelines and valley parks, is viable and sound. Moreover, Members want to be in a position to build new council housing on HRA land and to take advantage of the Government’s willingness to allow the council to borrow against the councils housing assets. Considerable resources will be required by City Development and the HRA to develop that agenda. The Director is looking at the resources required to develop our HRA agenda. The Liveable Exeter Garden City Team would be additional to the staff required to bring forward a more ambitious Council housing programme, and then there is the work of the Exeter City Living development company, again complementary but different from the Garden City programme. These initiatives all support the housing ambitions of the City Council and have a role to play with the Garden City and shortly we will be able to capture the role both will play in meeting the Garden City programme.
- 9.6** The Garden communities bid was made on behalf of the sub-regional partners and the Government announcement reflects this with 20,000 homes being announced. The approach I have adopted with this report is to leave open the door of how the neighbouring

authorities wish to progress the agenda, but to press on explicitly in relation to the city. The city's commitment is at least 10,000 homes but our ambition is for more. Therefore by getting on with delivery of the Exeter's programme we have a bit of time for our neighbouring authorities to confirm their approach to the remaining 10,000 homes. This may well come through the more formal GESP work. As, and when, our neighbouring authorities are in a position to confirm we can take a decision on the working arrangements and governance. My judgement is that we need to get out of the blocks and convince MHCLG and Homes England that we are pressing on with the task of housing delivery. This is a competitive process and we cannot afford to lose out. It is also important to note that housing land supply in Exeter is not acceptable and we can no longer wait for the sub-regional position to be settled. We have to progress our agenda, but it should be possible to do so sensitively to the sub-regional agenda.

- 9.7** Turning now to the question of governance for Liveable Exeter, there is good history of partnership working in the locality. But this has been on the basis of informal arrangements and the delivery of a legacy set of projects that have come through from previous strategic plans. The Greater Exeter Growth and Development Board has been meeting in shadow form for over a year under the Chairmanship of Mark Goodwin, the Deputy Vice-Chancellor of the University of Exeter. The establishment of the Board followed the signing of a Memorandum of Understanding between Exeter CC, East Devon DC and Teignbridge DC in 2014. This was followed by the decision to move ahead with the production of a single strategic plan for the Greater Exeter area. This was agreed between the four district councils and the County Council. Collectively this signals the desire of the partners to work collaboratively on a number of areas related to the future growth and development of the Greater Exeter area, a geography which reflects functioning housing and labour markets.
- 9.8** At the last Board meeting in December 2018 it was resolved that the Board should move forward as a statutory joint committee with a focus on delivering a transformational agenda. This was not actioned and circumstances have changed. There has been a delay with the progress of the GESP, there have been changes at the local elections in May 2019 and all district council leaders have changed. Whilst there is still a willingness to work together in the spirit of co-operation to advance a sub-regional agenda, the need to provide a governance vehicle for Liveable Exeter Garden City is pressing and needs to be resolved. Given the time it has taken to resolve the governance arrangements for Greater Exeter, we could be many months away from concluding formal governance arrangements for Greater Exeter.

Purpose of the Liveable Exeter Garden City Board

- 9.9** The key purpose of the Board is to be the vehicle through which Exeter will ensure that the desired transformational housing agenda known as Liveable Exeter Garden City is achieved. To support Exeter in its mission to be recognised as a leading sustainable city and global leader in addressing the social, economic and environmental challenges of climate change and urbanisation.
- 9.10** The overarching aim of the Board is to provide its constituent Local Authorities (Exeter and Devon County Council) and partners with a forum in which to address collaboratively issues relating to housing delivery, place shaping, economic development, clean growth, and carbon neutral development at a city and sub-regional level and to enable collective decision-making on issues that require agreement from the constituent authorities and other key public sector stakeholders.
- 8.11** For the avoidance of doubt these terms of reference are not to be read as incorporating any Executive functions and each constituent

Authority shall retain the capability to exercise all executive functions generally and specifically in relation to housing, economic development, strategic spatial planning and strategic transport planning. Further, these terms of reference are not to be read as entitling the Board to bind, either financially or contractually, any constituent Authority.

Vision/objectives

- 9.12**
1. Develop and facilitate collaboration between the constituent authorities in delivering the Liveable Exeter Garden City transformational housing agenda; the discharge of functions relating to housing, place-shaping, economic development, strategic planning, clean growth; and carbon neutral development in the context of supporting the Garden City programme.
 2. Develop, agree and own a collective vision for the Liveable Exeter Garden City that aligns with the Local Industrial Strategy and the golden opportunities for transformational growth and productivity.
 3. Seek agreement on local priorities and targets and advise partners on matters of collective interest
 4. Contribute to the achievement of Active and Healthy Lifestyles, and sustainable development by;
 - a. ensuring that local people can gain access to employment and housing opportunities,
 - b. tackling congestion and accessibility
 - c. enhancing natural capital and protecting wildlife habitats
 - d. transitioning to carbon neutral city

Strategy

- 9.13**
5. Support the delivery of the Garden City programme by;
 - a. providing a forum at which to consider key strategic and delivery issues collectively
 - b. being responsible for tackling the obstruction to delivery, providing a ring master role to address barriers to delivery and funding infrastructure
 - c. ensuring partners have a forum to explore opportunities to problem solve and engage public and private sector partners ;
 6. Develop the strategy to address social mobility and inclusion ensuring all residents of the city benefit from Liveable Exeter Garden City.
 7. Develop and set joint investment strategies for the city and sub-region and to keep the same under review;

Partnership

- 9.14**
8. Act as a single point of contact with Government and its associated Departments and Agencies with regard to Exeter
 9. Inform the work of the Heart of the South West Joint Committee in terms of communicating priorities and guiding the delivery of the Local Industrial Strategy and productivity plan

Funding and delivery

- 9.15**
10. Act as a single point of contact with Government and its associated Departments and Agencies with regard to Exeter
 11. Inform the work of the Heart of the South West Joint Committee in terms of communicating priorities and guiding the delivery of the Local Industrial Strategy and productivity plan.

12. Develop an Infrastructure Plan in support of the Liveable Exeter Garden City and as and when required the Greater Exeter Strategic Plan and associated sub-regional Transport Strategy
13. Consider and prioritise bids for external funding, including leading on housing, industrial and other appropriate deals.
14. Lead and co-ordinate liaison with the Homes England (HE) to develop plans to Exeter's share of HE development programmes and contribute to any related interaction with Government agencies
15. Consider, approve and implement decisions relating to Exeter and as appropriate sub-regional investment, including expenditure of external funding within the sub-region;
16. Develop and encourage a co-ordinated approach within the sub-region to inward investment, skills development and other economic development programmes;
17. Approve and monitor the implementation of a detailed work programme

Meetings

9.16 The Board would meet formally three times per year.

10 How does the decision contribute to the Council's Corporate Plan?

10.1 Liveable Exeter helps deliver the key strategic priorities set out in the Corporate Strategy 2018-21: Building Great Neighbourhoods, Promoting Active and Healthy Lifestyles, and Tackling Congestion and Accessibility. The Exeter Vision 2040 has informed the approach to the Transformation Housing programme.

11 What risks are there and how can they be reduced?

11.1 The biggest risk to the programme is the lack of resources to support the ambition. This report begins to address the matter. There is the risk that further funding is not forthcoming from MHCLG or Homes England and therefore the Council would need to assess how it would wish to proceed. In the absence of this initiative the City Council will be under immense pressure to explain how it intends to deliver the housing targets required by Government. In such a scenario the City Council will be expected to solve the problem at our expense. At least the current approach through showing leadership and ambitions invites Homes England and others to work with us and this has been acknowledged by the admission of Exeter into the Garden Communities programme.

11.2 Providing governance for the programme is one of the key measures to manage the risk that we may fail to deliver the programme. It provides an appropriate management framework to ensure the programme is progressed and barriers to delivery are tackled. Co-ordination and communication across stakeholders working within the city will be improved by having key stakeholders around a programme board. There are numerous forms of delivery vehicles, ranging from informal meetings to formal development corporations with extensive executive powers. There is a case to make that Liveable Exeter would benefit from having decision making powers for certain property matters and policy initiatives such as development briefs etc, but at this stage consent is not being sought for such an approach. There is a review being undertaken of the Council's constitution and it is suggested that a full exploration of the delivery vehicle can be explored as part of that exercise. The priority in the short term is to provide direction for the programme to advise on land assembly and the master developer role, including the competing priorities for investment and how the programme delivers wider city wide outcomes, such as inclusive growth, improved health outcomes and supporting economic growth.

12 What is the impact of the decision on health and wellbeing; safeguarding children, young people and adults with care and support needs, economy, safety and the environment?

12.1 The Liveable Exeter Garden City programme aims to bring forward housing to meet local need in a fashion that is more sustainable and more supportive of wider aims of active and healthy lifestyles, and supporting mixed use neighbourhoods. This report simply seeks to put resources in place in order to assist delivery and securing the outcomes identified in the Liveable Exeter housing transformation document. The Governance Board will provide a mechanism for key stakeholders in the city to shape the delivery of the programme and to ensure we achieve the broader outcomes that will address social inclusion and mobility and ensure the benefits of growth are available to all.

13 What other options are there, and why have they been dismissed?

13.1 The City Council could seek to deliver the programme within existing resources and stick with existing governance arrangements. However, as a requirement of the Garden Communities Programme there is an expectation that the City Council will put in place a delivery team and provide governance arrangement for the programme. The key option is whether this is done with our neighbouring authorities or whether it is done for the City Council's agenda. The fact of the matter is that we will continue to work collaboratively with our neighbouring authorities but presently the City Council is able to publicly commit to this programme and our neighbouring authorities may require some time to work through their approach.

Karime Hassan
Chief Executive & Growth Director.

[Local Government \(Access to Information\) Act 1972 \(as amended\)](#)

Background papers used in compiling this report:-

None

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