

REPORT TO EXECUTIVE

Date of Meeting: 6th July 2021

REPORT TO COUNCIL

Date of Meeting: 21 July 2021

Report of: Liveable Exeter Programme Director and interim City Development lead.

Title: Liveable Exeter – Garden Communities and One Public Estate funding awards

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1. This report:

- Provides a high-level update in terms of the Liveable Exeter programme – focusing on the grant funding recently secured to progress the Liveable Exeter programme;
- Seeks approval to spend the recently secured grant-funding to support the progression of the Liveable Exeter programme; and
- Seeks approval for the creation of new posts within the Liveable Exeter programme team in order to increase capacity to support the progression of the programme and deliver key work outputs utilising the approved funding.

2. Recommendations:

That Executive note and Council approve:-

- 2.1. the successful application for, and receipt of, Garden Communities capacity funding to support the Liveable Exeter programme and approves a budget of up to £475,000, to be funded by an earmarked reserve, to progress work related to the Liveable Exeter programme;
- 2.2. the successful application for, and grant of, One Public Estate funding to support the progression of feasibility and technical work on Marsh Barton in line with the Liveable Exeter vision and approves a budget of up to £150,000, to be funded by claims to Devon County Council as lead partner , in order to progress the work; and
- 2.3. the creation of 2 new, fixed-term posts within the Liveable Exeter team to be funded utilising a proportion of the Garden Communities capacity funding.

3. Reasons for the recommendation:

- 3.1. The Liveable Exeter programme is the Council's transformational housing delivery programme – aimed at supporting the delivery of up to 12,000 new homes in inclusive and sustainable communities in order to meet the forecast housing need of the city in to the future. Approval for expenditure of the grant funding will support the progression of the Liveable Exeter programme in a timely fashion and will support the Council in achieving its strategic objectives, including the realisation of the Exeter 2040 Vision and the commitment to achieving net-zero status.
- 3.2. The progression of the work will also be valuable to the Council in terms of informing and supporting the development of the new Exeter Local Plan.
- 3.3. Provision of additional resource within the Liveable Exeter programme team will ensure that sufficient capacity and expertise exists within the team to deliver high-quality output in a timely manner and in accordance with key milestones and objectives. At present, sufficient capacity does not exist within the team to execute the emerging indicative work programme in the most expeditious manner.

4. What are the resource implications including non financial resources?

- 4.1. Grant funding totalling £625,000 (£475,000 Garden Communities capacity funding and £150,000 One Public Estate funding) has been secured to progress work related to the Liveable Exeter programme and fund the Liveable Exeter programme team. This is section 31 grant, although it should be noted that an element of the OPE funding (£30k of the £150k) is in the form of a repayable 'sustainable loan'. The repayable loan element will become due for repayment in March 2024 but bears no interest charge.
- 4.2. The intention is for this repayable amount (£30k) to be split between the public sector beneficiaries of any of the OPE-funded work undertaken on Marsh Barton. However, should it not prove possible to reach agreement on this, provision will be made to ensure that the repayable element of loan can be repaid by the deadline without impact on other Council services or budgets.
- 4.3. As with the previous round of Garden Communities capacity funding (secured in 2019), this funding is again capped and will therefore only support the activity of the programme team for a set period. The expectation is that this will be for a 12 month period. In a similar manner, the One Public Estate funding will fund a set scope of work in relation to Marsh Barton and, once the work is completed, no further funding will automatically be available to continue work. It will therefore be necessary for the programme team/ECC to continue to identify and secure additional grant monies to support the continuation of the programme, or for alternative funding sources to be identified to support the continuation of the programme beyond the estimated 12 month timeframe.

- 4.4. In acknowledgement of the limited funding, new recruitment to the programme team will be on the basis of fixed term roles (for 12 months). This will mitigate financial risk to the Council should further funding not be secured.

5. Section 151 Officer comments:

As stated in the report, the £475,000 has been placed in an earmarked reserve and will be drawn down in line with expenditure. The section 151 Officer notes the repayable amount required for One Public Estate and is comfortable that arrangements can be made to fulfil our obligations, should an agreement with partners not be forthcoming.

6. What are the legal aspects?

- 6.1. As set out above, owing to the limited funding, appointments in to roles within the Liveable Exeter programme team will be on a fixed term basis – for 12 months. This will mitigate financial risk to the Council.
- 6.2. In utilising the OPE funding to progress work on Marsh Barton, the authority will be bound to deliver the work to agreed milestones and to achieve outputs/milestones as agreed with OPE. Although indicative milestones have been set out, these will need to be re-based owing to delays in funding announcements. The authority will also be required to provide tri-annual reports via the OPE partnership and monitor outputs generated through the work funded by the OPE partnership.

7. Monitoring Officer's comments:

The two fixed term posts will have to be Job Evaluated in accordance with the Councils' policy.

8. Report details:

- 8.1. The Liveable Exeter programme is the Council's transformational housing delivery programme. It seeks to deliver up to 12,000 new homes in a series of new inclusive and sustainable communities, focused on major brownfield development sites within the city. This way of working marks a distinct change to previous growth strategies which sought to meet housing growth demands within the Greater Exeter area through greenfield development and is consistent with the Council's focus on achieving the net-zero targets and delivering on the Exeter 2040 Vision.
- 8.2. In 2019, Exeter and East Devon were successful in securing entry in to the 'Garden Communities' programme. The Garden Communities programme focuses on supporting Local Authorities which are aiming to deliver significant numbers of new homes built around Garden City principles. Exeter and East Devon were awarded £750,000 of Garden Community capacity funding in order to support the progression and acceleration of the respective Garden Communities projects – with Exeter focusing this capacity funding to support the development and progression of the Liveable Exeter programme.

- 8.3. Council approval for the expenditure of the original grant funding was secured as part of the July 2019 decision, but the report noted that this funding was for a limited time period and that further funding would need to be secured, or an alternative funding mechanism would be required, in order to allow the programme to progress.
- 8.4. Since the original funding award, site-specific work has been progressing across several of the sites identified within the Programme whilst work has also progressed at a strategic, city-wide level. The importance of this work, and of the Liveable Exeter programme as a whole, has increased following on from the decision to proceed with the development of a new Local Plan for Exeter (in light of the decision not to proceed within the Greater Exeter Strategic Plan) and in light of the effects of covid-19, which has highlighted both the need for more quality development, but also the need to support the recovery of our existing urban centres.
- 8.5. With this in mind, the Liveable Exeter programme team have been working with a variety of partners in order to continue to identify potential funding sources and secure additional funding in order to support the continuation and progression of the Liveable Exeter programme.
- 8.6. The 'Garden Communities' status secured by the City and neighbouring authorities' means that the city is eligible to continue to bid for 'Garden Communities capacity funding' from the MHCLG/Homes England programme as further funding rounds are announced. A Garden Communities capacity funding round opened in late summer 2020 and an application was submitted by the Liveable Exeter programme team in early September 2020. Confirmation has now been received that a further award of £475,000 has been granted through the Garden Communities programme to support the continuation of the Garden Communities programme/projects. This funding award is less than originally sought, but is a significant award in the context and scale of the overall Garden communities programme.
- 8.7. Approval is now sought in order to allow the utilisation of this funding and to allow the Liveable Exeter programme team to continue to develop and progress the Liveable Exeter programme. The Garden Communities funding is Section 31 grant money and has already been received by the Council for the purpose of supporting the progression of the Liveable Exeter programme.
- 8.8. An indicative work programme has been developed which will be supported utilising this new grant award. The exact focus of the work needs to be agreed with Homes England, but is expected to focus on developing understanding of the Liveable Exeter sites and in refining the original site proposals developed through the Liveable Exeter Vision document. In addition to this site-specific work, strategic work is also likely to be commissioned to focus on aspects such as flood modelling and place-stewardship models. A significant portion of the funding (circa £250k) will be utilised to fund the Liveable Exeter programme team including, subject to approval, additional staff within the team. This will support

the timely progression of the programme and ensure that the Council is able to meet the objectives of the emerging work plan.

- 8.9. It is worth noting that output generated from within the Liveable Exeter programme will also be useful and relevant to the work of the Local Plans team and will be capable of being used to inform and support the emerging Local Plan. This effective way of working will mean that the Council will be able to derive maximum benefit from the work of the Liveable Exeter programme team and support the timely and efficient production of the new Local Plan.
- 8.10. In addition to the Garden Communities capacity funding, the Liveable Exeter programme team have also been progressing discussions with other public sector partners – including with the One Public Estate (OPE) team. One Public Estate is a partnership between the Local Government Association (LGA) and the Cabinet Office (OGP) and the Ministry of Housing, Communities and Local Government (MHLCG). The joint aim of the partnership is to bring public sector bodies together, to create better places by using public assets more effectively, creating service and financial benefits for partners and releasing land for housing and development.
- 8.11. OPE have various funding streams available, but there is a great deal of synergy between the work of the OPE programme and the Liveable Exeter programme – especially in terms of promoting the efficient re-use of brownfield land within public sector ownership.
- 8.12. In September 2020, Phase 8 of the ‘One Public Estate’ programme opened for bids and the Liveable Exeter programme team developed a bid, focused on Marsh Barton. The proposal for the work was to take the original high-level vision work, completed by LDA design, and further develop this concept work with a particular focus on identifying and addressing key constraints to redevelopment, identifying options and costs for strategic infrastructure interventions which would be capable of delivering the redevelopment of this area in the future in line with Exeter’s Vision 2040 and net-zero ambitions.
- 8.13. An important element of the work will also involve considering how public sector land ownerships within the vicinity of Marsh Barton can be consolidated, rationalised or relocated in order to accelerate the timely release of public sector land assets within the area – in line with the Liveable Exeter Vision.
- 8.14. The bid was submitted, via the OPE Devon partnership, in November 2020 and the City Council has now received formal confirmation that it has successfully received a grant award of £150,000 – which will be held by the partnership accountable body (Devon County Council) and paid upon proof of defrayal by ECC in relation to the Marsh Barton commission. An element of this grant (£30,000) is in the form of a repayable loan whilst the majority (£120,000) is grant money. Provision will be made to ensure that this repayment can be accommodated without creating impact on existing Council budgets/finances and the Programme team will seek to reach agreement with other public sector

landowners so that the loan repayment is split between partners/beneficiaries from the work. Repayment of the loan element is due no later than 31st March 2024.

- 8.15. The exact scope for this work needs to be refined and developed, but it is expected that a multi-disciplinary team will be commissioned via a procurement framework in order to undertake the wide ranging scope of works.
- 8.16. As part of the work, ECC will be required to report on expenditure and progress against agreed milestones via the OPE Devon partnership three times a year. The milestones for the work need to be agreed with the OPE partnership, but final output is expected around 12 months after appointment of the consultancy team.
- 8.17. Again, this work will be useful in terms of its application to the Liveable Exeter programme, but also in supporting the development of the new Local Plan. Having a good understanding of the opportunities and challenges associated with the long-term redevelopment of the Marsh Barton area will also mean that the city council, and its partners', are in a good position to be able to develop and evidence bids and business cases to support applications for government grant funding and infrastructure investment – likely to be required in order to unlock a strategic project of this scale, complexity and nature. It also allows the city council and its partners to act in a coordinated and strategic manner in order to realise shared objectives.
- 8.18. In order to support delivery of this work (the OPE project and the work focused on the wider programme), additional resource will be required within the Liveable Exeter programme team. The original (July 2019) decision relating to the Liveable Exeter programme approved the creation of 4 posts within the Liveable Exeter team. These posts were; Project (Programme) Director (occupied), Project Manager (not occupied, currently advertised), Commercial Surveyor (not occupied) and Planning Officer (not occupied.) In order to support the progression of the programme, approval is now sought to delete the un-occupied posts (Commercial Surveyor and Planning Officer) to instead include an additional Project Manager (likely Grade K) and a Communications and Marketing lead (Grade tbc). These two 'new' posts and the existing project manager post would be for roles on a fixed term (12 month) basis, reflecting the fact that the programme currently has limited funding and can therefore only offer certainty for a limited time period. The costs of the 4 posts would then be covered from within the Liveable Exeter budget.

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

- 9.1. Approval of the recommendations set out within this report and the progression of the Liveable Exeter programme will;

- Support the Council in delivering the emerging Exeter Vision 2040 – providing services and developments that help build on Exeter’s growth and success and meet local communities’ aspirations.
- The programme will also support the three strategic programmes/work priorities identified by the Council by;
 - Tackling congestion and accessibility;
 - Delivering Net Zero Exeter 2030;
 - Promoting active and healthy lifestyles; and
 - Building great neighbourhoods.

9.2. The decision is therefore in line with the Council’s Corporate Plan.

10. What risks are there and how can they be reduced?

- 10.1. There are risks associated with the recommendations set out within this report but, generally speaking, these risks are reduced and mitigated through the recommendations set out versus a scenario where the recommendations are not implemented. The main risks identified are;
- Failure to progress project level and programme level work to support delivery of the programme in a timely fashion or to achieve and support delivery of the 12,000 new homes for the city – this risk is mitigated through the recommendations set out within the report regarding additional resource, but the Liveable programme remains a significant programme to deliver with very limited resource.
 - Failure to work with in conjunction with the Local Plan team in order to support the development of the new Local Plan. This risk will again be mitigated through the approval of recommendations set out within this report – allowing work to progress in relation to the Liveable Exeter programme and supporting the provision of additional resource within the Liveable team to undertake this work.
 - Failure to work with partners’ to progress the Liveable Exeter programme and achieve strategic city and corporate objectives. This risk will be mitigated by on-going close working with partner organisations, supported by additional resource, but is also supported through the governance of the Liveable Exeter programme and the collaborative approach facilitated through the Liveable Exeter Place Board.

11. Equality Act 2010 (The Act)

11.1. Under the Act’s Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people’s needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

- 11.2. In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.
- 11.3. In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.
- 11.4. In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because:
- The work is predominantly high-level programme technical and feasibility work which will underpin the development of future communities within the city;
 - Proactive consideration will be given to how to deliver positive impact through the design and development process, and;
 - Due consideration will be given to any impacts identified as arising from development proposals through public engagement and planning processes and officers, elected members and residents will have the opportunity to comment on any emerging development proposals to raise issues of interest or concern.

12. Carbon Footprint (Environmental) Implications:

- 12.1. The recommendations set out within the report will have a significant and positive impact upon the city's drive towards achieving its net zero ambitions. Inherent within the Liveable Exeter programme is commitment towards delivering sustainable and inclusive new communities, and developing existing communities, by facilitating the delivery of new strategic infrastructure and other key interventions. This will, for example, mean a focus on promoting and facilitating active and sustainable travel initiatives and interventions which seek to ensure the modal shift to deliver on the city's active and sustainable travel ambitions.
- 12.2. The nature of the Liveable Exeter programme, anchored around Garden City principles, and the alignment of the programme to the Exeter 2040 Vision, generally means that the programme is in an excellent position to be able to drive positive development within the city which is aligned with the broadest range of carbon reduction and sustainability initiatives.

13. Are there any other options?

- 13.1. Other options are available, although are not recommended. Options include:

13.1.1. Do nothing – do not actively progress any Council work in relation to the Liveable Exeter programme. This would likely result in the private sector seeking to promote sites which are easier to deliver, both inside and outside of the city, but which would not meet the city’s ambitions around delivering sustainable and inclusive mixed-use developments within the city. This would also have an adverse implication in terms of the emerging Local Plan.

13.1.2. Do something – progress the Liveable Exeter programme, but adopt more of a passive approach rather than a proactive approach. This would reduce the level of resource required to support the programme, but would have a negative impact in terms of the Council’s ability to accelerate development and control outcomes. This would again have implications in terms of the Council’s ability to meet its forecast housing need, in terms of the quality of outcomes for residents and businesses and in terms of the development of the new Local plan.

13.2. The proposed approach is therefore believed to be the most appropriate to meet the Council’s strategic ambitions.

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Author: Richard Marsh, Liveable Exeter Programme Director and interim City Development lead.

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

- Report to Executive: “Liveable Exeter Garden City”, dated 9th July 2019.

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