

Development Sub Committee



22 April 2024

Title	<i>Development Delivery Strategy</i>
Purpose of the report	To seek approval for the introduction of a Development Delivery Strategy to support decision making in relation to partnership working and disposal opportunities for the Development Portfolio sites.
Report Author	<i>Coralie Holman – Group Head Assets</i>
Ward(s) Affected	All
Exempt	No
Exemption Reason	<i>Not Applicable</i>
Corporate Priority	All Corporate Plan themes
Recommendations	<p>Committee is asked to:</p> <p>1) Recommend to Corporate Policy and Resources Committee to:</p> <p>1.1 Approve the introduction of a Development Delivery Strategy.</p> <p>1.2 Approve the form and content of the draft Development Delivery Strategy attached to this report; and</p> <p>1.3 Refer the Development Delivery Strategy to Full Council for adoption.</p>
Reason for Recommendation	The Council owns a number of sites that have been identified for development purposes to assist with achieving objectives of the Corporate Plan. Having an agreed strategy will support decision making for these sites and assist the decision-making Committees, to benchmark future options for each site.

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> Whilst the Council will no longer be directly developing any of its sites, there is a desire to 	<ul style="list-style-type: none"> The adoption of a Development Delivery Strategy will provide the decision-making Committee(s)

<p>progress development on these sites via partnership arrangements or unconditional disposals.</p>	<p>with agreed criteria against which to appraise offers for future development on Council owned sites within the Development and Regeneration Portfolio.</p> <ul style="list-style-type: none"> Without agreed criteria against which offers for future development on Council owned sites can be appraised it is likely there will not be any consistent decision making resulting in further delays to the progression of sites and continued financial pressure from the holding costs the Council incurs whilst the sites remain in their current configuration.
<p>This is what we want to do about it</p>	<p>These are the next steps</p>
<ul style="list-style-type: none"> Implement a strategy to set key principles but allow sufficient flexibility in order that the Council can take bespoke decisions in relation to each site. A strategy will retain the ability to input into and direct schemes developed on Council owned sites whilst not retaining the construction cost and risk associated with direct development. 	<ul style="list-style-type: none"> Agree the proposal to implement the draft Development Delivery Strategy attached to this report Make a recommendation to Corporate Policy & Resources Committee and Full Council to approve and adopt the Strategy

2. Key issues

- 2.2 The Council owns several pieces of land and property that sit within the Development & Regeneration Portfolio, being one of 3 strategic Asset Portfolios as set out in the Council's emerging Asset Management Plan. The strategic purpose of the Development & Regeneration Portfolio is to *'ensure the Borough remains an attractive place to live, work and undertake leisure activities through the delivery of high-quality affordable housing, social infrastructure and commercial property that meets the needs and requirements of residents and local businesses'*.
- 2.2 The sites within this portfolio focus on achieving the objectives of the Council's Corporate Plan. Many of the sites are proposed for residential development schemes with some ancillary uses to provide affordable housing for the residents of Spelthorne, whereas others are being progressed as part

of a wider regeneration of Staines-upon-Thames Town Centre, to build on the current strength of the town as a retail and economic centre.

- 2.3 In Autumn 2023 the Council took a decision not to undertake any direct development delivery in the short term, instead progressing partnership arrangements to ensure new housing and other uses would be delivered on the sites.

3. Current position

- 3.1 A Member working group was held in March 2024 consisting of Members of the Council's Development Sub Committee, (who are also Ward Councillor representatives from the locations of the development sites), to consider the need and scope of a Development Delivery Strategy that will support decision making for these sites and assist the decision-making Committees to benchmark future options for each site.

- 3.2 The draft Strategy is set out in Appendix 1 attached to this report. The Strategy in summary sets the following principles and objectives:

- Spelthorne Borough Council (SBC) will not undertake any direct development but will deliver its objectives for each site via partnerships with external organisations and partners.
- Each project will have its own project plan and objectives, which will be determined on the specifics of the site i.e. size, location, surrounding buildings, demographics.
- All development proposals will be 'joined up' with the Local Plan objectives, policies, and delivered in accordance with design codes.
- Consultation will be undertaken with local Councillors, and other key stakeholders where new development proposals are being progressed.
- All decisions will be taken by Councillors, who will be involved at key stages of the project, which will be set out as milestones in the project plans.
- Officers will prepare information on all feasible options to include financial analysis of each option against budget and recorded site values and all other key information to assist Member decision making.
- All sites will be openly marketed and/or partners procured to ensure full transparency within decision making around delivery options and to see to obtain best value for money for the Council.
- The Council has a statutory obligation to achieve 'best value' from its sites, which will be considered in terms of financial returns as this in turn relates to the financial resilience of the Council.
- When considering the options for each site, consideration will also be given to on-going holding costs of not proactively progressing delivery options.

- 3.3 The Strategy has intentionally been drafted as a guide to set key principles but allow sufficient flexibility in order that the Council can take bespoke decisions in relation to each site when deciding whether it wishes to partner with external organisations. This flexibility will retain the ability to input into and direct schemes developed on Council owned sites whilst not retaining the construction cost and risk associated with direct development.

4. Next Steps

- 4.1 If this committee agree to the form and content of the draft Strategy in Appendix 1, this will be referred to the Corporate Policy and Resources Committee for approval and to Full Council for adoption prior to being used as the basis for benchmarking and appraising future opportunities to see sites developed whether this is via partnership working or unconditional disposal.

5. Options

- 5.1 Approval of a Development Delivery Strategy in the form attached to this report. **This is the recommended option.** The adoption of this draft Development Delivery Strategy is approved to provide the decision-making committee(s) with agreed criteria against which to appraise offers for future development on Council owned sites within the Development and Regeneration Portfolio.
- 5.2 Approval of a Development Delivery Strategy in principle, but in a different form to the draft attached to this report. **This is not the recommended option** as this draft Development Delivery Strategy has been produced in line with the discussions at the Councillor working group referred to in section 3.1 of this report, which included Members of this Committee and relevant Ward Member representation.
- 5.3 Do not approve the implementation of a Development Delivery Strategy in any form. **This is not the recommended option.** Without agreed criteria against which offers for future development on Council owned sites can be appraised it is likely there will not be any consistent decision making resulting in further delays to the progression of sites and continued financial pressure from the holding costs the Council incurs whilst the sites remain in their current configuration.

6. Financial Implications

- 6.1 Whilst the introduction of this Strategy has no direct financial implications in isolation, the implementation of this Strategy sets out the Council's statutory obligations to achieve best value in terms of financial returns which in turn relates to the financial resilience of the Council.

7. Risk Management

- 2.1 The recommended option put forward by the Officer in terms of approval and adoption of a draft development delivery strategy sets out the rationale which considers risk, in particular to provide a structured approach and set of criteria to support consistent and robust decision making for future development on Council owned sites. Section 5 above sets out some of the associated risks and implications of not having an approved or adopted development delivery strategy.

8. Procurement comments

- 8.1 None

9. Legal comments

- 9.1 The Council has the power to acquire and dispose of land for the purpose of any of its functions (sections 120 to 123 of the Local Government Act 1972).
- 9.2 Any disposal will need to satisfy the valuation requirements of section 123 of the Local Government Act 1972.

9.3 Any agreements required in connection with the development on Council owned sites within the Development and Regeneration Portfolio shall have to comply with the Contract Standing Orders and the Council's duty to deliver best value under the Local Government Act 1999.

9.4 Legal Services (g.legal@spelthorne.gov.uk) will provide advice and assistance with any associated agreements and documentation.

10. Other considerations

10.1 None

11 Equality and Diversity

11.1 None

12 Sustainability/Climate Change Implications

12.1 All development on Council owned sites will need to meet sustainability criteria as set out in the draft strategy document

13 Timetable for implementation

13.1 Immediately if approved.

14 Contact

14.1 Coralie Holman Group Head Assets c.holman@spelthorne.gov.uk

Background papers: Appendix 1 Draft Development Delivery Strategy