

To: City Executive Board

Date: 3 July 2014

Report of: Executive Director of Regeneration and Housing

Title of Report: Oxford Growth: Grenoble Road Urban Extension

Summary and Recommendations

Purpose of report: To advise of a potential partnership with adjoining landowners to pursue the development of the Council's landholding south of Grenoble Road.

Key decision: Yes

Executive lead member: Councillor Bob Price, Board Member for Corporate Strategy, Economic Development and Planning

Policy Framework:

Oxford Strategic Partnership City Economic Growth Strategy (2012)

Recommendations: That the City Executive

1. Approve the principle of pursuing discussions with adjoining landowners for a partnership to deliver development south of Grenoble Road, subject to a detailed report on whether such a partnership would represent best value.
2. Note that if a partnership arrangement was subsequently approved this is expected to require significant funding for specialist consultancy support in the preparation of Local Plan submissions and a planning application, which would be set out in the detailed report.

Appendix 1 - Risk Register

Appendix 2 - Site Plan

Introduction

1. The area south of Grenoble Road has been identified for many years as a potential urban extension to meet Oxford's pressing requirement for housing and employment land to enable economic growth and sustainable residential development.
2. Previously the Panel of Inspectors that independently examined the draft South East Plan recommended that there should be a selective, highly focused review of the boundaries of the greenbelt south of Oxford to consider the need for development.
3. More recently the Oxford Strategic Partnership City Economic Growth Strategy (2012) and the Science Oxford Oxfordshire Innovation Engine report (2013) both identified Grenoble Road as a location to meet the city's need for housing and employment growth. The recent publication of the Strategic Housing Market Assessment now identifies a need for some 30,000 new homes for the city in the period to 2031, where the existing capacity within the city boundary is assessed at around 7-8,000 homes. The strategic case for one or more sustainable urban extensions is clear.
4. The site is located within the South Oxfordshire District Council (SODC) administrative boundary. SODC has opposed the principle of development of the site, which is designated green belt. However, the SODC Local Plan will need to be reviewed within a year to reflect the latest assessment of housing need. The City Council has taken preliminary legal advice which supports promotion of this site for development. It is therefore appropriate to explore the options for pursuing development through the planning process.

Land Ownership

5. The focus for potential development is the land shown hatched on the attached plan, which could accommodate in excess of 4,000 homes. The land totals approximately 166 hectares, of which the Council's total ownership is approximately 35 hectares. The balance of the site is in institutional or operational ownerships. This land sits within the wider boundary of the former suggested urban extension which encompasses some 502 hectares, where the Council owns 105 hectares. The final boundaries of future urban extension are not confirmed at this stage.

Partnership Agreement

6. There have been previous agreements between the City Council and the other landowners. Recent discussions have confirmed in principle that the partners wish to progress an urban extension in this area. The partners now propose to develop a formal agreement which would share the costs, risks, financial benefits and set out a programme.

7. The intention is that Heads of Terms will be drafted and that these will be reported to CEB with a recommendation. It is identified that, if approved, the costs in promoting the land for development through the Local Plan process or pursuing a planning application is expected to exceed £0.5m. These costs would need to be shared between the landowners. A budget would need to be submitted for approval with the Heads of Terms.

Next Steps

8. The proposal is now to obtain external consultancy advice on draft Heads of Terms for a partnership agreement. This would include:
 - preliminary development appraisal and valuation advice
 - planning, environmental and transport advice
 - general masterplanning advice.
9. Draft Heads of Terms for a partnership agreement with the other landowners would be reported to CEB for approval.

Financial Implications

10. The initial consultancy advice for the draft Heads of Terms is funded from existing City Development and Major Projects consultancy budgets and is estimated not to exceed £50,000.

Equalities impact

11. The project will provide an important means to deliver new market and affordable housing, research and commercial floorspace in support of new homes and employment. An Equalities Impact Assessment will be included in a future CEB report for approval of the delivery strategy.

Environmental impact

12. The site is designated green belt. However, our assessment is that quality of area is poor and it is appropriate to review green belt boundaries in accordance with Government policy guidance and the strategic planning context.

Name and contact details of author:

David Edwards
Executive Director, Regeneration and Housing
01865 252394
dedwards@oxford.gov.uk

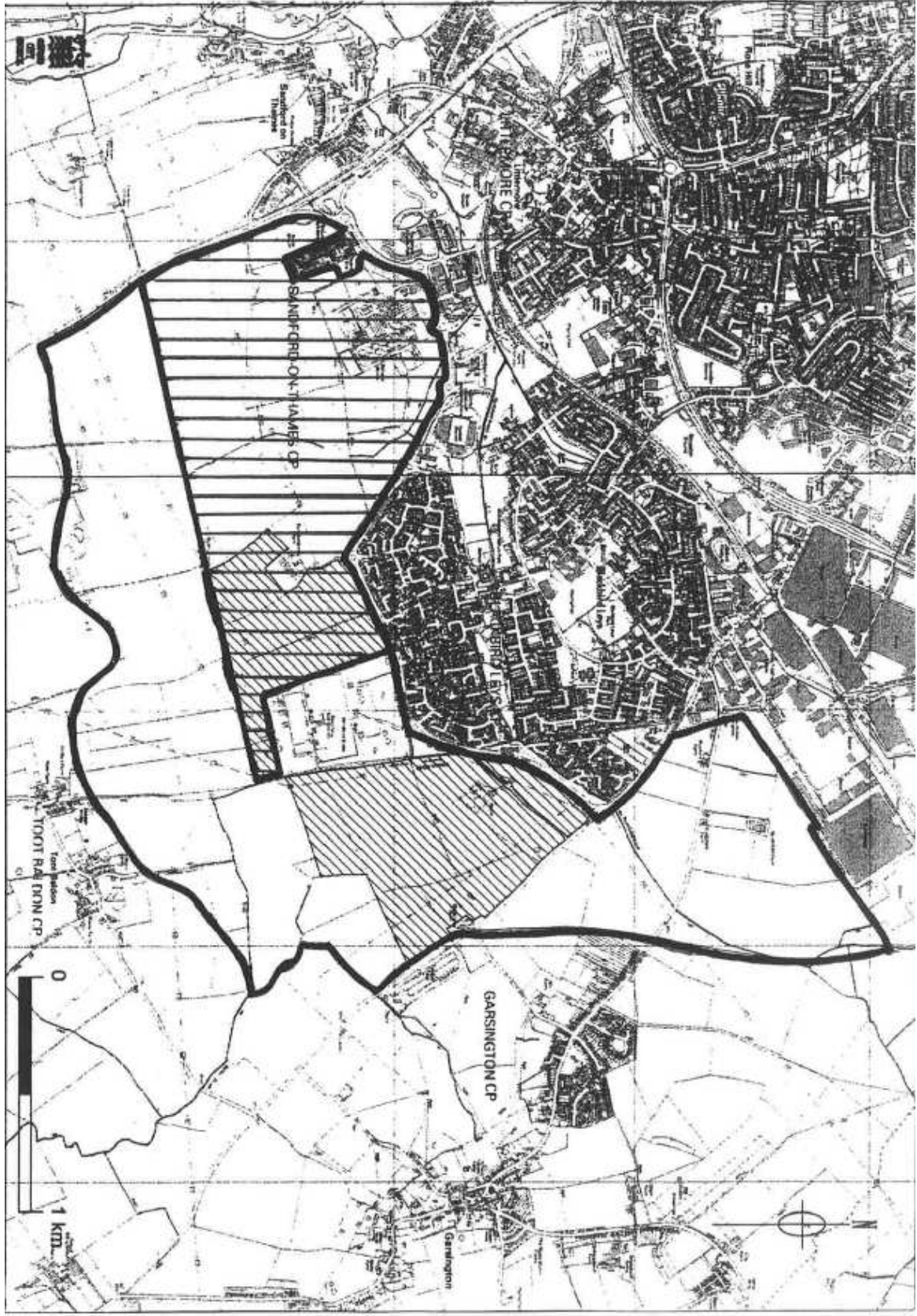
List of background papers: None

Appendix 1 – Risk Register

Risk ID	Risk						Corporate Objective	Gross Risk			Current Risk		Residual Risk		Owner	Date Risk Reviewed	Proximity of Risk (Projects/Contracts Only)
Category -000- Service Area Code	Risk Title	Opportunity/Threat	Risk Description	Risk Cause	Consequence	Date raised	1 to 6	I	P	I	P	I	P				
CEB-001-R&H	Partnership agreement	T	Failure to agree terms	Differing objectives	Delays in delivery	May 14		4	3	3	3	3	3	DE			

34

Risk ID	Risk Title	Action Owner	Accept, Contingency, Transfer, Reduce or Avoid	Details of Action	Key Milestone	Milestone Delivery Date	%Action Complete	Date Reviewed
001	Landholder agreement	DE	Accept & aim to reduce	Negotiate and agree, early testing, alternative approach	Agree draft heads of terms	Aug 14		



This page is intentionally left blank