

North Lanarkshire Council Report

Finance and Resources Committee

approval noting

Ref SCCGA/DT

Date 28/05/20

South Cumbernauld Community Growth Area (SCCGA)

From James McKinstry, Head of Asset and Procurement Solutions

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Executive Summary

The purpose of this report is to seek committee approval to enter into a tripartite consortium agreement for the Palacerigg portion on the SCCGA. This is to support the delivery of a Masterplan for residential development and to seek Planning Permission in Principle (PPiP) for the proposals while working in partnership with identified stakeholders.

Recommendations

It is recommended that the Finance and Resources Committee:

1. Grants approval to entering into a consortium agreement.
2. Notes that any subsequent agreements to aid physical development will be subject to future committee approval.
3. All other terms and conditions to be adjusted by the Head of Asset and Procurement Solutions.

The Plan for North Lanarkshire

Priority Improve economic opportunities and outcomes

Ambition statement (1) Ensure a housing mix that supports social inclusion and economic growth

1. Background

- 1.1 The South Cumbernauld Community Growth Area was allocated within the 2012 Local Plan. Subsequently the Strategic Development Framework (SDF) was approved at the Planning and Transportation Committee held on 15 June 2016. This document provides supplementary planning guidance to direct the subsequent production of Masterplans and applications for PPIp.
- 1.2 The SCCGA is divided into two distinct land masses as shown in appendix one of this report. For ease of reference the areas are referred to as Mid-Forest and Palacerigg.
- 1.3 The Infrastructure Committee considered a report at its meeting on 12 September 2018 titled Palacerigg (East Waterhead), Cumbernauld – Proposed Lease Assignment. Within the report at 2.7 it was detailed that the SCCGA would be subject to a further committee report in terms of future delivery. This report details the next steps.
- 1.4 There have been three separate surplus declarations. The first report was considered and approved by the Planning and Development Committee on 9 September 1998 covering the area of ground subsequently developed as a golf-course. The second report was considered and approved by the Environmental Services Committee at its meeting on 22 April 2014 covering various pockets of land. The final report being subject to delegated approval on 9 September 2019 by the Head of Asset and Procurement Solutions covered ground that was previously the subject of a grazing let.

2. Report

- 2.1 The ultimate goal is to facilitate the delivery of SCCGA. This has significant benefits for the council and North Lanarkshire. It also aligns with the One Plan. Some of the benefits that will be accrued include:
 - Inward investment and job creation opportunities;
 - Increased council tax collection and growth in a North Lanarkshire community;
 - Provision of new homes both private and socially affordable;
 - Financial contributions to education provision required to support growth;
 - Creating sustainable communities; and
 - Contributing significantly to council funds through the capital receipts programme.
- 2.2 Mid-Forest PPIp application was approved subject to conditions on 22 August 2019. Detailed ground investigations are in the process of being completed with a view to targeting the marketing of ground for the first phases. Apart from the existing farm steading area Mid-Forest is in the ownership of the council. For this reason this site has been the main work focus.
- 2.3 Palacerigg has a more complicated mix of ownerships and land interests. The site is estimated, as per the SDF, to be capable of sustaining up to 1,280 residential units. In order to deliver this portion of the SCCGA with all the benefits detailed for North Lanarkshire and maximise capital receipts coming to the council, the only way forward is to work with other significant stakeholders. These have been identified as:
 - Taylor Wimpey or nominated company within the group; and
 - Advance Construction (GD) Ltd

2.2 Asset and Procurement Solutions (Estates) has been working with the other stakeholders over a significant period of time in order to agree a delivery strategy. It has been proposed that a formal tripartite consortium agreement is utilised as the first step in delivery. Heads of Agreement are in place but moving forward to a formal agreement is subject to appropriate council committee authority being granted.

2.3 The Heads of Agreement include:

- The purpose of the agreement is limited to project management and cost sharing matters required to produce a Masterplan; Environmental Impact Assessment; and all supporting information and steps in the pursuit and achievement of PPIp;
- The council will act as project manager and also chair of a project board made up of the identified stakeholders;
- Costs are to be apportioned by agreement on the basis of anticipated unit numbers contained within the relevant stakeholder's ownership / land interest. The base unit numbers are as per the SDF;
- In the event of significant disagreement the consortium can be brought to an end;
- An undertaking will be sought that the council along with the other stakeholders will act in good faith in order to progress subsequent agreements for the purposes of practical delivery whereby it is agreed that it is mutually beneficial to do so.

2.4 As committee will note from the above subsequent agreements will be required for practical delivery and the current work phase is limited to achieving PPIp. It is anticipated that subsequent reports will be presented to committee on this matter.

3. Equality and Diversity

3.1 Fairer Scotland Duty

There is no requirement to carry out an assessment in this regard.

3.2 Equality Impact Assessment

There is no requirement to carry out an assessment in this regard.

4. Implications

4.1 Financial Impact

The Strategic Capital Delivery Group has approved the principle of expenditure on this project.

4.2 HR/Policy/Legislative Impact

There are no specific impacts.

4.3 Environmental Impact

There are no specific impacts.

4.4 Risk Impact

There are no particular risks with regard to the proposal.

5. Measures of success

- 5.1 The future delivery of the Palacerigg portion of the SCCGA and the various benefits detailed in the report.
 - 5.2 Supporting the council's capital receipts programme.
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6. Supporting documents

- 6.1 Appendix 1 Location Plan

A handwritten signature in black ink that reads "James McKinstry". The signature is written in a cursive style with a long horizontal stroke at the end.

JAMES MCKINSTRY
Head of Asset and Procurement Solutions

Appendix 1: Location Plan

