

# Agenda Item IMD32

## INDIVIDUAL EXECUTIVE MEMBER DECISION REFERENCE IMD: 2019/32

<b>TITLE</b>	Development Corporation Reform Wokingham Borough Council consultation response
<b>DECISION TO BE MADE BY</b>	Wayne Smith
<b>DATE, MEETING ROOM and TIME</b>	24/01/2020 SF1 at 10:00am
<b>WARD</b>	None Specific
<b>DIRECTOR / KEY OFFICER</b>	Sarah Hollamby - Director Locality and Customer Services  Brendan Troy - Lead Specialist, Infrastructure Delivery and Projects

### **PURPOSE OF REPORT**

The Ministry of Housing, Communities and Local Government is seeking views on the effectiveness of the legislation governing development corporations and invites ideas on the effectiveness of the legislation governing New Town Development Corporations (NTDCs). This report outlines the Council's provisional response to the consultation.

### **RECOMMENDATION**

The Executive Member for Planning and Enforcement agrees to ratify a consultation response provisionally submitted to the Ministry of Housing, Communities and Local Government, and contained in Appendix A to the Ministry of Housing, Communities and Local Government.

### **SUMMARY OF REPORT**

Through this consultation the government is seeking to explore what more can be done to make development corporations attractive and accessible to use, looking in particular at the current legal framework for these bodies. A recommended response to a series of questions is outlined in Appendix A. In summary, this:

- Comments on the need for local authorities to have strategic oversight over New Town Development Corporations (NTDC's), but in such a way that does not impede the ability of the corporation to perform its core role.
- Seeks to encourage diverse participation on NTDC boards, drawing upon both public and private sector expertise.
- Stresses the need for NTDCs to assume a land assembly role, and thereafter to act as 'master developer' in partnership with other private, public and voluntary stakeholders.
- Recommends reform to existing compulsory purchase powers, so that they can be exercised more effectively by NTDCs.
- Suggests an alternative "existing use plus disturbance" model for how NTDC development land is valued / assembled.

- Recommends that existing plan-making and development management functions should be retained by local planning authorities, though with flexibility granted to delegate certain responsibilities with discretion.
- Recommends that NTDCs should be given access to CIL, Strategic Infrastructure Tariff and Section 106 monies collected by an oversight authority in these areas.
- Highlights the need for community stewardship funds to be reserved for use by an appropriately (re)structured parish council or public body; particularly in cases where a new town straddles existing administrative boundaries.

## **Background**

Development corporations are important tools for delivering large-scale development, including mixed-use regeneration, transformational urban extensions and new settlements. In the right circumstances, these powerful vehicles can bring a number of advantages to complex projects including:

- the focus, coordination and consistent delivery of a dedicated body
- the ability to harness the delivery expertise and leadership of the private sector
- visible public-sector commitment that can help attract private investment
- broad powers to facilitate delivery of the project.

The development corporation model has been used since the post-war period. From the late 1940s, new town development corporations (NTDCs) were established to deliver over 20 new towns across England, such as Telford and Milton Keynes. From the early 1980s, urban development corporations (UDCs) were used to lead the renewal of former industrial areas in many English cities, helping to create thriving new areas such as Canary Wharf in London and Royal Albert Dock in Liverpool.

The Government believes that development corporations have an important role to play in delivering housing for the long term, and in leading the regeneration that will help to boost development of areas that have not fully shared in the country's recent economic growth.

Following recent reforms, development corporations also now have the potential to be locally-led, with mayoral development corporations being established over the past decade, and new legislation in 2018 to allow the creation of locally-led new town development corporations (LNTDCs) under the oversight of local authorities.

Through this consultation, the Government is seeking to explore what more can be done to make development corporations attractive and accessible to use, looking in particular at the current legal framework for these bodies. A provisional Wokingham Borough Council response was submitted prior to the December 21<sup>st</sup> consultation deadline, subject to ratification / confirmation by the Executive Member.

## **Analysis of Issues**

Detailed issues are dealt with in the report attached at Appendix A.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

*The Council continues to face severe financial challenges over the coming years as a result of reductions to public sector funding and growing pressures in our statutory services. It is estimated that Wokingham Borough Council will be required to make budget reductions of approximately £20m over the next three years and all Executive decisions should be made in this context.*

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	Yes	R
Next Financial Year (Year 2)	£0	Yes	R
Following Financial Year (Year 3)	£0	Yes	R

<b>Other financial information relevant to the Recommendation/Decision</b>
None anticipated

<b>Cross-Council Implications</b>
Changes to legislation and regulation governing NTDCs have the potential to influence a potential future decision as to whether the model could/should be used to deliver strategic development. However, the decision to participate in this consultation exercise is unlikely to have a direct result on any other Council services.

<b>Public Sector Equality Duty</b>
In preparing this technical consultation response, Wokingham Borough Council is required to have due regard to its obligations under the Equality Act 2010. The key equalities protected characteristics include age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief. There is no indication or evidence that persons with protected characteristics as identified by the Act have or will have different needs, experiences, issues and priorities in relation to this particular response and there would be no significant adverse impacts as a result.

<b>SUMMARY OF CONSULTATION RESPONSES</b>	
<b>Director – Corporate Services</b>	None received
<b>Monitoring Officer</b>	None received
<b>Leader of the Council</b>	None received
<b>Reasons for considering the report in Part 2</b>	
Not Applicable	
<b>List of Background Papers</b>	
Appendix A - Wokingham Borough Council Response to the MHCLG Development Corporation Reform Consultation (October 2019)	
Appendix B - Ministry of Housing, Communities and Local Government - Development Corporation Reform Technical consultation document (October 2019)	
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