



Report to Cabinet

Date:	4 th January 2024
Title:	Woodlands and Delivery of the Eastern Link Road South
Cabinet Member(s):	Councillor Martin Tett- Leader of the Council, Councillor Steven Broadbent - Cabinet Member for Transport, Councillor John Chilver – Cabinet Member for Accessible Housing and Resources
Contact officer:	Steve Bambrick, Corporate Director for Planning Growth and Sustainability and Richard Barker, Corporate Director for Communities
Ward(s) affected:	Aston Clinton and Bierton

Recommendations:

1. To approve the preferred delivery option for the Eastern Link Road South.
2. To delegate to the Service Director for Property, in consultation with the Cabinet member for Accessible Housing and Resources:
 - a. To market through a Council procurement process the Woodlands development site to include the Eastern Link Road South as a single carriageway road with passive provision for dualling.
 - b. To negotiate revised Heads of Terms with Landowners and Buckinghamshire Advantage to enable the marketing of the site to Developers.
 - c. To explore opportunities for a Joint Venture/Special Purchase Vehicle Partnership and/or Sale to bring forward the Woodlands development to include the Eastern Link Road South as a single carriageway road with passive provision for dualling (developer-led approach).
3. To release £800k from the existing Eastern Link Road South Budget, funded from Housing Infrastructure Fund, agreed by Homes England to cover establishing and negotiating the Heads of Terms, the marketing of the Woodlands site, creating the supporting documentation for the revised Woodlands approach to Homes England, and project management costs.

4. To note a subsequent Cabinet Paper will be prepared once marketing has been concluded for the Council to complete negotiations with a selected Developer, Landowners and Buckinghamshire Advantage and enter a Joint Venture/Special Purchase Vehicle Partnership and/or Sale with a development partner once marketing has been concluded and terms from the Selected Developer have been clarified through the marketing and procurement process.

Reason for recommendation: To explore opportunities for a Joint Venture/Special Purchase Vehicle Partnership and/or Sale to bring forward the Woodlands development, including the delivery of the Eastern Link Road South.

1. Executive summary

- 1.2 Woodlands is a major mixed-use development site on the east side of Aylesbury, including the Eastern Link Road (South) (ELRS) connecting with the Eastern Link Road (North) and the A41 Aston Clinton Road.
- 1.3 The ELRS is a fundamental part of a long-term strategy to deliver an orbital traffic route around Aylesbury. The Council has secured funding towards the delivery of the ELRS through the Housing Infrastructure Fund (HIF) and Local Growth Funds (LGF), to support early delivery of the ELRS.
- 1.4 Due to inflation/cost rises, HIF funding is now insufficient for the Council to deliver the ELRS as a single or dual carriageway within existing budgets.
- 1.5 It is therefore concluded that the best way to bring forward the delivery of the ELRS and the Woodlands development is through the marketing of the site and a possible Joint Venture/Special Purchase Vehicle Partnership, including the Council, or a site sale facilitated by the Council. This will enable the provision of critical highway infrastructure, as well as supporting the planned growth in Aylesbury.
- 1.6 This paper provides a high-level overview of such an approach and seeks support for further work to be undertaken ahead of a formal decision on the full business case for investment being presented and taken by the Council.

2. Background

- 2.1 Woodlands is a major mixed-use development site on the east side of Aylesbury. It has outline planning consent (16/01040/AOP) to provide up to 102,800 m² of employment (B1/B2/B8), up to 1,100 dwellings (C3), 60 residential extra care units (C2), mixed-use local centre of up to 4,000 m² (A1/A2/A5/D1), up to 5,700 m² hotel and conference centre (C1), up to 3,500 m² leisure facilities (A1/A3/A4), up to 16 ha for sports village and pitches, athletes accommodation (10 x 8-bed apartments), and up to 2 ha for a primary school (D1), with a strategic link road

connecting with the Eastern Link Road (North) and the A41 Aston Clinton Road. Please refer to the illustrative masterplan below:

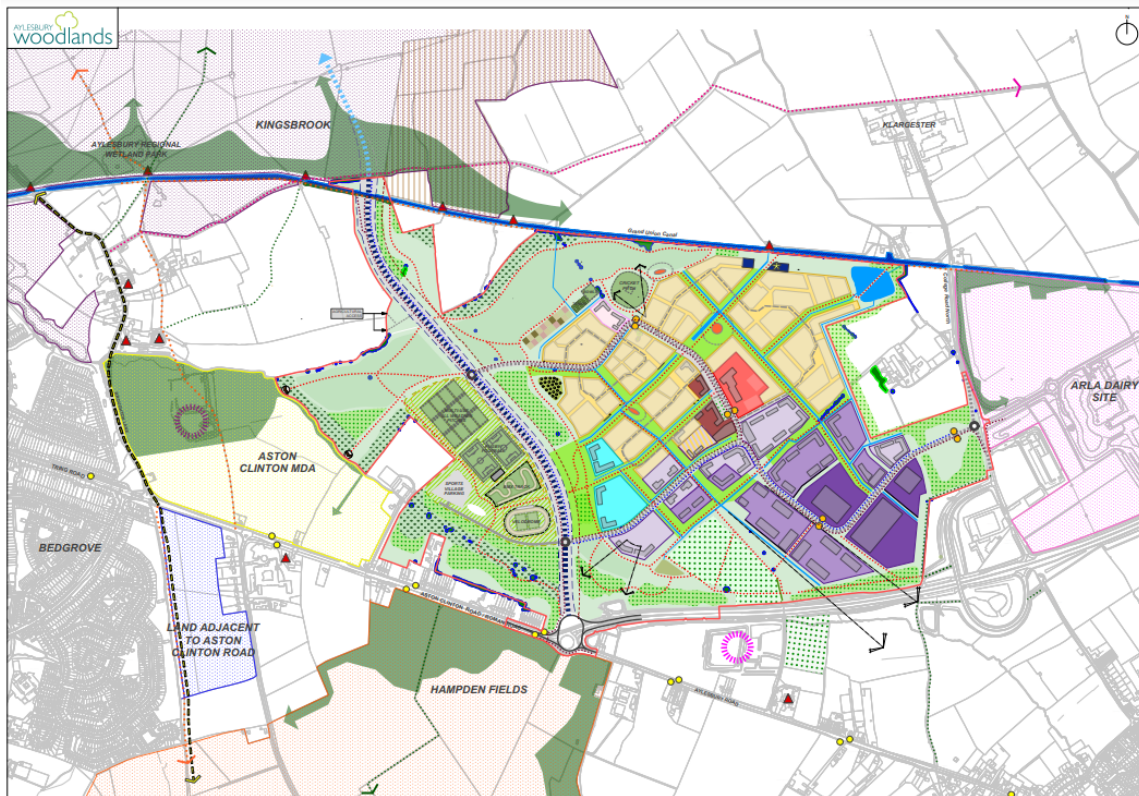


Figure 1: Woodlands Illustrative Masterplan

- 2.2 The site is allocated for development in the Vale of Aylesbury Local Plan. Aylesbury is a key area of growth in the UK with over 16,000 homes planned to be delivered in the VALP and in 2017 Aylesbury obtained Garden Town designation. A significant part of the site falls within the Aylesbury Woodlands/Arla Enterprise Zone, which was designated by Central Government in 2015.
- 2.3 Aylesbury currently experiences significant traffic congestion throughout the day with 3 'A roads' converging into the town centre and cross-town journeys being particularly difficult. Woodlands is a fundamental part of a long-term strategy to deliver an orbital traffic route around Aylesbury, delivering the ELRS.
- 2.4 The ELRS will connect to the Eastern Link Road (North) that has already been substantially delivered as part of the Kingsbrook development and the Southern Link Road to be delivered by Hampden Fields by December 2025. Please refer to the Aylesbury Link Road plan below:

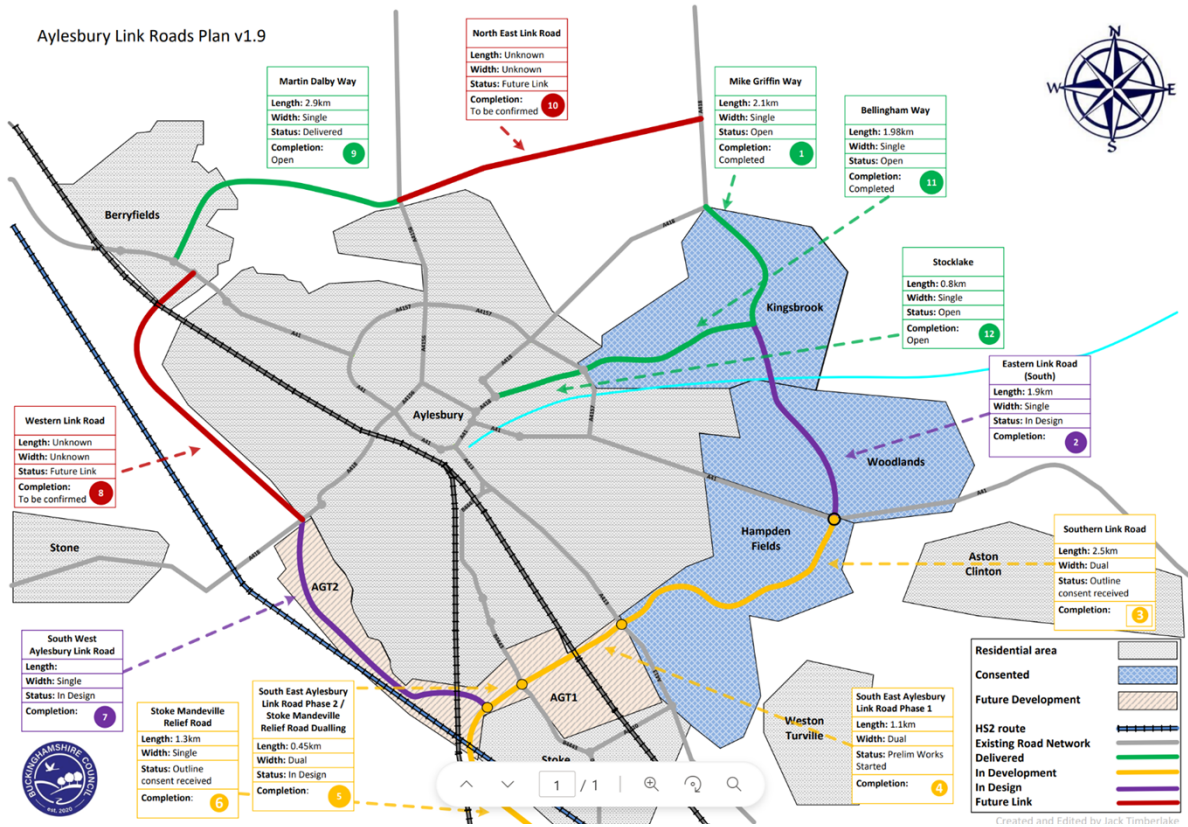


Figure 2: Link Road Plan

Eastern Link Road Delivery Constraints

- 2.5 As part of the Woodlands outline planning permission, the ELRS is to be delivered as a single carriageway with land reserved for widening and junctions delivered capable of accommodating a future dual carriageway.
- 2.6 The S106 agreement for the Woodlands planning application states that the ELRS must be completed and open to the public before any of the employment or residential accommodations can be occupied. The ELRS needs to be delivered by December 2024 unless an extension is agreed by the Local Planning Authority, and no approach has been made to date in this regard. There is however no possibility of delivering the road by December 2024.
- 2.7 The S106 Agreement also specifies that no development beyond Phase 1C (74% employment, made up of 3,070 sqm floor space for uses falling within Class B1 of the Use Classes Order and up to 39,850 sqm floorspace for uses falling within Class B2 of the Use Classes Order and up to 32,800 sqm floorspace for uses falling with Class B8 of the Use Classes Order) can be occupied unless the Southern Link Road is constructed and opened to the public.

- 2.8 The Southern Link Road is to be provided by Taylor Wimpey as part of the Hampden Fields Development. Taylor Wimpey has agreed with the Local Planning Authority an extension to the timescales for delivering the Southern Link Road to September 2025. This extension takes into account delays that arose to their programme arising from the unsuccessful Judicial Review challenge.
- 2.9 A planning application has recently been submitted to the Council as Local Planning Authority for the design of the A41 Aston Clinton roundabout improvements (the Southern junction of the ELRS).
- 2.10 The Council has secured funding towards the delivery of the ELRS through the Housing Infrastructure Fund (HIF) and Local Growth Funds (LGF).
- 2.11 The estimated costs of the ELRS have escalated beyond the funding awarded to the Council for delivery.

3. Recommended Option –Developer led Scheme.

- 3.1 Due to inflation and other cost increases, the HIF funding is now insufficient for the Council to deliver the ELRS as a single or dual carriageway within existing budgets.
- 3.2 It is therefore recommended that the Council explores a developer-led approach to Woodlands, to facilitate the delivery of the ELRS. This paper provides a high-level overview of such an approach and seeks support for further work to be undertaken ahead of a formal decision on the full business case for investment being presented and taken by the Council.
- 3.3 Buckinghamshire Advantage (BA) is a wholly council-owned Company that is contracted to obtain suitable planning permission for the Woodlands Site and to market and dispose of the site in line with the terms of a promotion agreement with the majority landowners. Heads of Terms will need to be agreed in respect of a tri-partite agreement between the Council, Landowners and BA before marketing by the Council can commence.
- 3.4 It is proposed that the Council will begin marketing to secure a development partner in early 2024, subject to all necessary authorisations being in place.
- 3.5 Marketing of the site is a complex procurement exercise, which will need to be developed with outputs and outcomes prioritised. This could be an iterative process, depending on the level of interest arising from the marketing, and will require input from the Council's legal and procurement teams, together with the support of Homes England.
- 3.6 It should be noted that the Council will not formally enter into any agreements, ahead of seeking a Cabinet decision to proceed with a Joint Venture/Special

Purchase Vehicle Partnership and/or Sale for the Woodlands development, following the outcome of a successful marketing process.

- 3.7 The full consideration of the recommended option is set out in confidential Appendix A.

4. Other options considered.

- 4.1 The Council has considered a number of alternative options to deliver the ELRS, as summarised below:

Alternative Option 1: Top up DfT Major Road Network (MRN) funding for the Council to deliver a dual carriageway.

- 4.2 This option would mean that the Council would pursue delivery of the ELRS as a dual carriageway, subject to securing additional MRN funding. Given the award of HIF funding, DfT considers the single carriageway to be a funded scheme. Hence the MRN business case is not considered to have strong prospects. The Council would also carry the risks associated with delivery.

Alternative Option 2: The Council Does Nothing

- 4.3 The Council does not pursue the delivery of the ELRS. This would effectively leave the delivery of both Woodlands and the ELRS to market forces, with BA continuing to promote the site under the Promotion Agreement.
- 4.4 The delivery of the ELRS is controlled by the obligations within the S106 for outline planning permission for the Woodlands Development.

Alternative Option 3: The Council Delivers a single carriageway road

- 4.5 The Council delivers the ELRS as a single-carriageway scheme, utilising existing grant funding.
- 4.6 The outline permission for Woodlands allows the delivery of the ELRS as a single carriageway road as a stand-alone phase without triggering significantly wider obligations linked to the remainder of the development.
- 4.7 The Council would have to find additional funding to deliver the road and carry the risks associated with delivery.
- 4.8 The full consideration of the alternative options are set out in confidential Appendix A.

5. Legal and financial implications

- 5.1 The Council wishes to explore what may be possible with the external marketing of the site. Homes England have allowed the Council to utilise £800k of HIF funding to reach a position that will demonstrate whether there is market appetite to deliver

the scheme. This will fund the Heads of Terms and Tri-partite agreements, agent costs as well as covering a dedicated Planner and Project Management team. This is all allowable under the HIF contract.

- 5.2 The full legal and financial implications are set out in confidential Appendix A

5a Director of Legal & Democratic Services comment

- 5a.1 The Director has read and approved the report.

5b Section 151 Officer comment

- 5b.1 The £800k budget proposed to be released is already within the existing capital programme and has been approved by Homes England for the uses set out in this paper. There is no financial risk to the Council of proceeding to spend this funding on the marketing and continued delivery of Woodlands.
- 5b.2 As well as the detail set out in the report above, the next Capital report following the Marketing exercise will need to clearly set out in detail how the arrangements for the Joint Venture will be taken forward (including the governance and decision making), what the exit strategy will be for the Council's shareholder relationship with Bucks Advantage.

6. Corporate implications

- 6.1 Agreeing to the recommendations of this report will allow Buckinghamshire Council to explore opportunities for a Joint Venture/Special Purchase Vehicle Partnership and/or Sale to bring forward the Woodlands development, including the delivery of the ELRS.
- 6.2 The Corporate Plan identifies 'Increasing Prosperity' as a key priority. Agreeing to the recommendations of this report would support the following aims:
- Supporting the business community, especially SMEs to grow and flourish including through promotion of high streets and Enterprise Zones.
 - Continuing to deliver the infrastructure that Buckinghamshire needs where possible ahead of planned growth, including improving connectivity and strategic transport links, increasing sustainability, attracting investment in the economic prosperity of the county and tackling congestion.
- 6.3 In addition, the following corporate implications have been identified:

- a) **Property** - No implications, noting this is not a Council asset.
- b) **HR** – No implications.
- c) **Climate change** –Climate change was a consideration as part of the application for Woodlands, which was permitted by the Council’s Strategic Planning Committee in 2022, with appropriate mitigation secured.
- d) **Sustainability** –the site is in a sustainable location for growth, with a sustainable mix of uses and job creation. The development is designed with building sustainability and renewable energy technologies at the forefront.
- e) **Equality** - an EQIA assessment is not required at this stage.
- f) **Data** - the Council will ensure that any beneficiaries of any agreements relating to Woodlands have authorised documents being used as part of the marketing material.
- g) **Value for money** - Procurement will be engaged in the marketing to ensure value for money.
- h) **Health & Safety** – as part of any future joint venture, a partner developer would need to sign up to the Council’s H&S requirements and policies.

7. Local councillors & community boards consultation & views

- 7.1 A meeting will be held with local ward members ahead of Cabinet to provide an update on the delivery of Woodlands and the ELRS.

8. Communication, engagement & further consultation

- 8.1 The Section 106 agreement for the Woodlands site states the requirement: *“To Practically Complete the ELRS and make the ELRS available for use by the public by no later than 31st December 2024 unless otherwise agreed in writing with the Council but in any event no later than 5 years after the date of Commencement of the Development”*. There is however no possibility of delivering the road by December 2024
- 8.2 Timescales for delivery will be dependent on the outcome of the marketing process. This will form part of a future Cabinet report required to seek agreement for the Council to enter a Joint Venture/Special Purchase Vehicle Partnership and/or Sale following the completion of the marketing.

9. Next steps and review

- 9.1 The Executive Officer responsible for the Council Woodlands project is the Service Director for Property and Assets. A Senior Project Manager will be appointed to oversee the next stages of the wider aspects of the Woodlands delivery (including the ELRS), and this will be financed from HIF funding. The project will also be supported by members of the Property and Assets Team, the HIF programme team, the HIF Capital accountant, the planning team, and members of the Council legal team. Upon appointment of the Senior Project Manager, the governance of the project will be fully established through a separate paper to the HIF Investment Board.
- 9.2 Once the marketing exercise has been completed, a separate Cabinet report will come forward to seek agreement for the Council to enter a Joint Venture/Special Purchase Vehicle Partnership and/or Sale to bring forward the Woodlands development, including the delivery of the ELRS.
- 9.3 This paper will include a full explanation of financial risks and opportunities including asset and liability ownership. This paper will also set out a revised timescale for delivery of the ELRS.
- 9.4 Update reports on progress of the marketing will be through the HIF Investment Board.

10. Background papers

- 10.1 Confidential Appendix A – Woodlands and Eastern Link Road Delivery Options Risk and Finance

11. Your questions and views (for key decisions)

- 11.1 If you have any questions about the matters contained in this report, please contact the author of this report. If you have any views that you would like the cabinet member to consider, please inform the democratic services team. This can be done by email to democracy@buckinghamshire.gov.uk.