Infrastructure, Projects and Contracts Committee

5 February 2015

Kingston Futures Vision and Strategy

Report by Director of Place

Purpose
To approve the Kingston Futures draft Vision and Strategy, to agree to an internal virement to support the funding of the Kingston Futures programme, and to note the options that are currently being considered for the delivery of the Borough-wide programme.

Recommendations of the Lead Member for Environment and Transport

That the Committee resolves to:

1. approve the Kingston Futures Vision and Strategy (Annex 1) for delivering managed growth across the Borough.

2. approve the virement of £461,000, from current Housing and Planning Delivery Grant, Section 278 work and Landfill Allowance Trading Scheme budgets, into the Kingston Futures budget to facilitate delivery of development across the Royal Borough.

3. notes the ongoing work to establish the most appropriate model to deliver a comprehensive and integrated programme.

Key Points

A. Following a successful launch event in June 2014 Kingston Futures expanded its remit beyond Kingston town centre, to look across the Borough for regeneration and growth opportunities. At the same time, the Further Alterations to the London Plan (FALP) identified increased housing, employment and population growth figures for the Borough. The Planning Inspectorates Report on the Examination in Public into the FALP was published on 15 December 2014.

B. The Kingston Futures response to the wider brief and increased growth figures comes in 2 parts. The first part is the Vision and Strategy that this Committee is being asked to endorse. The second part will be an implementation plan that will be developed based on the endorsed strategic interventions, contained in the Vision and Strategy, together with the outcome of growth bids being considered as part of the corporate budget setting process.

Context

1. Kingston Futures was originally established as the brand under which The Royal Borough of Kingston upon Thames markets growth and business opportunities in Kingston town centre and used for a series of planning development briefs. A very successful development conference was also held in June 2014 under the Kingston Futures brand.

2. The draft development briefs for North Kingston and Eden Quarter have helped us to understand how growth in the town centre might be accommodated. We intend to pursue Opportunity Area status for Kingston town centre in the new London Plan. However in the interim the outcome of the FALP and discussions with the GLA have secured a commitment to work with the Council on the basis that it will become an Opportunity Area in due course. This will provide a planning and infrastructure framework for that area. The OAPF (Opportunity Area Planning Framework) will also set out the development and infrastructure costs and revenue streams, together with co-ordinated transport options for the town centre.
3. Kingston Futures has expanded its area of influence borough wide and will seek to drive growth opportunities across the borough and involve itself in not only the promotion of development but also lobbying for infrastructure improvements and seeking external funding to deliver projects designed to facilitate residential and business growth.

4. Kingston Futures began its delivery phase with the refurbishment of the Ancient Market and will continue delivering projects supporting growth, prosperity and wellbeing. This vision and strategy will provide the context to shaping the delivery of growth and the guiding principles to help us deliver a future for Kingston in which we all want to live.

Consultations

5. The draft Vision and Strategy has been through an internal consultation process within the Council and has been shared and endorsed by the Place and Communities Partnership (Kingston Strategic Partnership).

Timescale

6. The Kingston Futures Vision and Strategy will deliver growth projects over a ten year period.

Potential Operating Models

7. Consideration is being given to a number of options for the Kingston Futures operating model. There are as many operating models as there are regeneration groups however the main ones are:
   - Local authority service (as existing)
   - Strategic partnership vehicle.
   - Regeneration delivery vehicle outside the Council.

There is work ongoing to establish the best option for the delivery of Kingston Futures as an entity in collaboration with all parts of the Council and our strategic partners.

8. The Council could include multiple schemes within a single procurement exercise to secure a development partner which may generate cost efficiencies and, potentially, time savings. However, in order to be viable, such a course of action would require every such scheme to have been developed to a stage where it could be appropriately and properly included within a procurement exercise. An alternative would be to procure a development partner for the North Kingston Scheme and a separate framework agreement for one or more development partners to deliver future schemes, together with a more traditional planning-led approach on some early start sites.

9. There are a range of contractual mechanisms potentially available for putting in place development partnerships between a local authority and a private sector developer. These range from the "traditional" development agreement model to more complex joint venture or LABV arrangements. Development agreements provide a flexible, robust and workable framework acceptable to both developers and funders by which the Council can set out, and enforce, all of its stated requirements including detailing arrangements (and timing) for making any of the Council's land available to the developer, potential use of the Council's CPO and appropriation powers for site assembly purposes, obtaining detailed planning consent, the agreed financial "deal" including any overage mechanism as well as construction obligations both in relation to specific elements of or the wider scheme.

10. Key considerations are Risk appetite; Level of Control; and Finance and Funding. This will be reported back as part of the next stage Implementation Plan.

Next Steps

- Agree the draft vision, strategy and governance with the senior officer team
- Agree the draft vision, strategy and governance with the leadership
- Obtain democratic sign off of the vision and strategy through the Infrastructure, Projects and Contracts Committee
- Clearly identify growth and Kingston Futures role in the new Corporate Plan
- Identify delivery budgets and develop an affordable implementation plan for sign off by the proposed regeneration board and final sign off at committee level
- Build the delivery team
- Accelerate delivery in line with the new strategy
11. The budget for delivering the strategic interventions needed to promote the growth ambitions of the Borough is being drawn from a number of existing internal and external funding streams and, in part through a growth bid to the general fund in the forthcoming budget for 2015-16. The budget covers two financial years and is being used to deliver the ambitions of the growth agenda, the Opportunity Area Planning Framework, and the development of the new local plan. The funding streams are as follows:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount £</th>
<th>Approved</th>
</tr>
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<tbody>
<tr>
<td>Section 106 allocated to Kingston Futures</td>
<td>2,261,386.00</td>
<td>IP&amp;C committee 20th Nov 2014</td>
</tr>
<tr>
<td>Revenue base budget</td>
<td>206,000.00</td>
<td>Existing base</td>
</tr>
<tr>
<td>Kingston Futures approved budget</td>
<td>428,000.00</td>
<td>Existing KF budget</td>
</tr>
<tr>
<td>TfL</td>
<td>75,000.00</td>
<td>Allocated by TFL</td>
</tr>
<tr>
<td>GLA</td>
<td>120,000.00</td>
<td>Opportunity Area Plan funding</td>
</tr>
<tr>
<td>Growth Bid</td>
<td>283,000.00</td>
<td>Subject to Full Council approval</td>
</tr>
<tr>
<td>External Funding</td>
<td>1,032,000.00</td>
<td>Secured NHB LEP funding</td>
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</tbody>
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In addition to the funding sources above; this report seeks approval to the virement/re-allocation of existing Place budgets in the sum of £461,000.00 into the Kingston Futures budget in order to fund the work necessary to support the programme, specifically, the Ashdown Road car park site, currently part owned by the Council, as a development opportunity. At present 2 parts of the car park site are owned by the private sector and, in order to assemble the site, a detailed development proposal will need to be developed alongside the appropriate legal work. The un-used funds are currently allocated to the HPDG, Section 278 works and potential LATS liabilities that no longer exist.

The Kingston Futures implementation plan will deliver accelerated growth through a number of work streams and interventions designed to facilitate growth in way that maintains the character of Kingston and also optimises the use of council assets as a catalyst for regeneration. The activity to support this work will include.

- Delivery of a new Local Plan for the Borough
- Delivery of an Opportunity Area Planning Framework in collaboration with GLA and TfL
- Preparation of a Delivery Infrastructure and Funding Study
- Delivery of a Borough Wide Transport Study
- Work towards the delivery of a new digital business incubator.
- Public realm design strategy and scheme design
- Cost of bringing forward development sites, CPO, legal and development appraisals.
- Economic development activity
- Delivery of a new bus solution for Kingston Town Centre
- Proposals for a new ‘Station Quarter Development Brief’.
- Preparation of a new Economic Development and Inward Investment Strategy

12. The individual legal implications will be considered at project level as the implementation plan is delivered.

Risk Assessment
13. It is important that the Council has a clear approach to the delivery of growth. The London Plan and its further alterations have placed a duty on Councils to deliver their share of the growth. Failure to have a clear vision and strategy for how to deliver that growth whilst maintain the Borough character will result in lost appeal decisions and the kind of growth we would not wish to see.

**Equalities Impact Assessment**

14. The contents of the Vision and Strategy do not have an adverse impact on any individual group. The strategy is designed to have an equal impact on all areas of the Borough and all demographics. Equalities impact assessments will be carried out for each project delivered under the implementation plan.

**Background papers – held by author**
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List of reports/documents:
Annex 1 Kingston Futures Business plan part 1, Vision and Strategy