

Housing Infrastructure Fund - enquiry HIF/FF/000156

Bid details	Primary Local Authority Project type	Cumbria County Forward funding
Contact details	Michael Barry michael.barry@cumbria.gov.uk 07733302913	
Organisation	Cumbria County	
Scheme details	Scheme name Scheme description	Carlisle Southern Link Road (CSLR) This application seeks HIF support to deliver the CSLR. This new route would connect Junction 42 of the M6 to the A595 and it is needed to unlock the St Cuthbert's Garden Village. This transformative development would deliver 10,000 new homes in a high quality environment (please see Carlisle Southern Link Road - Unlocking St Cuthberts Garden Village). Carlisle has seen strong housing growth over recent years and the delivery of new infrastructure would build on this momentum and accelerate further delivery. Achieving this will boost the residential market and combined with high quality design will ensure it is a development proposition that is attractive to the market. The technical requirement for the CSLR was identified following a transport assessment (see CSLR SOBC) and its delivery will also boost strategic east-west connectivity. With funding, the route can be progressed at pace, with construction starting in 2020 (Technical Note: Work Completed & Forward Programme).
	Physical infrastructure Site plan(s)	Road/highway, Bridge, Flood defence Route Option - Blue (file: CSLR-CAP-HML-00-DR-C-7003_S2_P01.pdf) Route Option - Orange (file: CSLR-CAP-HML-00-DR-C-7004_S2_P01.pdf) Route Option - Green (file: CSLR-CAP-HML-00-DR-C-7005_S2_P01.pdf)
Delivery milestones	Planning status Planning permission target date Statutory planning permission target date Infrastructure - dev partner identified Infrastructure - dev partner appointed Housing - dev partner identified Housing - dev partner appointed Start of infrastructure works Completion of infrastructure works	Planning in principle 01/10/2018 01/06/2020 01/09/2020 01/04/2018 01/04/2019 01/11/2020 01/12/2022
Financials	Funding amount 2017/2018 2018/2019 2019/2020 2020/2021 Total infrastructure costs (inc. sunk costs)	£102,042,273 £0 £1,576,025 £6,346,336 £94,119,912 £112,579,273

Land	£4,707,188
Costs incurred to date (excluding land)	£537,000
Costs to complete	£107,335,085
Previous Funding Application	Yes
Previous Funding Application Details	To date £537,000 of public funding has been invested to the CSLR. This includes £187,000 capacity funding from the HCA, £280,000 from Cumbria County Council and £60,000 from Carlisle City Council. A bid for a further £210,000 to the HCA Capacity Fund was submitted in August and if this is successful this would be used for necessary technical assessment and to progress landowner engagement.
Local Authority investment (inc. LGF funding)	Total: £537,000 Secured: £537,000
PWLB loan	Not applicable
Other public sector investment	Not applicable
CiL/S.106 contribution	Total: £10,000,000 Secured: £0
Private sector investment (inc debt finance)	Not applicable
Indicative public sector investment	91%
Aim to recover funding	Yes
How intend to recycle	At this stage it is not anticipated that there will sufficient head-room in the development to recover the funding. However, should there be a case to extract further developer contributions, the City Council would do so and this could be captured and recycled to support housing growth elsewhere; a principle that is in-line with the HIF guidance.

Development profile

Number of sites	1
Total size of site	810 ha
Area on brownfield	0 ha

Local Authority	Number of Homes
Carlisle	10000

Total number of homes	10,000
Full / Detailed	0
Outline	0
Planning in principle	0
Allocated	10,000
None	0
Profile up to 2020	300
Profile 2021 - 2025	1,350
Profile 2026 - 2030	2,050
Profile 2031 - 2035	2,700
Profile future years	3,600

Homes delivered if without funding	0
Explanation for number delivered	Traffic assessments (please see Technical Note: Modelling and VFM) have confirmed that the delivery of the St Cuthbert's Garden Village is dependent on the early delivery of the CSLR. These assessments have demonstrated that with development traffic, junctions on key arterial routes from south Carlisle would be quickly over capacity. Through a WebTag compliant scheme development process the CSLR has been identified as the only way transport capacity challenges can be overcome.

Providing site valuations

Yes

Land Valuations and Uplift (file: GL Hearn LVU Note - StCuthberts 26-9-17.pdf)

Options appraisal

Problem being addressed

Over the next decade Cumbria is projected to see major economic growth. This will be significantly driven by a range of major investments which can deliver 31,000 new jobs. While the potential within the County is significant, there are a number of strategic challenges that will need to be overcome for this to be realised. In particular the disconnect between jobs growth and a declining working age population means a step change in housing numbers and quality is critical. Carlisle has seen the delivery of 1,462 new homes over the past 3 years. This delivery has been focused on relatively small development sites. While providing a steady stream they are incapable of delivering the necessary step change. Major growth at St Cuthbert's Garden Village offers a chance to do just this. For growth here to be unlocked there is an essential requirement to deliver the CSLR (Technical Note: Modelling and Vfm). Public sector support in the form of HIF will therefore be critical.

Options considered

A TAG Stage 1 Transport Appraisal was completed in 2016 (updated Aug 2017). This considered transport options to support Garden Village delivery. Options included junction improvements, sustainable transport, park and ride, a light rail link and the CSLR. The appraisal identified the CSLR as the preferred option that would successfully support the delivery of 10,000 new homes. The discarded options were not considered to meet the objectives of the intervention as they either provided marginal congestion relief, had negative impacts on residents along radial routes, did not support development at south Carlisle or were considered commercially unviable (See CSLR SOBC). CSLR would achieve this objective by alleviating congestion and improving both journey times and reliability on southern radial routes and around the city centre as well as provision of improved links for east/west travel, supporting the strategic role of Carlisle.

If funding not secured

If funding is not secured, then the CSLR will not be built. The cost of delivery exceeds the capacity of Cumbria County Council or Carlisle City Council budgets. While developer contributions can contribute £10m to the cost of delivery, this would not be sufficient to deliver the infrastructure. This outcome would place delivery of St Cuthbert's Garden Village in jeopardy creating a barrier to physical delivery while prolonged uncertainty around funding would restrict developer interest. By unlocking growth, and improving east west connections this route is critical to the long-term prosperity of Cumbria. Alternative low cost solutions in the form of on-line capacity improvements have been considered through previous assessment. These are not sustainable solutions, either being unable to effect the level of improvement required or being unfeasible (See TAG Part 1/DMRB Stage 1).

Strategic approach

Demonstrate strong local leadership

St. Cuthbert's is the largest Garden Village included in the Government's programme. Its scale is unprecedented in Cumbria and is amongst the most ambitious development projects being actively progressed within the North of England

(see Carlisle Southern Link Road Unlocking St Cuthbert's Garden Village). The CSLR is an integral part of the St. Cuthbert's project. Early delivery of the CSLR would have a seismic effect in acting to unlock and frontload substantial land supply while providing the conditions to enable the significant acceleration of new homes. Crucially it would afford an opportunity to exceed already ambitious Local Plan housing targets, with those being pursued through the recently adopted Local Plan at 565 per annum. Importantly the Local Plan has been written so as not to hold back additional growth, with the Local Plan explicit in this regard: "It must be stressed that the 'minimum' requirements are exactly that and should the conditions be in place to exceed these and/or frontload supply earlier in the Plan period then such opportunities will be positively responded to". Complementing the above conditions and providing confidence to the market is Carlisle's emerging economic strategy which in seeking to make the most of key economic assets, including Carlisle Kingmoor Park Enterprise Zone and should help to drive increased household demand. Existing market conditions in Carlisle, including record levels of housing completions for consecutive years, support demonstrate how accelerated delivery is an entirely realistic prospect. Further cementing this is the opportunities to explore more innovative forms of housing delivery through the Garden Village. The progression of St. Cuthbert's has been driven from the outset by excellent joint working between Cumbria County and Carlisle City Councils. Both authorities have invested in gathering the critical evidence and project team capacity upon which momentum has been built.

Demonstrate unlocking new & better homes

Frontloading the CSLR would immediately unlock capacity in the network and would open up development land at the Garden Village. The resultant certainty, as well as the confidence which would follow addressing the biggest infrastructure constraint, would provide a very clear and positive signal to the development industry. The investment would in turn enable land value capture to be directed towards delivering the key Garden Village principles; with high quality design standards to ensure the creation of attractive and sustainable neighbourhoods. The housing market within Carlisle is strong, with demand helping to support record completions across the past two years and the market is demonstrating a clear appetite to progress the delivery of the Garden Village. Delivering the CSLR will overcome a major constraint and in doing so create conditions for a confident housing market to deliver now, while safeguarding a longer term continuity of housing supply.

Demonstrate diversifying housebuilding market

St. Cuthbert's presents a unique opportunity to understand how new innovative delivery models could be applied in practice. Whilst the role required of the public sector is still developing, the City Council, with the backing of strategic partners, remains open to exploring a more activist role in delivery terms, including how opportunities can be taken to de-risk the delivery process. Of particular interest is how the public sector can coordinate and stimulate private sector investment from a range of developers. This will also allow the public sector to drive the rate and pace of delivery and ensure a greater range of house types and designs including opportunities for SMEs and self/community build cooperatives. CLG are to visit St. Cuthbert's to help advance this thinking in November. The early delivery of the CSLR would remove a significant barrier,

providing the certainty and confidence to genuinely do something different and to support the above aspirations.

Local MP(s)	Yes Letter of support from John Stevenson MP (file: John Stevenson Letter of support.pdf)
Local community	Awaiting response There is significant public awareness of the CSLR and it has been prominent within proposals for the St Cuthbert's Garden Village. The principle of large scale development was consulted on through the development of the Carlisle Local Plan. Development work is supported by an engagement strategy and consistent with this, engagement with the press and land owners has been ongoing.
Local Enterprise Partnership(s)	Yes Letter of Support Cumbria LEP (file: Cumbria LEP Letter of support.docx)
All supporting Local Authorities	Yes Carlisle City Council Letter of Support (file: 25 09 17 St Cuthberts_ (4).pdf)
Dev partner(s) (Infrastructure)	Yes Transport for the North Letter of Support (file: Cumbria HIF letter - 26.09.17.pdf)
Dev partner(s) (Housing)	Awaiting response Carlisle City Council has an excellent track record of proactive working with the local development industry. Discussions are ongoing with a number of developers who already have a direct interest in St. Cuthbert's. This includes Registered Providers as well as private sector interests. Whilst these discussions are at an early stage, in parallel with exploration of delivery options, they are helping to foster partnership working from the outset.

Plan status	Plan adopted or submitted Date adopted or submitted Web addresses to relevant documents	Yes 08/11/2016 http://www.carlisle.gov.uk/planning-policy/Adopted-Plans/Carlisle-District-Local-Plan-2015-2030
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Approach to delivery	Outline delivery plan Plans to deliver infrastructure	Outline Delivery Plan (file: HIF_Outline_Delivery_Plan_Actions Rev E.pdf) Cumbria County Council will undertake delivery of the CSLR with the Corporate Director for Economy and Highways acting as SRO. The Corporate Director chairs a project board with representation from the project team. Supporting the Project Board is a Project Review Group (PRG). The PRG oversees day to day activity in the development of the CSLR and will continue this role into delivery in line with the CCC Project Management Toolkit. The project team is established and will be expanded as the project progresses. As detailed in the delivery plan the Council has a strong relationship with a number of consultants. The construction procurement strategy will be developed in the coming months and will detail the approach the Council will take to procuring a contractor to construct CSLR. This will be developed working with the Council's supply chain and reflect
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lessons learnt from delivering similar projects including the Carlisle Northern Development Route.

Link between infrastructure and homes

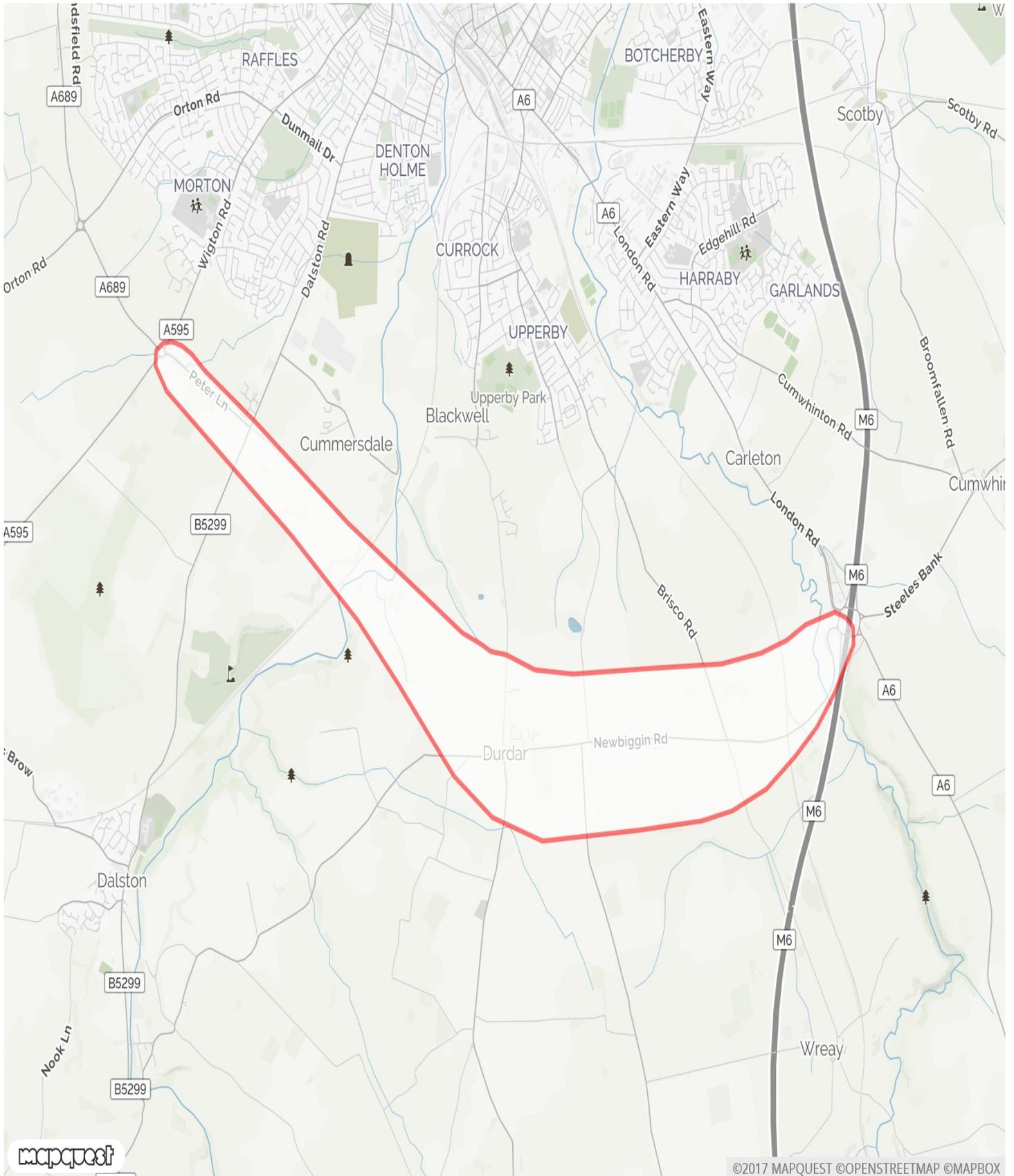
The delivery of the St Cuthbert's Garden Village has a direct dependence on the CSLR. The need for the new infrastructure has been demonstrated through transport modelling and is acknowledged within the current Carlisle District Local Plan. Evidence (Technical Note: Modelling and VfM and Technical Note: Cost Estimate) demonstrates the clear link between the delivery of the route and that of the Garden Village and moving forward the programming of the CSLR will be seamlessly integrated with the Garden Village. Carlisle housing market has performed strongly over recent years and it is considered that once delivery of this road is secured the Garden Village can be delivered at pace, meeting local demand and providing essential continuity of longer term housing supply. Conversely without early delivery of the CSLR, development of the Garden Village will be significantly prejudiced.

Delivery partners working together

To ensure delivery of the Garden Village, robust and integrated governance structures have been developed. These will ensure the seamless interaction between the planning and delivery of the Garden Village and the CSLR. The St Cuthbert's Strategic Board is coordinating all activity relating to the Garden Village. This is a multi-agency public sector led board. It includes, representatives from Carlisle City Council, Cumbria County Council, Cumbria LEP, EA, Highways England, HCA, BEIS and DfT. Such is the scale of the CSLR, delivery will require clear and robust arrangements. To achieve this a Cumbria County Council Project Board has been established. This reports to the St Cuthbert's Strategic Board and Cumbria County Council Cabinet which is responsible for key decisions in relation to the CSLR. These arrangements are explained within the Outline Delivery Plan and should ensure a multi-agency approach to the successful delivery of the Garden Village.

Supporting documents

File	Description
Southern Link Road HIF 2017.compressed.pdf	Prospectus - Carlisle Southern Link Road - Unlocking St Cuthbert's Garden Village
CSLR-CAP-GEN-00-RP-C-0004_S4_P01 Programme.pdf	Technical Note: Work Completed and Forward Programme
CSLR-CAP-GEN-00-RP-C-0003_S4_P01 Cost Note.pdf	Technical Note: Cost Estimate
CSLR-CAP-TMD-XX-RP-TR-0001_S4_P01 Modelling Note.pdf	Technical Note: Value for Money and Modelling
St Cuthberts ready reckoner FINAL 26-9-17.pdf	LVU Ready Reckoner
CSDR-CAP-ZZ-00-RP-Z-0003_P02 SOBC.pdf	Strategic Outline Business Case



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