

**PROPOSAL FOR AN URBAN DEVELOPMENT CORPORATION  
FOR THE LUTON/DUNSTABLE/HOUGHTON REGIS AREA**

Report of the Director of Environment

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**1. Purpose of the report**

To seek the endorsement of County Council to the Cabinet response to the proposal for an Urban Development Corporation (UDC) for the Luton/ Dunstable/ Houghton Regis area.

**2. Summary**

- 2.1 The summary sets out the outline proposal for an Urban Development Corporation to be agreed between the local authorities of Hertfordshire County Council, North Herts District Council, Luton Borough Council, Bedfordshire County Council and South Bedfordshire District Council. The proposal will be submitted to the Minister of State for Regeneration and Regional Development, Lord Rooker by 31 March, in order to meet the timetable as agreed by the Regional Planning Panel.
- 2.2 This proposal seeks limited powers for the UDC. The reserve site at Cockernhoe in Hertfordshire is included, but its status is contingent on the outcome of the Public Examination into the Milton Keynes and South Midlands Sub-Regional Study. The land corridors that may be required for transport links are set to a minimum.
- 2.3 The proposal being submitted is in advance of the Public Examination but does not pre-empt its outcome. The proposal suggests that HCC is represented within the UDC Board.
- 2.4 This report was considered by the Structure Plan and Regional Issues Panel and then the Cabinet on 15 March 2004.

**Cabinet decisions:**

1. Cabinet expresses its concern that the imposition of Local Delivery Vehicles in the growth areas will lead to a further

erosion of democratic accountability but strongly supports active participation in any LDV affecting Hertfordshire.

2. Cabinet considers that no case has been substantiated for the inclusion of Cockernhoe in the growth area and therefore reiterates its opposition to the inclusion of this reserve site.
3. Cabinet, in response to the request by the Secretary of State, accepts the proposal for an Urban Development Corporation for the Luton/Dunstable/Houghton Regis area subject to amendment of the Boundary of Operation as set out in Appendix 1 to read:

*To include the whole of the growth area.*

*This is defined to include the whole of Luton, the whole of Dunstable and Houghton Regis, and, subject to the Public Examination outcome/Government decision on the currently unresolved planning issues, the growth areas and key reserve site in South Bedfordshire and North Hertfordshire. The necessary associated infrastructure should be accommodated within the defined growth area boundary. The boundary is to be defined having regard to planned growth to 2021.*

4. Cabinet authorises the submission of this amended proposal, as set out in resolution 4, as an annex to a joint local authorities letter to the Minister of State for Regeneration and Regional Development
5. Cabinet welcomes and endorses the draft comments of the Structure Plan and Regional Issues Panel specifically:
  - that the Urban Development Corporation should have local authority majority representation
  - that HCC should retain a seat on the UDC pending the outcome of the Public Examination/government decision
6. Cabinet refers this matter to County Council for its consideration.

### **3. Conclusion**

County Council is invited to endorse the decisions of Cabinet as set out above.

#### **4. Background**

- 4.1 The draft Milton Keynes and South Midlands (MSKM) Sub-Regional Strategy was published in July 2003. A report on the draft and the forthcoming Public Examination was submitted to Cabinet on 13 October 2003.
- 4.2 The Strategy covers the sub growth areas of Bedfordshire and Luton, Milton Keynes and Aylesbury Vale and Northamptonshire. No part of Hertfordshire lies within the sub regional boundary and neither the County nor North Hertfordshire DC were involved in producing the Strategy.
- 4.3 One site in North Hertfordshire at Cockernhoe, and on the boundary with Luton has however been identified as a reserve housing site. Cabinet expressed a number of concerns on the draft Strategy and as regards the reserve site concluded “that the issues of renaissance and sustainability are not addressed in the study in relation to the part of Hertfordshire that it identifies”.
- 4.4 The inclusion of the reserve site will be considered at the Public Examination at the end of March. Hertfordshire County Council have secured a seat at the Examination for the section considering the affects of the Strategy on adjoining areas.
- 4.5 In a separate but related initiative, Officers have been working with North Hertfordshire District Council, Bedfordshire County Council, Luton Borough Council and South Bedfordshire District Council to assess the form of Local Delivery Vehicle (LDV) that could be proposed to Lord Rooker to implement the Strategy. At the meeting of 23 July 2003, where you considered LDVs in the Stansted M11 corridor, Cabinet agreed that:

“any proposals for delivery vehicles should recognise the need for a democratically accountable body working within partnerships to create new sustainable communities and having the powers that any single purposes body might hold”.
- 4.6 In consequence, officers in discussion have sought an LDV which maximises local authority representation and minimises the powers that it holds. Funded, by the ODPM, the five authorities and GoEast commissioned Price Waterhouse Cooper to produce an analysis of LDVs and assess the extent to which the various LDVs met various priorities. This work was presented to a Joint Member Meeting on 16 December where the proposal for a Urban Development Corporation (UDC) was accepted as the basis for study and officers were tasked with developing a joint proposal. This was discussed at a Joint Member Meeting of the 5 authorities on 11 February 2004.
- 4.7 At that meeting it was agreed :

- that the proposal in Appendix 1 to this note should be reported to each Authority's Executive/Cabinet for endorsement and submission to ODPM as the agreed view of the five local authorities on the broad outline of an Urban Development Corporation for the Growth Area; and
- that Officers be instructed to discuss with ODPM the detailed requirements related to the proposal prior to a formal proposal and business case being submitted.

## **5. Implications of the UDC for HCC**

### Representation on the UDC Board

- 5.1 The proposed UDC will have 7 local authority seats (nominally, 2 Luton, 2 South Bedfordshire, 1 Bedfordshire, 1 HCC, 1 North Hertfordshire District Council). Should the reserve site be excluded from the UDC boundaries and no other Hertfordshire land be identified, then it would cease to be appropriate for HCC to retain a seat.
- 5.2 There will be additional seats for other partners, such as English Partnerships, although local authorities would seek to retain the majority of seats allocated to our authorities. Members are initially seeking a Board of 13 seats, giving a local authority majority.

### Life of the UDC

- 5.3 The UDC would be set up for 10 years, but would be subject to review in the light of progress on delivery.

### Boundaries of the UDC

- 5.4 The definition of the UDC boundaries is set to include the whole of the growth area.
- 5.5 This is defined to include the whole of Luton, the whole of Dunstable and Houghton Regis, and, subject to the Public Examination outcome/Government decision on the currently unresolved planning issues, the growth areas and reserve growth area in South Bedfordshire and North Hertfordshire, together with land in close proximity to the growth area boundary that would be required for new roads/other infrastructure and land to facilitate urban fringe and green infrastructure enhancement.
- 5.6 The boundary is to be defined having regard to planned growth to 2021. There could therefore be pressure to extend it to include the proposed extension of the airport runway into Hertfordshire and any potential eastern Luton bypass associated with airport development.
- 5.7 One of the main objectives of a UDC is secure the maximum possible gain from land value capture. It is intended that land values would be

captured from rural locations and used to support the regeneration of urban sites within the UDC.

#### UDC's Powers

- 5.8 Within this area, the UDC would have the development control powers to deal with strategic planning applications, including it may be assumed applications for runway extensions. All other development control functions would remain with the local planning authorities. The UDC would also have the power to enforce Compulsory Purchase Orders.
- 5.9 HCC would seek to minimise any land placed within the UDC boundaries for roads and infrastructure. The boundaries of the UDC should not be defined until the status of the reserve site is confirmed. We would also seek to ensure that the UDC designated within its boundaries appropriate greenbelt land adjacent to Hertfordshire.

### **6. Financial Implications**

- 6.1 HCC's work has been undertaken within current resources.
- 6.2 The UDC will have a role in attracting special government funding. HCC, together with the other local authorities, will be looking to ODPM for additional resources, such as through the Planning Delivery Grant to enable HCC to play a full role.

#### Background information referred to by the author in this report:

Luton/Dunstable/Houghton Regis Growth Area : Local Delivery Vehicle First Draft Report. Price Waterhouse Cooper, December 2003.

**LUTON/DUNSTABLE/HOUGHTON REGIS GROWTH AREA -  
LOCAL DELIVERY VEHICLE**

**Submission to Government on Preferred Form of Local Delivery Vehicle  
for the Luton/Dunstable/Houghton Regis Growth Area**

**1. Form of Delivery Vehicle**

A Statutory Urban Development Corporation, initially set up for a period of 10 years.

Having regard to the complexity of the growth area, a Board with local authority representation comprising of 7 seats.

**2. Boundary of Operation**

To include the whole of the growth area.

This is defined to include the whole of Luton, the whole of Dunstable and Houghton Regis, and, subject to the Public Examination outcome/Government decision on the currently unresolved planning issues, the growth areas and reserve growth area in South Bedfordshire and North Hertfordshire, together with land in close proximity to the growth area boundary that would be required for new roads/other infrastructure and land to facilitate urban fringe and green infrastructure enhancement. The boundary is to be defined having regard to planned growth to 2021.

**3. Powers**

Normal UDC powers in all areas subject to:

Development control powers to deal with planning applications of strategic interest throughout the area within its boundary. Strategic applications are to be defined by using ODPM's standard major applications definition (i.e. those involving any development of 1 hectare or more, those involving 10 or more new dwellings, and those involving office, industrial and retail developments of 1,000 sq.m. floorspace or more). Otherwise, development control powers remain with or are delegated to the local planning authorities,

Plan making powers in accordance with a Local Development Scheme remain with the local planning authorities and a joint Local Development Framework is prepared for the whole of the growth area. This should be done through a formal joint committee, with delegated powers for decision-making granted by the parent authorities, and parallel formal joint technical working arrangements.

#### **4. Resources available**

The benefits of a UDC must be realised through access to substantial special Government funding streams and dedicated technical resources that enable effective land acquisition and direct development activity, transport, social and community infrastructure delivery and, particularly, funding for affordable housing provision,