



Leader of the Council

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Mr Richard Harrington
Chief Executive Officer
Buckinghamshire Local Enterprise Partnership

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Dear Richard

LOCAL GROWTH FUNDING: ELR(S) & WOODLANDS

I am writing to you with regards to the outstanding balance of £9.96m Local Growth Fund (LGF) which is allocated towards the delivery of the Eastern Link Road (S) in Aylesbury. As you know, the delivery of this road is contingent upon a planning permission being secured for the Woodlands site.

As you will be aware, there have been some delays in determining the Woodlands planning application, with the latest projected date for a decision now being February 2021. Even assuming this timescale is adhered to, and I am currently advised that the application is on track to be determined in February, there seems to be very little prospect of the LGF funding being committed on the ELR(S) in good time before the expiry of the LGF funding window. Therefore, this raises a significant concern that if the LGF funding is not committed before 31 March 2021, that the funding may be withdrawn.

This letter, therefore, seeks to set out an alternative proposal for the use of the £9.96m LGF money. I am advised that as the proposals set out below reach beyond the original grant funding agreement, a formal decision of the LEP will be required to authorise the alternative uses.

The Council's proposal is to use the money as follows:

- a) Reimburse Bucks Advantage's planning promotion costs;
- b) Land acquisition directly relating to delivery of ELR(S); and
- c) Funding Woodlands Roundabout (Bucks Advantage 30% contribution);

Proposal 1 – Reimburse Bucks Advantage for the planning promotion of the Woodlands site

I am aware that Bucks Advantage, acting on behalf of all parties with an interest in the Woodlands site including the Council, has to date spent £4m on the promotion of the Woodlands development. It is considered to be an appropriate use of the LGF funding to reimburse these costs. I understand that Bucks Advantage will be in a position to reclaim this money back from the eventual land promotion deal once acquisition of the site is complete following issue of planning permission. The proposal, therefore, is that, rather than wait for the land acquisition to complete,

utilising the LGF fund, the Council reimburses Bucks Advantage immediately upon the issue of planning permission, and before 31 March 2021.

Proposal 2 – land acquisition directly related to ELR(S) delivery

I understand that there are two immediate parcels of land that could potentially be acquired through an Option Drawdown process. Both parcels of land would contribute directly to the delivery of the ELR(S). They are:

- Land parcel 'A' option (£100k); and
- Land parcel 'B' Land - price calculated according to formula but estimated to be £1.8m (Plus SDLT @ £80k)

In total, therefore, it is proposed to use the balance available after Bucks Advantage reimbursement (Proposal 1) to part fund land acquisition – estimated at up to £2m with the balance of funding to meet the Woodlands roundabout S106 obligation (Proposal 3) – this would give flexibility in the event that a land acquisition cannot be achieved in a reasonable timescale.

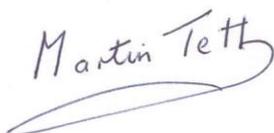
Proposal 3 – Transfer and commit funding for Section 106 commitments to deliver the A41 Woodlands Roundabout

As part of the draft Section 106 agreement for the Woodlands site, as well as delivering the ELR(S) the site will be required to contribute to the roundabout on the A41 that will provide a key access to both this site and the adjacent Hampden Fields site (The Hampden Fields site will also be required to contribute). As such, the Woodlands roundabout is an intrinsic part of the ELR(S). The current expected value of the contribution from the Woodlands site to the A41 roundabout is £5m. The proposal is that immediately upon receipt of planning permission, and before 31 March 2021, the Council formally commits up to £5m (or the balance of what remains in the LGF Fund following land acquisition) from the LGF fund to the delivery of the A41 roundabout.

These options, for spending the LGF funding are only relevant once a planning consent is issued.

I appreciate that re-purposing the funds in the way I have set out in this letter is not risk free. However, on balance, given the considerable risk to the LGF funding, it is my view that the Council and the LEP should act now to ensure the funding can be secured. The proposals contained within this letter represent a pragmatic solution to securing funding towards a site and infrastructure of strategic significance. I would be grateful, therefore, if the LEP would formally consider this request to re-purpose the LGF funds at the next meeting and I look forward to receiving your response in due course.

Yours sincerely



Martin Tett
Leader of the Council