

**REPORT OF LEADER OF THE COUNCIL****ACQUISITION OF LAND IN THE VICINITY OF TOTON LANE TO DELIVER  
THE HS2 TOTON GROWTH STRATEGY****Purpose of the Report**

1. To seek approval to amend the capital programme: for approval to the acquisition of land identified in the exempt appendix and on the terms outlined in the exempt appendix: and to delegate approval to the Corporate Director Place in consultation with the s.151 officer, Head of Legal and Democratic Services and Chair of Policy Committee to negotiation and finalise the terms of the contract and any necessary legal documentation to give effect to these proposals.

**Information and Advice**

2. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in the exempt appendix.
3. In September 2017 the Council's Policy Committee endorsed the East Midlands HS2 Strategic Growth Strategy reflecting the significant potential of the station itself and the growth opportunity around the station hub. This strategy set us on a course to capture the potential benefits of HS2 for local people and businesses, generating up to 10,000 new jobs and approximately 3,000 houses at Toton, as well as 74,000 jobs and £4bn GVA across the region.
4. The Government commissioned an Independent Review into HS2 in the summer, chaired by Doug Oakervee. The Leader of the Council, in her capacity as Chairman of the East Midlands HS2 Partnership invited Mr Oakervee to the region to listen to the case 'for' HS2 and a visit took place on the 25th September. It was made clear that the region expects Government to deliver on its investment and that the East Midlands must get its fair share. The Council, along with partners in the region from Midlands Engine and Midlands Connect to Universities, LEPs, Local Councils and businesses, of which 125 are already in the HS2 supply chain have continued to lobby hard to ensure investment in rail capacity takes place here in the East Midlands, as well as in the West Midlands and the North as it is in the South. The findings of the Oakervee review are awaited.
5. The expectation is that the existing policy agreed by Government will be implemented, resulting in the delivery of HS2 and that Toton will be served. However in the event that HS2 were to be cancelled the commercial proposition

remains viable with opportunity to sell on in accordance with existing planning consents.

6. For as long as HS2 investment appears likely, the Council is continuing to work with partners to overcome a number of key barriers to unlocking the nationally significant growth opportunities for local people. The key issues to address are planning, infrastructure, station design, delivery and land assembly. The Department of Transport has allocated £1.8m of funding to support a range of studies and plans to address these issues.
7. One of the most significant steps forward has been the development of a masterplan setting out the vision and guiding principles for the Strategic Location around the station hub. This is now being progressed to a strategic Masterplan as confirmed in the planning inspectors report into the Broxtowe Borough Council Local Plan 2, and adopted on the 16 October 2019
8. At the same time, the Council led the submission of a regional bid for Housing Infrastructure Funding in excess of £75m to unlock housing development across the HS2 area from Toton, to Derby to Chesterfield. The Toton element of the package would provide £30m to fund the building of necessary highway infrastructure to unlock the Innovation Campus and housing land at the heart of the development.
9. The Toton Delivery Board, Chaired by the Leader of the Council, has also worked closely in collaboration with HS2 and has engaged with the HS2 Design Team. This work is examining how the station design could evolve to help harness the full benefits of the land – moving from the proposed Parkway Station, to a Station in a Park.
10. As this work has evolved, the Government has also invited the Midlands Engine to bring forward proposals for a locally led development body to drive the delivery of the economic growth opportunities at Toton, Radcliffe on Soar power station and at East Midlands Airport. Nottinghamshire County Council is the accountable body for this project and has supported an Oversight Board Chaired by Sir John Peace to bring proposals forward for the 3 sites and for the delivery vehicle. As the work progresses, reports on the Development Corporation will be brought forward to Committee. Our work is driving the creation of an innovative new form of development corporation which will harness the jobs, skills and housing opportunities at the three sites. In many ways these opportunities are just as significant in the event that HS2 was rephased or rescope, such is the scale of the sites in scope and the commitment of local partners in the public and private sector.
11. The final key issue is land assembly which will be critical given the timescales involved in delivery, the complexity of development and the significant infrastructure requirements. Key acquisitions that will directly influence development around the hub to the west of Toton Lane will enable the Council and a locally led delivery body to gain control and have a direct influence and guide the delivery of the Toton Growth Strategy. This has drawn on work by internationally recognised agents Cushman and Wakefield, who have provided strategic land advice to unlock the potential in the Toton Growth Area, and, the neighbouring land at the soon to be decommissioned Chetwynd Barracks.

## **The HS2 Toton Growth Area and the land for acquisition**

12. Earlier this year, the Council approached a key landowner to the west of Toton Lane to enquire about acquiring their interest in the land as part of delivering the land strategy. Such an acquisition would facilitate a change to the planning intention from a residential development, to the kind of ambitious development of national and international significance as described in the East Midlands HS2 Growth Strategy. If successful, the change of plan would therefore secure the new job opportunities for Nottinghamshire and the East Midlands as well as increasing the housing, green infrastructure and community offer. Following negotiations, the landowner has agreed to the sale of their land to the Council on the terms set out in the exempt appendix. The Council has commissioned an independent valuation which has confirmed the purchase price represents open market value.
13. The land identified in the exempt report forms part of the Lime Rise development land, which is located in the Broxtowe Borough Council local planning area. The area has the benefit of an outline planning permission granted on 01 July 2016 for 500 houses and mixed use. These scheme(s) do not meet with the growth aspirations and ambitions set out in this report for a core area of the masterplan that will provide key linkages and connectivity in to the HS2 station Hub and the Innovation Campus.
14. The key risks with the acquisition lie with the progress of HS2 to which the Council has a commercial proposition to mitigate any impact through sale in accordance with existing planning consents. Remaining risks relate to those normally expected with land transactions. These are also outlined in the exempt report.

## **Other Options Considered**

15. Consideration has been given to: -
  - Do nothing – this would mean the Council have no control or ability to influence the delivery of the consented land to the west of Toton Lane. This would have an immediate impact on delivery of the HS2 Toton Growth Strategy ambitions, the delivery of HIF scheme and the aspirations for a locally led development body to drive the delivery of the economic growth opportunities identified.
  - Options over the land – this was considered, however it would only give a degree of control over this land. However, given the land to the west already has planning permission this is not an attractive proposition for the current landowners who are seeking to implement their development at the earliest opportunity.
  - Delay purchase until findings of the Oakervee review released – this would mitigate the HS2 risks but with an off market transaction of this type delay could lead to the land no longer being available for the Council to purchase. In that scenario the growth strategy objectives would therefore be compromised.

## **Reason/s for Recommendation/s**

16. The acquisition of the land detailed in the exempt appendix is recommended as this enables the Council to take direct control on an important land holding critical to progressing its ambitions in the delivery of the Toton Growth Strategy. This will directly enable the Council to enter into meaningful negotiations with other landowners, HS2 and stakeholders to facilitate the delivery of a comprehensive approach to development of the Toton Growth Area. As a key landowner, the Councils strategy for acquisition and holding the land in this locality is in accordance with the Capital Strategy and principally to:

- a. ensure that the potential benefits in terms of jobs, skills, housing and environment. Learning from similar nationally significant infrastructure projects stresses the importance of ensuring development happens in parallel to investment in infrastructure. Important lessons can be learned from Ebbs Fleets for HS1 that demonstrate if the public sector partners do not act proactively early in the process in term of station integration with the wider growth and development landscape and do not deal with the complexity of land ownership at an early stage nothing happens. A key lesson for the Toton Growth Strategy is the importance of early strategic acquisition of critical land holdings, prioritising of new jobs and housing now and 'place making' so that when the first new rail passengers arrive at Toton, they arrive in a new destination, rather than a building site or empty space;
- b. gain control over development on a core area of land ensuring it 'fits' and is of benefit to local communities. Initially facilitating the delivery of the strategic masterplan to meet the ambitions of the Toton Growth Area alongside the establishment of a locally led development body, leading to the establishment of a development corporation;
- c. acquisition of a strategically important land holding that will provide the Council with a strengthened negotiation and influencing position through a major controlling interest when dealing with other landowners, developers, investors and stakeholders in bringing forward its growth ambitions and in bringing forward the strategic Masterplan;
- d. enable the delivery of infrastructure and growth ambitions aligned with the ambitions set out in the HIF bid.

17. Moving forward this will provide the Council with the flexibility to enter in to agreement with a Development Corporation/or other delivery entity that may be established in which it would look at the disposal of all or part of the land as part of a commercial delivery vehicle or the release of parcels of land for development in due course (in both an HS2 and non-HS2 world).

## **Statutory and Policy Implications**

18. This report has been compiled after consideration of implications in respect of finance, legal, sustainability and environmental statutory and policy implications., and where such implications are material they are described below.

## **Financial Implications**

19. The Nottinghamshire County Council capital strategy approved in February 2019 states that there are a number of local influences that help shape the need for capital investment across the county as follows:

- Nottinghamshire remains an area that is experiencing significant population growth. This is contributing to significant pressure being placed on school places and infrastructure.
- There is pressure on budgets to keep pace with the deterioration of roads from exceptional weather conditions and increased usage.
- In line with the national context, safeguarding of children remains a challenging area for all local authorities.
- The Council is committed to investing to stimulate the Nottinghamshire economy in order to place the county at the forefront of business, commerce, jobs and economic prosperity.

The proposed purchase is in line with the final point noted above.

20. As noted in the exempt report the valuation has been significantly improved by the planning applications and the future value may fluctuate. It is therefore not possible to estimate a future sale value for the land.

21. The proposed purchase will require a variation to the Capital Programme.

22. Other financial implications are addressed in the Exempt report

### **Implications for Service Users**

23. If the Council is to influence how the Toton Growth Area is developed to the satisfaction of local residents, and harness the benefits of HS2, then the Council will need to play a leading role at Toton and in the HS2 delivery partnership. Having a controlling interest in a key site puts the Council in a strong position to ensure the needs and interests of Nottinghamshire residents are served.

### **RECOMMENDATION/S**

24. That approval is given to amend the Capital Programme to include the capital expenditure set out in the exempt appendix.

25. To approve the acquisition of the land identified in the exempt appendix and on terms outlined in the exempt appendix; and

26. To delegate approval to the Corporate Director Place in consultation with the S.151 officer, Head of Legal and Democratic Services and Chair of Policy Committee to negotiation and finalise the terms of the contract and any necessary legal documentation to give effect to these proposals.

**Councillor Mrs Kay Cutts MBE**  
**Leader of the County Council**

For any enquiries about this report please contact: Adrian Smith, Corporate Director Place.

**Constitutional Comments**

27. The recommendations set out in the report fall within the scope of decisions that may be approved by Policy Committee [SSR 5.11.2019]

**Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

HS2 and wider Rail issues - Report to Policy Committee 13 September 2017

**Electoral Division(s) and Member(s) Affected**

28. Ward(s): All  
Member(s): All