

OPEN

Economy and Growth Committee

Date: 09 September 2025

Handforth Garden Village – Delivery Strategy Review

Report of: Philip Cresswell, Executive Director - Place

Report Reference No: EG/21/25-26

Ward(s) Affected: Handforth

For Decision or Scrutiny: Decision

Purpose of Report

- 1 This report updates Committee on progress made towards delivering Garden Village Handforth (GVH) since March 2025. It also seeks approvals to enable officers to progress with the delivery of the project to enable a start on site by September 2026 prior to the expiry of the existing hybrid planning permission and to make timely changes to the deliverability of the scheme.

Executive Summary

- 2 In March 2025 Committee delegated authority to the Executive Director - Place to negotiate and enter into an exclusivity agreement with MADE Partnership (MADE) to explore the principle of forming a joint venture partnership to lead the development of GVH. The Council and MADE entered into that exclusivity agreement on 5th August 2025.
- 3 As part of their due diligence, MADE have been examining all aspects of the project with a team of specialists who have considerable experience in delivering large scale residential and mixed-use schemes. They have identified, changes to the current site-wide masterplan and delivery strategy that have the potential to improve the efficiency and quality of the scheme as well as its deliverability and the commercial return to the Council.

- 4 The changes that have been identified would benefit the project and the Council. This report therefore seeks the decisions necessary for the Council to take full advantage of opportunities identified.
- 5 To ensure that the current outline planning permission is implemented before it expires (26 September 2026) and to maintain momentum on the wider scheme, authority is sought to proceed with elements of the detailed design and commencement of a first phase of the Initial Preparation and Infrastructure Works (IPIW).

RECOMMENDATIONS

The Economy and Growth Committee is recommended to:

1. Approve:
 - i. Revisions to the Initial Preparation and Infrastructure Works (IPIW) contract and to amend the scope and/or phasing of the existing preliminary design work to reflect changes to the delivery strategy;
 - ii. To proceed with detailed design of the A34 corridor and associated work;
 - iii. To carry out early construction works on the A34 corridor under the Scape National Civil Engineering Framework;
 - iv. To commission Ringway Jacobs Ltd via the Council's Highways Service Contract to provide project management, commercial support, technical approval and site supervision inputs into the construction, detailed design, and rescoped preliminary design;
 - v. To continue the stabilisation and repair works to Dairy House Farm via a North West Construction Hub framework contract in line with the decision previously taken by Committee on 26th January 2024 but allow the scope and/or phasing of works to be varied;
 - vi. Amendments to the terms, conditions and milestones in the Housing Infrastructure Funding (HIF) agreements with Homes England to maximise the amount of the grant that is drawn down and applied to the project.
2. Delegate authority to the Executive Director of Place to take all actions necessary to implement the actions approved by this Committee in consultation with the Executive Director of Resources and the Director of Governance and Compliance.

Background

Delivery strategy and proposed joint venture with MADE

- 6 In accordance with the Committee decision taken in March 2025, the Council has entered into an Exclusivity Agreement with MADE on 5th August 2025.
- 7 MADE and its team of specialists are reviewing the Council's proposals for the Garden Village to determine whether they align with required standards related to quality, place-making, commercial viability, and deliverability. Once this assessment is complete, MADE will make a decision on joining a joint venture investment partnership with the Council as master developers. The due diligence process by MADE involves examining the approved scheme, delivery strategy, and financial model. The Council is also conducting due diligence on MADE and its proposed plans.
- 8 Before entering into the exclusivity period with MADE, the Council prioritised investment in core site infrastructure, including new road access from the A34, the establishment of a 'High Street', provision of a school site, and the principal elements of green infrastructure. The broader site infrastructure was to be delivered incrementally by third parties as individual parcels of land were sold to housing developers. This strategy was shaped by the financial limitations facing the Council, guidance aimed at ensuring timely delivery of key components, and the planning requirements. In contrast, MADE proposes to deliver substantial elements of the road and service infrastructure across the site upfront, creating fully serviced land parcels along with supporting strategic green infrastructure. This approach is supported by officers and it is anticipated to generate higher capital receipts for the investment partnership from house builders upon the sale of each land parcel.
- 9 MADE's approach involves a greater level of investment, with the expectation of generating increased land values that will benefit the Council. This strategy offers a more comprehensive and integrated framework for delivering infrastructure compared to the incremental method previously employed. Implementing a holistic approach will require modifications to the current development phasing through amendments to planning permission.
- 10 MADE has reviewed the allocation of land for specific purposes within the masterplan and assessed it against relevant criteria. Amongst other things, this review identified that the area designated for the new 'through school' does not meet current design standards, while the space allocated for shops along the high street could be better configured. Officers have considered MADE's methodology, and this

report proposes amendments to the approved plans to better reflect end user needs. The principal land uses within the allocation and planning consent remain unchanged by the delivery team and MADE; proposed adjustments aim to facilitate the delivery of residential land parcels, enhance commercial and technical elements of the development, and support place making. These changes are anticipated to benefit the Council as the primary landowner, regardless of the outcome of the joint venture.

- 11 Moving forward, the joint venture investment partnership is anticipated to serve as master developer, carrying out all necessary work to provide serviced development parcels for delivery of the Garden Village and construction of around 1500 homes. The Council and the investment partnership will not directly build homes within the village; this responsibility will fall to third-party housebuilders, who are expected to acquire land parcels at market rates.
- 12 Appendix 1 is a draft of the emerging land use budget plan. It shows:
 - a shorter 'High Street' to more closely align with anticipated occupier demand,
 - the school site, increased in size and relocated to achieve a more level site with an improved relationship to adjacent land uses,
 - restructured green infrastructure to create a central greenspace and better connected green routes for pedestrians and cyclists across the site.
- 13 The proposed modifications aim to enhance both the quality and deliverability of the garden village. Officers recommend pursuing these improvements regardless of whether the Council and MADE establish an investment partnership. Implementation will necessitate amendments to the site's planning consent, which introduces a degree of risk. However, preliminary consultations with key stakeholders suggest a generally positive reception. The proposals are scheduled to undergo more rigorous evaluation through a formal pre-application process with the Local Planning Authority (LPA).
- 14 Some existing contractual arrangements will need to be modified to reflect and implement these changes. These are summarised in the table below:

Description	Implications & Considerations	Authority
IPIW Current contract is limited to preliminary design		
<ul style="list-style-type: none"> • Need to progress to commence development by Sept 2026 to retain planning permission. • Early standalone phase of construction work identified. 	<ul style="list-style-type: none"> • Risk of planning permission expiring if delayed. • Adjustments to contract scope and timing needed. • Exact scope of early works may be revised later subject to engagement with LPA. 	<ul style="list-style-type: none"> • Committee approval is sought to move into detailed design and construction in relation to these early construction works.
<ul style="list-style-type: none"> • Applying a holistic, site-wide approach to drainage, remediation, cut and fill, utilities and servicing. • Prioritise the A34 highway and junction improvements. 	<ul style="list-style-type: none"> • Avoid abortive costs on work that may not be taken forward. • Separating 'on-site' (inside the village) works from 'off-site' (highway) works and focus on the off-site. • This proposal is not aligned with the current contract scope. • Requirement to maximise HIF spend. 	<ul style="list-style-type: none"> • Committee approval is sought in this paper to enter into detailed design of A34 corridor works. • Delegated authority required to descope and amend contract to reflect future proposals.
<ul style="list-style-type: none"> • Ringway Jacobs Ltd provide technical assurance, project management and Quantity Surveyor inputs to contract through Highways Services contract. 	<ul style="list-style-type: none"> • New arrangements needed to support the changed IPIW scope, additional design and construction works. 	<ul style="list-style-type: none"> • Delegated authority required from Committee to commission Ringway Jacobs Ltd, subject to demonstration of value for money under the terms of the framework contract.
Dairy House Farm – Scope & Programme		
<ul style="list-style-type: none"> • Dairy House Farm repairs are a planning condition. 	<ul style="list-style-type: none"> • MADE acknowledge the heritage significance of farmhouse but raise 	<ul style="list-style-type: none"> • Delegated authority sought to vary scope of the works to be carried out.

Description	Implications & Considerations	Authority
<ul style="list-style-type: none"> Committee previously granted authority to proceed using HIF grant for repair works. 	<ul style="list-style-type: none"> cost-benefit concerns and are exploring an enhanced commercial offering to ensure heritage assets can be retained insofar as possible. Concern that repaired buildings will be at risk of theft and vandalism. Reduced initial scope of works being explored. Listed Building Consent (which is linked to main GV planning permission) requires lawful commencement by 7 Dec 2025. This is in train. 	
HIF – Cashflow and spend priorities		
<ul style="list-style-type: none"> HIF grant extended to March 2027 by Homes England. Changes by MADE may affect spending profile. 	<ul style="list-style-type: none"> Risk of underspending HIF. Exploring suitable alternative activities for HIF such as utilities infrastructure as eligible cost and other opportunities. 	<ul style="list-style-type: none"> Delegated authority requested to renegotiate HIF contract if necessary.

Consultation and Engagement

15 The officer team have consulted with these groups:

- a. Handforth Garden Village Members Advisory Group has been briefed on the report issues.
- b. Minority landowners receive regular updates at meetings.
- c. Handforth Town Council is regularly informed about process and decisions.
- d. MADE gives its Board ongoing progress reports.

Reasons for Recommendations

- 16 It is necessary to amend the scope of the IPIW contract to give effect to a delivery strategy that separates the on-site from the off-site works and seeks to deliver the on-site works comprehensively rather than incrementally. This involves ceasing some design work currently being undertaken on elements of the development that are likely to be changed or delivered differently. The investment partnership approach is a strong delivery option for the Council which has the potential to secure a positive outcome, both financially and in terms of producing a high quality development, whilst minimising financial risk.
- 17 Twin-tracking the current approved scheme with the emerging new proposals to manage the risks associated with implementing changes is not considered a worthwhile use of resources. The newer scheme is a significant qualitative improvement on the existing scheme and pursuing the current proposals in parallel would undermine work on the better proposals and would result in abortive costs.
- 18 In addition to the HIF grant (up to £21.7 million), it is estimated that up to £500,000 may be required by the Council for commercial, financial, and legal advice and/or amending specifications of existing contracts as part of its own due diligence work on the MADE proposal. This expenditure is unlikely qualify as eligible under HIF. The amount represents a fraction of the allocation outlined in the MTFS for this Scheme. Should the due diligence results in the establishment of an investment partnership, it could potentially reduce the requirement for additional CEC funding. Further approval processes may be necessary for this expenditure, either through delegated authority or Committee review if the spending is significant.

Other Options Considered

- 19 Officers undertook a high-level options appraisal to consider the alternatives to entering an exclusivity agreement with MADE, which was presented to Committee in March 2025 ([CEC Report Template](#)).
- 20 Considering the risks inherent in the project, progressing with the scheme that currently holds planning permission—but does not incorporate the amendments arising from MADE 's due diligence — presents significant downsides. Doing so would not only incur abortive costs but also divert limited resources away from more promising opportunities. On balance, prioritising the new proposals reduces the risk of wasted expenditure and ensures that the Council's efforts are focused on delivering a higher-quality, more viable outcome.

Implications and Comments

Monitoring Officer/Legal/Governance

- 21 The Scape Framework is a compliant procurement route and the A34 corridor works would be work conducted under the IPIW as amended revisions in accordance with the Scape Framework terms, will remain procurement compliant. Using the Scape National Civil Engineering Framework to procure early construction work on the A34 corridor is similarly a procurement compliant route, as is using the Highway Service Contract for project management and other services as listed above, and using the North West Construction Hub Framework for works at Dairy House Farm. Amendments to the terms, conditions and milestones in the Housing Infrastructure Funding (HIF) agreements with Homes England will depend on ongoing discussions with HIF. Legal will support going forward by reviewing and advising on the terms of any Deed(s) of Variation that are needed to encapsulate any agreed changes.
- 22 The Council has entered into an exclusivity agreement with MADE, and whilst due diligence is being carried out prior to decision whether to enter into a joint venture agreement, it needs to be mindful that any actions taken prior to finalising terms with MADE should be in the best interests of the Council, evidence based and subject to separate due diligence, whether the proposed joint venture proceeds or not.
- 23 The current planning permission for the project expires in September 2026, and it is therefore necessary to commence development prior to this date so that the permission remains valid.
- 24 Any proposed alterations to the scheme may amendments to the planning permission. In applying to the Local Planning Authority for the required alterations, the Council needs to be mindful that it has entered into a draft s106 agreement for this site and any amendments to the scheme may also affect this. Specialist legal advice will be required.

Section 151 Officer/Finance

- 25 The MTFS for 2025/26 to 2028/29 includes a budget of £57.9m for HGV alongside a separate allocation for Section 106 obligations of £6.8m. Spend to date is £12.2m of which £5.4m is funded by prudential borrowing. There is a further £8.8m of prudential borrowing earmarked within the £57.9m.

- 26 It is accepted that the current budget is not sufficient to complete the project in the way set forth under the planning agreement. Consequently, the project has been seeking to identify alternative ways of delivering the development. These include seeking a partner and investigating delivery models that may secure a commensurate return without the need for the Council providing all the funding. The work that is taking place with the MADE Partnership is evidence of this.
- 27 The outcome of the work with the MADE Partnership is not expected to be known for 12-18 months during which time the project is still required to meet significant milestones and hurdles. These do necessitate the need to continue spending and this remains challenging in the current financial climate.
- 28 The key milestones that members need to be aware of are that the full planning permission requires that the IPIW must start on site by September 2026, or the planning permission will expire; and the HIF funding is available until 31 March 2027.
- 29 Not all expenditure will be eligible to be claimed under HIF, so the Authority cannot rely upon the availability of grant fund to finance ongoing activity. Whilst some of the costs may ultimately be recoverable by Section 106 contributions or investment proceeds there will be a need for the Authority to forward fund this activity.
- 30 There are no detailed costings for some of the activities that are subject to the recommendations above. Obtaining costings invariably incurs further cost for the consultants tasked with establishing what they might be. Thus, there is an inherent risk in approving and delegating expenditure that could be viewed as open ended. Therefore, all delegations arising from the recommendations should include, at a minimum, the Executive Director of Resources as a consultee. It is also noted that a "Tier One" meeting exists for the project which should act as a conduit for providing reassurance around the budget and direction and speed of travel.
- 31 To date the approach taken by the project has been prudent in line with earlier Committee papers, moving forward incrementally and cautiously, reducing and removing risks wherever possible, mitigating and quantifying them when not. The intention remains that when approval is sought to proceed into full construction the Council is properly informed of the business case, and the cashflow, funding, and risks that underpin it.

- 32 It is noted that previous decisions made - including the requirements of the LPA to bring forward the scheme comprehensively and for the IPIW to be delivered before houses, together with the constraints of the HIF funding have together point to the stresses created by the Council taking the lead on the IPIW, with cost recovery for infrastructure and S106 obligations ultimately being realised from the sale of land parcels. It is also noted that an approach is required that efficiently uses the Council's finite capital resources because, at present, forecasts for both the total overall cost and the very high peak debt incurred before significant income is generated are problematic for the Council in the current fiscal environment.
- 33 The very significant complexities of the project, in relation to its multiple components and parties, the number of phases and overall duration of delivery, and consequently the difficulties of achieving cost certainty for financial planning purposes. This has proved to be even more challenging, given the Council's ongoing financial issues but it remains the case that sounder the foundation the project is set upon the higher the likelihood of an optimal outcome for the Council, whether that is by working in tandem with MADE or pursuing another delivery model.
- 34 Members are reminded that if a capital scheme does not progress to actual development, any preparatory costs incurred will be considered as 'abortive' and required to be written off to the Council's revenue account, in accordance with accounting regulations.

Human Resources

- 35 The scope and scale of work required for the delivery of the Garden Village far exceeds the capacity that can be provided by this small internal team and it needs to be boosted. No one in the in-house team has experience of acting in the capacity of master developer for a complex development of this nature.
- 36 Progressing with MADE Partnership through the due diligence process is occupying a significant part of the in-house officer resource but it is unlocking considerable additional expertise, experience and capacity which would more than compensate.

Risk Management

- 37 It has become clear that changes will need to be made to the scheme and delivery programme whether pursuing an investment partnership or progressing the scheme with the Council as master developer. Inevitably, this will require further permissions from regulators including

the LPA which cannot be guaranteed to be forthcoming and could lead to delays, cost increases and underspend of HIF. This would particularly be the case if an investment partnership with MADE is not progressed.

- 38 If a joint venture investment partnership is entered into the Council are placing reliance on MADE to formulate and crystallise a revised scheme that is capable of delivery within an appropriate timeframe and planning framework. Within the bounds of public procurement rules MADE are currently not contracted to deliver work on behalf of the Council, save for withdrawing from the exclusivity agreement, the Council has limited ability to directly influence their actions.
- 39 If MADE should hit an unforeseen stumbling block and withdraw from this project, the Council would need to revert to a different delivery option with potential cost and time implications for the project. That said, many of the suggestions from MADE are expected to be of benefit to the scheme.

Impact on other Committees

- 40 The project facilitates a large scale strategic housing development site which was allocated in the Local Plan. It is therefore of interest to Strategic Planning Board, which also considered and approved the hybrid planning permission.

Policy

- 41 The delivery of the garden village at Handforth has the potential to support the priorities of the [Corporate Plan](#) as follows:

Aim 1: An open and enabling organisation

The Corporate Plan encourages exploration of opportunities to bring more income into the borough. A joint venture with MADE Partnership has the potential to support this ambition.

Aim 2: A Council which empowers and cares about people

The ambition is for the Garden Village to be a socially inclusive development, following principles that are mindful of demographic challenges. By doing so, the project will ensure long-term sustainability and resilience, benefiting both current and future generations.

Over the next 18 months, there will be broad engagement to ensure that the views of Council, stakeholders and local communities are identified and inform the community infrastructure management plan for the site.

Aim 3: A thriving and sustainable place

The Corporate Plan sets out an ambition to ensure Cheshire East is a great place for people to live, work and visit with welcoming, safe and clean neighbourhoods and thriving urban and rural economies. A joint venture with MADE Partnership has the potential to support this ambition if it leads to the delivery of the garden village.

Equality, Diversity and Inclusion

- 42 An Equality Impact Assessment (EIA) has been prepared and approved for the garden village and is published on the Council's website - [Equality Impact Assessment Template](#). This will be reviewed and updated as required.

Other Implications

Rural Communities

- 43 This development is in the urban area and there are expected to be limited impacts on rural communities.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

- 44 A new through school will be facilitated which will have a positive impact on children and young people.

Public Health

- 45 A new country park is being built as part of this development, alongside ongoing management regimes and stewardship of the totality of the development. This will provide valuable green space which will have a positive impact on the public health of residents of the garden village and its visitors and users of the space.

Climate Change

- 46 All housing on this site will be built to conform with current building regulations regardless of the delivery model. No gas boilers will be installed in any buildings and it is anticipated that all heat will be delivered to the buildings using a district heating network.

Consultation

Name of Consultee	Post held	Date sent	Date returned
<i>Statutory Officer (or deputy) :</i>			
Ashley Hughes	S151 Officer	27/08/25	29/08/25
Kevin O'Keefe	Acting Monitoring Officer	27/08/25	29/08/25
<i>Legal and Finance</i>			
Mandy Withington	Principal Lawyer (Place)	18/08/25	20/08/25
Aaron Lecroy	Finance		
<i>Other Consultees:</i>			
<i>Executive Directors/Directors</i>			
Philip Cresswell	Executive Director - Place	27/08/25	29/08/25

Access to Information	
Contact Officer:	Charles Jarvis Charles.jarvis@cheshireeast.gov.uk
Appendices:	Appendix 1: Draft emerging land use budget plan
Background Papers:	Economy & Growth Committee Report January 2024 Economy & Growth Committee Report March 2025