1. **PURPOSE OF REPORT**

To set out the contents of the capacity bid, the terms of the award made and the progress to date in using the capacity funds.

1. **INFORMATION**

2.1 As you may recall a paper was brought to this committee in August to give members an update. The bid in principal will set out the investment, in kind and in cash, that local authorities were already putting into the growth agenda and the additional resources required, and asked government to bear a fair share of that.

2.2 The award made in the spring budget was of £750,000.

2.3 The award was, nevertheless, less than had been sought and some trimming of the intended budget took place. The resulting budget for the programme was therefore:-

 **Table 1 – Capacity Fund Share of Resource Requirement 2015/16 (£000s)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Descriptor** | **Revised Cost** | **As at Oct Committed Spend** |
| Senior Management | Time spent on Growth and support for partnership structures | 20 | 7 |
| Growth Manager Post | Delivery Unit Manager and Project Management Resource | 67 | 42 |
| Project Officer | To assist in coordinating and driving the delivery of the consented Sustainable Urban Extensions (SUEs) and associated infrastructure, including leading and managing specific projects. | 50 | 0 |
| Planning Staff | Additional Planning Staff for Delivering Unit | 167 | 56 |
| Highways Staff | Additional Highways Planners to work with Delivery Unit | 108 | 0 |
| Legal Capacity | Costs associated with delivery of SUEs and governance of unit, etc | 75 | 0 |

|  |  |  |  |
| --- | --- | --- | --- |
| Viability Testing  | External Consultative Advice/Negotiations  | 39 | 0 |
| Joint Planning Unit  | Additional support on specialist planning matters – ecology, heritage, sustainability, design, etc  | 29 | 4 |
| Community Engagement  | The Growth Community, as a concept, requires additional engagement above and beyond existing scope  | 24 | 3 |
| Economic Development  | Place marketing, promotional work, inward investment expertise, funding bids  | 47 | 0 |
|  | **Sub Total** | **574** | **112** |
| **Assessments and Studies** |  |  |  |
| Programme of commissioned work on NN Growth Community  | Ensure appropriate best-practice principles are enshrined in operational delivery  | 136 | 15 |
| Transport Assessments, etc  | Required to support delivery of SUEs  | 40 | 0 |
| **Total** |  | **750** | **127** |

2.4 The award was to be paid in two parts

 - £300,000 – received by Kettering BC as accountable body in mid-June and

 - £450,000 which is due on satisfactory completion of a series of milestones.

 These milestones have been met and the drawdown for the second payment has been requested.

2.5 Milestones

* The key posts (Delivery Unit manager, Project Officer, Planning and Highways staff) to be appointed to and staff active in role, either using interim appointees or full time appointments.
* Consultants will be appointed to undertake the main cross-scheme assessments for which funding is sought – assessment of resilience of electric and gas supplies and assessment of on-site health service provision.

**Progress to date**

2.6 The following table sets out the progress made against these key milestones as well as against other aspects of the bid. A small steering group was established, comprising officers from the five councils and from the Joint Planning unit, to progress the establishment of a delivery unit, and this group will continue in being until the Joint Delivery Unit is fully operational. Thereafter, between them, this committee, the North Northants Chief Executives group and the Chief Planning Officers Group will continue to support and oversee the work of the JDU.

2.7 The North Northamptonshire Strategic Stakeholders Group met on 29th September 2015 and have started to have helpful inputs into a number of matters such as the Delivery Plan, Health, Community Trust and Self-Build. Key partners in attendance are HCA, DCLG, BIS, DET, NEP, SEMLEP and some developers

2.8 The items marked in bold are the key triggers required by DCLG to release the second tranche of funding

|  |  |  |
| --- | --- | --- |
| **Item** | **Progress** | **Costs** |
| Appointment of staff **Growth manager** **Project officer** **Highways** | Adrian Arnold has been appointed, after a selection process, on secondment from KBC as Delivery Unit Manager until the end of the year. A Project Officer Post. Interviews for a project officer have been undertaken.Kier/Northamptonshire Highways have appointed three additional highway engineering staff (2 FTEs) to provide additional capacity to the SUEs in North Northants.  | 95% of cost covered by fund - of £67,000. Remainder covered by KBC. Full cost covered by fund. Within assumed ceiling of up to £60,000 Full cost covered by fund - £108,000. No information has been made available to the NNJDU to demonstrate progress being made to appoint staff/use resources. |
| **Planning** | The planning authorities have identified planning, administrative and economic development staff either on a full time or part time secondment to the delivery unit, amounting to 5.25 FTEs rising to 5.75 FTEs. | This represents a value of £21,000 per calendar month, and the lending authorities will be compensated at 55% of the costs, to keep within the overall budget within the fund. |
| Additional capacity Legal Capacity Viability Testing Joint Planning Unit Community engagement Economic development | It is expected that additional legal capacity will be required for the highways Authority and the planning authorities. NNDC have offered their services to Wellingborough and Corby (as currently provided to Kettering and East Northants, with the costs to be borne from the fund. The JPU is commissioning additional design capacity to support existing and emerging SUEs. Still to be developed. See subsequent report on this agenda An ad hoc economic development officer group has identified the need to develop place marketing work, building on work by developers and also work by NNDC pre 2010. This would require a web presence and update of materials developed before 2010. | Nothing has been committed as yet. Currently in discussion to explore id a legal framework can be set up so officer could have a call off facility.No expenditure yet. Due to be covered by the provision within the fund and through developer contributions. Additional days support to run on after the current JPU additional capacity funding that is in place£2.5K spend on East Kettering Newsletters.Still to be worked through. |
| Assessments and studiesDelivery plan**Utilities study****Health services study**Urban design studiesTransport assessments | A delivery plan has been commissioned by the JPU on behalf of the partnership from a consortium of consultants led by Aspinall Verdi, after a competitive tendering process. A final draft is being presented to committee on 22nd Oct. Extensive engagement has taken place to enable the Draft Delivery Plan to be reported on! This is an overall plan to guide the work of the Joint Delivery Unit and to provide evidence for the examination of the Joint Core Strategy. A county wide utilities study has been commissioned from Peter Brett Associates by NEP and this is in progress. There will be opportunity to refine this to the NN area if necessary once it has been completed. After a difficult start, agreement has been reached in principle with Nene CCG to commission a study of health needs and health service solutions across the SUEs.Detailed urban structure analysis of Corby and Rushden has been commissioned by the JPU on behalf of the partnership to assess opportunities for improving connectivity, walking and cycling options, and for measuring the spatial effects of expansion to the towns.NCC to commission these | Cost of £30kCosts being borne by NEP. A strategic board meeting is arranged for the 15th Oct. An update will be given on the night of CommitteeOut to tender. Consultants due to be appointed by the end of Oct / early Nov. Seeking to report the findings to the Jan 2016 committee.Costs of £18,000Within budget of £40,000. No specific details received to date. |
| Accommodation for the JDU | Wellingborough BC have offered space in their Swanspool Offices for the JDU to be housed there. | No cost to the fund, although some additional Kit costs to be borne from within the fund at the point they are incurred. |

 **Conclusion**

2.9 Progress has been made with the study milestone with the Delivery Plan in a final draft form and the Health Study out to tender. With the appointment of two part time project officers anticipated to start soon, the pace of work can take a further step up.

2.10 The North Northamptonshire Strategic Stakeholders Group has been arranged and met for the first time, which is key to help unlock barriers to the delivery process. More detailed work is underway on specific SUE action plans, which will focus in detail on the actions to remove the barriers to delivery of homes and jobs. They will clearly be evidenced by a variety of different elements of information to demonstrate start dates on key infrastructure, housing and employment sites.

2.11 Further work will commence once the Delivery Plan has been endorsed, to implement the key actions set out in the Action Matrix, which in turn will help the debate regarding the future of the JDU.

2.12 As the team starts to come together and work arrangements with the developers continue to focus on delivery, this will allow more progressive discussion to take place on the barriers, discharge of conditions, approvals of S278/S38, drainage and strategic matters.

2.13 Progress reports will continue to be delivered to the committee each time it meets.

1. **RECOMMENDATION**

 Members are requested to note the report