



Authorisation to bid for grant funding to support future joint local plan making

SUMMARY

- 1.1 Government has recently invited 'Expressions of Interest' for grant funding to facilitate more joint plan making through a new Planning Delivery Grant. The intention is to foster greater joint working between Local Planning Authorities to improve longer term, strategic plan making to help to significantly increase housing supply. £25 million is being made available over a three year period from 2017/18 to 2019/20, of which bids are now being sought for the first two years.
- 1.2 Whilst little time is available to put together a detailed bid for the current financial year, an expression of interest at the outset is important to ensure our voice is heard by government at an early stage. This will improve our chances of a successful bid in the 2018/19 financial year which, in practice, is likely to be a better timescale for the work we have in mind to be funded by the grant.
- 1.3 It is proposed to bid for funding to:
 - a) prepare a 'Development Framework Document' and to support joint working for Infinity Garden Village.
 - b) commission two studies to support joint working on the preparation of reviews of our Local Plans. Whilst this work has not yet formally commenced, Government expects plans to be reviewed every 5 years and so preparatory work is needed now. These two studies will:
 - Reassess the most appropriate geography of the Derby HMA as this will form the basis of future joint working, and
 - Identify and appraise strategic growth options across the HMA to help inform future 'Duty to Cooperate' discussions with partners.
- 1.4 It is proposed to bid for up to £245,000 altogether; approximately £165,000 towards the Infinity Garden Village bid and approximately £80,000 for the two studies to support joint plan making. Whilst no formal assessment of costs has been undertaken to date for these two studies, it is estimated from previous studies that the definition of the HMA will cost in the region of approximately £20,000 and the options appraisal in the region of approximately £60,000. A bid will be made on this basis and, if successful, any studies will be tailored to this budget.

RECOMMENDATION

- 2.1 To authorise the submission of a bid to CLG under its Planning Delivery Grant for grant funding up to a value of £245,000 to commission the two studies identified in paragraphs 1.3 and 1.4.
- 2.2 To delegate to the Strategic Director of Communities and Place, following consultation with the Cabinet Member for Regeneration and the Economy, authority to enter into partnership arrangements, any contracts and procure any such works required, as a result of a successful funding bid.

REASONS FOR RECOMMENDATION

- 3.1 The Department for Communities and Local Government (DCLG) has announced an £11m Planning Delivery Fund programme for 2017/18 and 2018/19. Local authorities have been invited to bid for a share of this funding. A successful bid would enable the Council to deliver the projects outlined in the report.
- 3.2 A planning application for Infinity Garden Village, is expected to be submitted in September 2018 and it is important that the Council applies for funding to support the submission.

SUPPORTING INFORMATION

- 4.1 In preparing our Part 1 Local Plans (Core Strategies), the three authorities of the Derby Housing Market Area (Derby City, Amber Valley and South Derbyshire) worked closely to align their individual plans. In particular, this helped to address strategic issues, not least the fact that Derby City could not meet its housing needs in full within its administrative boundaries. Some 5,000 homes to meet our full housing requirement are therefore being provided by Amber Valley and South Derbyshire, mainly as urban extensions to the west and south of the City. We have continued to work together to deliver key infrastructure needed to help deliver these homes.
- 4.2 As we begin to think about the next round of plan making, it is clear that Derby City will again be unable to meet its needs in full within its administrative boundaries. This will require further joint working with our neighbours under the 'Duty to Cooperate' and will need to be addressed in the new 'Statements of Common Ground' to be brought in next year.
- 4.3 Government is now placing a much higher emphasis on joint planning than it has since the abolition of Regional Plans. This includes more joint working on plan making and even preparing joint plans. For instance, legislation is being brought in which will enable the Secretary of State to direct Local Authorities to prepare a Joint Plan where this is considered to be the best way forward to address cross boundary issues.
- 4.4 In addition to the likely need for greater joint working within the Derby HMA, there is also a growing recognition that a closer relationship is needed between the Derby and Core Nottingham HMAs to better understand the strategic issues between them, not least the implications of HS2 and the Toton hub.

- 4.5 To support greater joint working, in December last year, Government invited local authorities to bid for grant funding under a new Planning Delivery Grant to support joint plan making. £25 million is being made available nationally over the three year financial period 2017/20, of which the current round is for £11 million for 2017/18 and 2018/19.
- 4.6 In many respects the invitation for expressions of interest has come a little early for us to have a clearly defined way forward mapped out for greater joint working. This is an extremely sensitive issue for many local authorities and requires a sensitive approach that will take time. On the other hand, we would be missing a valuable opportunity to secure funding if we were not to express an interest in pursuing work that the Government now considers to be crucial to solving the nation's housing shortage and is likely to be needed in some shape or form in any event. Furthermore, it is likely that something akin to both studies will be needed at some point in the not too distant future and so if the bid is not successful an alternative funding arrangement will need to be identified.
- 4.7 Given the strength of previous joint working and the likely need for more joint working in the future, it is proposed that Derby City Council makes a bid for grant funding to support two studies which will underpin future joint working. These are to:
- Reassess the most appropriate geography of the Derby HMA as this will form the basis of future joint working, and
 - Identify and appraise strategic growth options across the HMA to help inform future 'Duty to Cooperate' discussions with partners.

Whilst no formal assessment of costs has been undertaken to date, it is estimated from previous experience that the definition of the HMA will cost in the region of £20,000 and the options appraisal in the region of £60,000. A bid will be made on this basis and, if successful, any studies will be tailored to this budget.

- 4.8 Whilst the bid is being made by Derby City Council, the geographic scope of the studies will need to cover the whole HMA in order to provide the evidence base for future plans. Close working with HMA partners will therefore be needed. This engagement will build on the joint arrangements already in place for strategic planning across the HMA in the form of the Derby HMA Joint Planning Advisory Board, and it is proposed that the JAB provides the steering arrangements for the development of the studies.
- 4.9 Nottingham City Council is intending to make a similar bid, covering the Core Nottingham HMA. Officers have worked together closely to ensure that the bids are aligned and that the work will be closely co-ordinated. There may be an opportunity to combine the two studies into one in due course, but for now it is considered more practical to undertake them at HMA level.
- 4.10 In addition to the two studies to support joint plan making, it is also proposed to bid for up to £165,000 towards preparing a 'Development Framework Document' and measures to support joint working for Infinity Garden Village. These measures include additional staff resources, consultancy to support the emerging master plan and legal fees towards s106 contributions.

OTHER OPTIONS CONSIDERED

- 5.1 The option to not make a bid would result in missing out on an opportunity to secure funding for these studies. Another option to make a single bid by Derby and Nottingham City Councils was considered but is not being pursued for now as the joint working arrangements between the two HMAs are not currently sufficiently developed.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Stephen Teasdale
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For more information contact: Background papers: List of appendices:	Andrew Waterhouse Planning Delivery Fund Prospectus Chris Morgan 01332 641596 Email chris.morgan@derby.gov.uk None Appendix 1 – Implications Appendix 2 - Annex A. Joint Working Fund (Expression of Interest Template
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IMPLICATIONS

Financial and Value for Money

- 1.1 The two studies will be financed entirely by grant monies from CLG and tailored to ensure costs do not exceed the grant. However, it is likely that something akin to both studies will be needed at some point in the not too distant future and so if the bid is not successful this time an alternative funding arrangement will need to be identified.
- 1.2 The total cost of the bid to support the Infinity Garden Village project is £165,000, to be funded from DCLG's Planning Delivery Fund, broken down as follows:

Expenditure Profile

Expenditure Heading	Q4 17/18	Q1 2018/9	Q2	Q3	Q4	Totals
Consultancy Services – planning application	£8,000	£8,000	£8,000	£8,000	£8,000	£40,000
Consultancy Services – Garden Village Design		£10,000	£10,000	£10,000	£10,000	£40,000
Council Officer time – departments other than planning	£8,000	£8,000	£8,000	£8,000	£8,000	£40,000
Dedicated Planning Department resources		£10,000	£10,000	£10,000	£10,000	£40,000
Legal Fees	£1,000	£1,000	£1,000	£1,000	£1,000	£5,000
Totals	£17,000	£37,000	£37,000	£37,000	£37,000	£165,000

- 1.3 There is no DCC match funding requirement for the Infinity Garden Village project, but there is a commitment of DCC officer time, which is costed on a fee basis and is recoverable from the grant.
- 1.4 The grant is a direct award to Local Authorities under Section 31 of the Local Government Act 2003 and funding can be spent in 2017/18 and 2018/19. Funding will be confirmed for 2017-18 and indicative amounts awarded for 2018/19 by end of January 2018

Legal

- 2.1 DCC will enter into a funding agreement with DCLG to determine how the grant funding will be spent. The grant may be subject to clawback, as with most other grants, although the Council has not yet seen the provisions of a likely funding agreement. Therefore, the Council is potentially exposed to a risk of clawback of up of the grant.
- 2.2 DCC will shortly enter into a Memorandum of Understanding (MOU) with Local Authority Partners, plus Infinity Park Derby (LLP) to govern roles and responsibilities of the Infinity Garden Village partners. This MOU is not contractual but will be a precursor to legal agreements at a later date.

Personnel

- 3.1 The Infinity Garden Village project budget will be used for:
 - New posts – currently proposals include two new Planning Department posts, fixed term for one year.
 - Contributions to existing staff costs.
 - Consultancy advice and fees.

IT

- 4.1 No implications.

Equalities Impact

- 5.1 N/A at this stage. An Equalities Impact Assessment would be prepared for any Local Plan Review.

Health and Safety

- 6.1 No implications.

Environmental Sustainability

- 7.1 The Strategic Growth Options Appraisal will be subject to a Sustainability Appraisal.

Property and Asset Management

- 8.1 No implications.

Risk Management and Safeguarding

- 9.1 The main risk of this project, at this stage, is the risk of clawback of the grant for failure to deliver. Naturally, Council Officers will mitigate against this by ensuring that the money is spent for the purposes identified..

Corporate objectives and priorities for change

- 10.1 This Programme will help towards making the most of our assets and contribute towards creating for the people of Derby:
- An inspiring working life by improving skills and creating jobs
 - An inspiring place to live by improving inner city areas (adjacent to Infinity Garden Village).