

Greater Norwich Development Partnership Board

Minutes of a meeting of the **Greater Norwich Development Partnership Board** at City Hall, Norwich on **Thursday 15 December 2011** at **10am** when there were present:

Cllr Andrew Proctor – Chairman

Cllr Stuart Clancy	Representing
Cllr Roger Foulger	Broadland District Council
Cllr Brenda Arthur	Broadland District Council
Cllr Bert Bremner	Norwich City Council
Cllr Alan Waters	Norwich City Council
Cllr Yvonne Bendle	Norwich City Council
Cllr Derek Blake	South Norfolk Council
Cllr John Fuller	South Norfolk Council
Cllr Derrick Murphy	South Norfolk Council
Alan Mallett	Norfolk County Council
Andy Wood	Broads Authority
	New Anglia Local Enterprise Partnership

Officers

Roger Burroughs	Broadland District Council
Phil Kirby	Broadland District Council
Sara Utting	Broadland District Council
Sandra Eastaugh	GND Partnership Manager
Richard Doleman	Norfolk County Council
David Allfrey	Norfolk County Council
Phil Morris	Norfolk County Council
Gwyn Jones	Norwich City Council
Jerry Massey	Norwich City Council
Graham Nelson	Norwich City Council
Tim Horspole	South Norfolk Council
Andy Radford	South Norfolk Council

The Chairman advised that agenda item 8 would be taken after agenda item 5 as these items were related.

1 DECLARATIONS OF INTEREST UNDER PROCEDURAL RULE NO 8

Member	Minute No & Heading	Nature of Interest
Mr Fuller, Mr Murphy and Mr Waters	9 (Growing Places Fund)	Members of LEP Board

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Graham Plant (Norfolk CC), Cllr Ann Steward (Norfolk CC), Scott Bailey (HCA), Chris Starkie (New Anglia LEP), Mike Jackson (Norfolk CC) and Andrea Long (Broads Authority).

3 CHAIRMAN'S INTRODUCTION

The Chairman endorsed the collective working between the partner authorities of the GNDP and emphasised how this had contributed to its success which it was hoped would continue for the future.

In addition, he referred to the recent allocation of £86.5m of funding by the Government for the NDR. This would be the first step of the infrastructure within the greater Norwich area to support the long term growth plans. Cllr Murphy added that this was an excellent first step, albeit there were caveats attached. However, it would be a spur to the aspiration of a continuation of the route from the A140 through to the western end of the A47. The Chairman concluded that the NDR was only one part of the Norwich Area Transportation Strategy and there was still much work to be done, particularly on areas such as public transport etc.

4 JCS – LEGAL CHALLENGE

Phil Kirby updated the Board on the legal challenge to the adoption of the Joint Core Strategy. The case had been heard at the High Court on 6 and 7 December. In addition, he referred to an update previously circulated to the GNDP Board members and advised this would be made available on the GNDP website.

The claimant's Barrister had detailed the three grounds of the claim and advised that Ground 3 (conformity of the JCS with the Regional Strategy) would not be pursued. The hearing therefore focused on the remaining grounds of the claim:

- Ground 1 – the adequacy of the Sustainability Appraisal in meeting European and national legal requirements, particularly in relation to the choice of the spatial locations for the growth and to potential alternatives to policies in the JCS.
- Group 2 – the major link road to Norwich needed to service the growth in the Broadland area at the heart of the Broadland part of the JCS was not assessed at all as part of the process.

The Judge had challenged both parties fairly vigorously on both of the claims. Judgement was reserved and it was unlikely that the Judge's decision would be received until early next year.

5 PREPARATION OF FIVE YEAR INVESTMENT PLAN

Richard Doleman and Sandra Eastaugh presented the report outlining the brief to procure financial advisor support to the GNDP, accompanied by a

Powerpoint presentation (a copy of which was available on the GNDP website). He advised that implementation of the JCS depended on developing a financial strategy which co-ordinated a structured approach to the funding challenges and risks. Financial advice would be required in two stages.

Stage 1

- Review of the 5 year Investment Plan prepared by the GNDP to test the financial robustness of the proposed programme (in the context of the longer term plan).
- An independent view of the challenges for each council in meeting the obligation to underwrite in part or whole the debt repayments of specific major infrastructure projects.
- Assistance in determining the level of income required from CIL (not only during the life of the plan but also covering a 15 year period).
- Identification of issues and requirements needed in order to pursue the principle funding options available, in addition to CIL, which would enable the works to proceed in a timely manner (detailed look at the first 2 years' requirements but to include future and long-term positions).

Stage 2

An option to continue beyond stage 1, providing the main options for the organisational and governance structures required to deliver the infrastructure required for the implementation of the JCS.

The GNDP Partnership Manager advised that support was needed for a better understanding of any shortfalls for potential borrowing, investment in pensions schemes / Bonds etc for the future and this was an area where expertise was essential. There was sufficient money in the budget to cover the costs of engaging a financial advisor and, if approval was granted, the Board would receive an update at its next meeting in March.

The Board endorsed the proposals, recognising that there was currently a shortfall in funding and front-end loading would probably be necessary to kick-start projects. However, it was considered that stage 2 was not optional and should follow as a second phase, once the outputs of stage 1 had been identified.

Accordingly, it was

AGREED:

- (1) to note the summary and

- (2) agree that the GNDP tender for financial support, as outlined in the report, on a phased basis

6 SUMMARY OF GROWTH PROJECTS

The GNDP Partnership Manager presented the report summarising the status of capital projects within the remaining Growth Area Fund.

AGREED:

to note the report.

7 COMMUNITY INFRASTRUCTURE LEVY – RESULTS ON CONSULTATION ON PRELIMINARY DRAFT CHARGING SCHEDULES AND NEXT STEPS

Phil Morris presented the report outlining the results of the consultation undertaken on a preliminary draft charging schedule for the CIL in October / November 2011, accompanied by a Powerpoint presentation (a copy of which was available on the GNDP website). Attention was drawn to the recommendation and corrections which needed to be made to the appendix numbers in recommendations (i), (ii) and (iv).

Approximately 4,000 addresses, including development interests, interest groups, business interests, neighbourhood groups and parish / town councils had been written to, resulting in a total of 79 responses. A summary of the responses, together with the officer response was attached to the report and a copy of the detailed paper setting out the individual responses etc was available on the GNDP website. Following the responses to the consultation and further evidence on viability, a number of changes to the charging schedules and the document Community Infrastructure Levy: Background and Context were being recommended. In summary, these were:

- (1) A change in the residential zone in Zone A to a rate of £115 per sq m.
- (2) The inclusion of domestic garages in the residential charging rates for Zone A and Zone B.
- (3) The inclusion of fire and rescue stations, ambulance and police stations which are sui generis within the same rate as uses falling under C2, C2A and D1 (£0 per sq m).

The adoption of a CIL by a local authority entailed formal processes including an Examination in Public (the whole process possibly taking approximately 20 weeks) but, following a meeting with a PINS examiner, it was hoped this could be reduced which would enable CIL to be adopted earlier than originally

anticipated.

An additional paper was circulated at the meeting on the further viability evidence relating to flatted development of over 6 storeys in the city area, in response to feedback on the consultation. The recommendation proposed changes to the charging schedule specifically for Norwich City Council to include a rate for flats (of 6 storeys and above) of £100 per sq m.

Finally, the Board noted minor wording changes to Appendix 1 (indicative regulation 123 policy) section on maintenance, paragraph 7.1 (setting of CIL rates) and Appendix 1 (indicative regulation 123 list) section on maintenance, the detail of which was circulated at the meeting.

Mr Morris concluded that house prices were key to the viability of the CIL. He stated that the CIL rate was index-linked to the all in tender price index and there could also be adjustments between the balance of S106 and CIL monies. For example, if the economy picked up more quickly, then S106 contributions could be increased.

Concern was expressed at the proposed three year period before carrying out a review as it was considered this should be reduced to say, two years. The Chairman responded that continuous monitoring would be undertaken and consequently the review period would be longer or shorter as necessary, according to the market conditions. It was considered each authority in the GNDP would need to agree to include an appropriate form of words in its charging schedule.

In response to a comment why some parishes fell within both Zones A and B, as this caused potential difficulties, Mr Morris stated that the Regulations required boundaries to be based on viability (they must not be policy based) and could not be defined by parish boundaries. In time, if this was proven not to be the case (ie if evidence showed there was no difference in viability within a parish) then it could be remedied through the first review. The expectation was that CIL income would increase as house prices were anticipated to rise.

The Chairman summarised the key points as follows:

- Consultation responses, particularly those on Zones A and B residential rates
- Setting an appropriate CIL for flatted development above 6 storeys to be incorporated into the charging schedule (relevant to Norwich City Council only)
- Ongoing review – to be written into the charging schedules
- An appreciation of the difficult economic situations currently being experienced and how to encourage developments to be both sustainable

and viable

- Certainty of the CIL
- Staging issue
- A recognition that CIL income was important to all local authorities in the partnership

Accordingly, it was

AGREED:

that the constituent partner authorities be recommended:

- (1) to proceed towards the publication of draft charging schedules for the three charging authorities, incorporating the changes recommended to the documents set out in Appendices 3 and 4 of the report and as discussed above;
- (2) to agree the Background and Context Document incorporating the changes as set out in Appendix 5 of the report (including the amendments referred to above);
- (3) to work towards the timetable as identified in the report;
- (4) to note the charges as sought by other authorities as set out in Appendix 6 of the report and
- (5) to agree that any minor changes to ensure consistency and clarity be delegated to the Director representative on the GNDP Board following discussion with the relevant Portfolio Holder.

8 GNDP RESPONSE TO CENTRAL GOVERNMENT CONSULTATION ON CIL DETAILED PROPOSAL AND DRAFT REGULATIONS FOR REFORM

Roger Burroughs presented a draft response on the consultation for CIL detailed proposals and draft regulations for reform, which it was proposed be a joint response from the partner local authorities. It was noted that the deadline for submitting responses was 30 December 2011.

The Board reviewed the questions and proposed answers and commented as follows:

Q1 – In addition to the proposed response, it was noted that consultation responses received by the GNDP would be passed to the Government as part of this consultation.

Q2 - In addition to the proposed response, it was noted that consultation responses received by the GNDP would be passed to the Government as part of this consultation.

Q1 (para 1.1) – Delete “yes” at the start of the response.

The Board endorsed the proposed responses, subject to the amendments above and accordingly, it was

AGREED:

to agree the submission of the joint GNDP response as contained in the report and as amended above.

9 GROWING PLACES FUND

Andy Wood, Chairman of the New Anglia Local Enterprise Partnership, presented the report on the “Growing Places Fund”, a Government fund of £500m to support the delivery of infrastructure needed to unblock jobs and growth. The fund was being allocated by formula to Local Enterprise Partnerships, with New Anglia LEP’s indicative share just over £12m. The report sought the Board’s approval for the development of the New Anglia Growing Places Fund and outlined a potential way forward for the development of such a fund. A copy of the Government’s Growing Places prospectus was attached to the report for further information.

The three overriding objectives of the Fund were:

- (1) To generate economic activity in the short term by addressing immediate infrastructure and site constraints and promote the delivery of jobs and housing.
- (2) To allow Local Enterprise Partnerships to prioritise the infrastructure they needed, empowering them to deliver their economic strategies.
- (3) To establish sustainable revolving funds so that funding could be reinvested to unlock further development and leverage private investment.

It was noted that a lead local authority had to be identified as the accountable body to receive and account for the funding on behalf of the Partnership and Suffolk County Council had been appointed for the New Anglia LEP. A team, comprising Sandra Eastaugh GNDP Manager, David Ralph, Chief Executive of the Haven Gateway Partnership, Mike Dowdall, Economic Development Manager of Suffolk County Council and Chris Starkie of the New Anglia LEP, had been established to move the initiative forward, looking at three key areas in establishing the Fund. The key priority would be job creation. The LEP

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Board will arbitrate on bids for funding but Mr Wood emphasised that this would not result in additional bureaucracy. Consideration would be given to cross-LEP boundary bids but would require a 50% contribution from the neighbouring LEP.

Two percent of the Fund could be utilised to help the Partnership manage the Fund, providing enough resources for New Anglia to develop and administer the Fund and one proposal would be to second a member of staff from a local authority with experience in this field to the LEP team.

The working group would complete the pre-qualification questionnaire and circulate it to New Anglia LEP Board members for approval prior to the December submission date.

The Chairman welcomed the emphasis on job creation and also Mr Wood's assurance that the LEP Board would not create bureaucracy.

Accordingly, the Board

AGREED:

to note the action taken to date.

10 DATES OF FUTURE MEETINGS

AGREED:

The following dates for 2012:

15 March
24 May
20 September
13 December

All meetings to be held at Broadland District Council offices and commence at 2pm

The meeting closed at 11.32am