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<b>REPORT TO:</b>	<b>ENVIRONMENT AND DEVELOPMENT SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>28 AUGUST 2008</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF COMMUNITY SERVICES</b>	<b>OPEN:</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>IAN BOWEN (01283 595821)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>DERBY HMA GROWTH POINT - REFRESH OF PROGRAMME OF DEVELOPMENT</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: EDS</b>

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## **1.0 Recommendations**

- 1.1 That members approve the indicative list of capital projects for South Derbyshire at Appendix 1, to be considered for inclusion in the Growth Point Programme of Development in 2009-11;
- 1.2 That the Committee Chair, in consultation with the Chief Executive, be delegated to pursue the inclusion of these projects through discussion at the Derby Housing Market Area Joint Advisory Board, and agree details and amendments to the programme as necessary.

## **2.0 Purpose of Report**

- 2.1 To advise members on the need to refresh the Growth Point Programme of Development (PoD) for the Derby Housing Market Area (HMA) for 2009-11 and approve an indicative list of capital projects in South Derbyshire to be considered for inclusion. Also, to seek authority to pursue the inclusion of these projects through the Derby HMA Joint Advisory Board (JAB), and agree details and amendments to the programme as necessary.

## **3.0 Background**

- 3.1 Members will know that South Derbyshire lies within the 'Derby HMA' Growth Point area, which itself forms part of the wider 'Three Cities and Three Counties' (6Cs) Growth Point. Within Growth Points, local authorities are eligible to seek funding to support the delivery of new infrastructure necessary to accompany the strong housing growth being required by the emerging Regional Spatial Strategy (RSS).
- 3.2 Under Growth Point rules, a three year Programme of Development (PoD) is required to be submitted to the Government and refreshed annually. The aim of the PoD is to

set out an overview of proposed housing development for the area and show how the Growth Point fund can be used to support its delivery.

- 3.3 The 6Cs arrangements are managed by an overall Programme Management Board, whilst the Derby HMA is overseen by a Joint Advisory Board (JAB) comprising members of all four Councils in the HMA – i.e. Amber Valley, Derby City, South Derbyshire and Derbyshire County Council. This Council is represented by the Committee Chair.
- 3.4 The first PoD was submitted in September 2007 resulting in South Derbyshire being allocated funding for a range of capital projects totalling £735k. A detailed spend programme for 2008-09 was approved by Finance and Management Committee on 12<sup>th</sup> June 2008, together with an indicative 'pool' of projects to be considered for funding in future years. These are reproduced for information at **Appendix 2**. (n.b. in view of available timescales, this matter was considered by F&M in that instance rather than EDS. Minute FM/11 refers). On the revenue side, funding was allocated to the establishment of temporary HMA-wide posts to co-ordinate Growth Point and LDF work and commissioning HMA-wide studies to underpin LDF Core Strategies.

#### **4.0 Detail**

- 4.1 It is now time to refresh the Programme of Development looking to the period 2009-10 and longer term to 2011. The refresh of the PoD is required to be submitted to Government by 1<sup>st</sup> October 2008 and will be used by the Department for Communities to assess the overall award of funding to the 6Cs. Following deliberations at the 6Cs Programme Management Board, it is expected that an annual sum in the order of at least £2.5m for capital spend will be made available for the Derby HMA, together with £250k revenue.
- 4.2 Following confirmation of the allocation (likely towards the end of 2008), a revised and detailed list of costed projects will be considered by the JAB and brought to this Committee for final approval. The 6Cs Programme Management Board have, however, recognised the current uncertainties presented by the downturn in the construction market. Accordingly, it has been agreed that the HMA Boards will be asked to provide an indicative programme with detailed proposals of costs, expected outputs and delivery arrangements, but that they will not be held to their indicative programme. There is, therefore, scope for updating and amending the proposed spending programme even after the PoD has been submitted.
- 4.3 The indicative list of capital projects at **Appendix 1** are those which are being recommended to be put forward for consideration by the JAB at its meeting on 19<sup>th</sup> September 2008 and for inclusion in the PoD. They largely reflect schemes to which the Council and its partners already have some commitment or otherwise fit closely with the Council's corporate priorities and are related to supporting housing growth. Some of the proposed projects look to extend schemes being funded in the current year, some are drawn from the 'pool' of projects previously identified and others are new proposals.
- 4.4 However, these projects will need to be considered in detail by the JAB against eligibility criteria, particularly the extent to which they fit with strategic growth

priorities, and are deliverable. They will also need to be costed up in detail and assessed against schemes being put forward by other local authorities in the HMA.

- 4.5 It is therefore also being recommended that the Chair, in consultation with the Chief Executive, be delegated to pursue inclusion of the capital projects through the JAB, and agree details and amendments to the programme as necessary to enable submission of the PoD in October.
- 4.6 As regards revenue spending, it is expected that existing commitments in terms of supporting joint posts and LDF baseline work will continue.

## **5.0 Financial Implications**

- 5.1 None arising directly from this report but care will be needed in assessing the VAT implications of projects which are associated with functions already generating VAT exempt income or are likely to generate it in the future.

## **6.0 Corporate Implications**

- 6.1 Growth Point funding will assist in delivering capital projects on essential infrastructure which directly relate to housing growth. Revenue funding will also enable work on the Local Development Framework to be better co-ordinated with the other Derby HMA authorities and underpinned by robust technical evidence, particularly in relation to transport. In particular, the recommendations address Theme 6 of the Council's Corporate Plan: 'Stronger in the Region'.

## **7.0 Community Implications**

- 7.1 Growth Point funding will enable the provision of community infrastructure and services needed to support housing growth as well as benefiting existing residents.

## **8.0 Background Papers**

- 8.1 None.