

BRECKLAND DISTRICT COUNCIL

Report of: Councillor Ellen Jolly - Executive Member For Income and Prosperity

To: Cabinet 5 January 2016

(Author: Julie Kennealy Executive Director Commercialisation)

Subject: Allocation of Residual Growth Point Funding

Purpose: To allocate residual growth point funding to contribute to the delivery of the Thetford Enterprise Park (TEP).

Recommendation(s):

- 1) That £489,882 residual Growth Point Funding is allocated to contribute to the delivery of the Thetford Enterprise Park (TEP)
- 2) That any unspent project allocations under the now dissolved Moving Thetford Forward Programme (MTF) returned to the Council in the future are allocated to contribute to the delivery of the Thetford Enterprise Park.
- 3) That the sums above together with the recently secured Norfolk Business Rates Pool Grant of £450,000 will be utilised as part of a multi-agency package blending financial contributions from a number of inter-agency sources to facilitate the infrastructure investment required to deliver the Enterprise Park.
- 4) That The Executive Director of Commercialisation is requested to represent the Council and in discussions to secure the required multi-agency agreement for successful delivery of the TEP and report back to Cabinet the outcome.

1.0 BACKGROUND

- 1.1 In July 2015 Cabinet resolved that the Moving Thetford Forward Board was dissolved and that in light of the changing funding landscape agreed to earmark any residual funding from the MTF programme to direct towards significant projects that increase economic activity and opportunity in Thetford and surrounding areas affected by planned growth.
- 1.2 It was agreed Moving Thetford Forward's role in attracting inward investment for economic development would be an integral element of the new Greater Thetford Development Partnership (GTDP) remit and that Breckland Council, as the accountable body for the original MTF growth point funding, would consult the GTDP on proposals relating to allocation of any residual growth point funds
- 1.3 Members will recall that the primary purpose of the GTDP board is to bring together key influential voices from the broad collective of organisations whose decision making can and does affect places, communities and as such quality of lives for the people who currently live in areas of planned growth and those who will do so in the future. The decision making of the respective member organisations is not in any way diluted by the presence of the partnership board, it is simply more informed. The partnership board itself does not have any direct executive decision making functions.

- 1.4 The GDTP Board was consulted at its September meeting. The Board recognised the importance of the TEP to the future economic growth of the Town and surrounding areas. The GDTP Board agreed to support the proposal to allocate the residual MTF monies to the TEP. Further, the GDTP requested that the Council explore and pursue where possible alternative support and funding mechanisms for the four outstanding project proposals submitted but not funded by MTF.
- 1.5 In relation to those outstanding projects it was agreed that the Council's communities and assets team work together with the County and Town Council partners to progress alternative solutions for the respective projects. This involves alternative funding arrangements for; play equipment, the transfer of an MTF funded asset from NCC and business planning support with the Charles Burrell Museum.
- 1.6 The key issue to address in bringing forward the TEP relates to the supply of utilities infrastructure, primarily a resilient electricity supply from the national grid. Securing supply of electricity is one of the greatest barriers to employment growth in our district and across the county as a whole, mainly because of the way the charging mechanism for new supply is applied. The estimated investment requirement for the infrastructure to the site is in the region of £6million. By allocating a contribution to these funds the council seeks to prioritise investment plans of partner agencies and stakeholders.
- 1.7 Thetford is an area of considerable housing growth. High quality local employment growth is critical to achieving a balanced and sustainable community.

2.0 **OPTIONS**

- 2.1 Option 1 to allocate any residual growth point funding to the TEP
- 2.2 Option 2 to allocate the funding to the projects submitted but not approved to the MTF board.
- 2.3 Option 3 Do Nothing.

3.0 **REASONS FOR RECOMMENDATION(S)**

- 3.1 Investment in the TEP provides the opportunity for a greater number of jobs to the area. Participating in a multi-agency solution where a number of stakeholders collaborate, each contributing a proportion of the overall investment requirements secures the greatest opportunity to maximise inward investment, benefiting the town and surrounding villages.
- 3.2 The benefits arising as a result of option1 are measurably greater in terms of job numbers than option 2 and option 2 may be deliverable via other funding sources which are being actively pursued.
- 3.3 Option 3 will not deliver the Councils growth ambitions as set out in the corporate plan

4.0 **EXPECTED BENEFITS**

- 4.1 The Council's corporate plan sets out our priorities 2015 – 2019. Against our priority of "developing the local economy to be vibrant with continued growth". The Thetford Enterprise Park provides a major opportunity to attract employment growth to the area. Our priority relating to "supporting Breckland to develop and thrive" sets out specifically a new commitment to adopting an integrated approach to area and place based development to deliver significant growth with full community involvement.

4.2 The employment site is expected to deliver between 1500 and 2500 jobs and given the location within the A11 growth corridor provides the opportunity to attract higher skill/knowledge industries in keeping with the Council and the Towns growth ambitions.

4.3 Option 1 enables us to deliver the new priorities as set out in the corporate plan.

5.0 **IMPLICATIONS**

5.1 **Carbon Footprint / Environmental Issues**

5.1.1 It is the opinion of the Report Author that there are no implications.)

5.2 **Constitution & Legal**

5.2.1 The authority to make decisions sits with Breckland's Executive Members. Consultation with representatives appointed to the Greater Thetford Development Partnership Board as an advisory body will be undertaken; however, as the accountable body formal decision-making for funding allocation remains the remit of Breckland's Executive Members.

5.2.2 The purpose of the Greater Thetford Partnership Board is to bring together key influential voices from the broad collective of organisations whose decision-making can and does affect places, communities and as such quality of lives for the people who currently live in areas of planned growth and those who will do so in the future. The decision-making of the respective member organisations is not in any way diluted by the presence of the Partnership Board, it is simply more informed. The Partnership Board itself does not have any direct executive decision-making functions.

5.3 **Corporate Priorities**

5.3.1 As set out in 4 above

5.4 **Financial**

5.4.1 Growth Point/MTF Capital funding received equals £6,326,821 Expenditure to date is £5,248,936.

5.4.2 Breckland Council remains the accountable body for growth point funding and as such the allocation of funds is an Executive Member function. Funding decisions will need to be undertaken in accordance with the constitution and published.

5.4.3 The original funding body, The Homes and Communities Agency have confirmed that there will be no clawback of funding and they have also confirmed that the funding is un-ring-fenced and as such the accountable body can spend funds as it sees fit.

5.5 **Stakeholders / Consultation / Timescales**

5.5.1 The Greater Thetford Development Partnership were consulted on the proposed allocation of the residual funding in September 2015

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 Thetford and surrounding villages

7.0 **ACRONYMS**

- 7.1 MTF – Moving Thetford Forward
GTDP – Greater Thetford Development Partnership
TEP – Thetford Enterprise Park

Background papers:- Supporting Successful Growth in Thetford and surrounding Villages, Cabinet
14th July 2015

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Key Decision: Yes

Exempt Decision: No

This report refers to a Discretionary Service

Appendices attached to this report: NONE