

## BRECKLAND COUNCIL

### REPORT TO EXECUTIVE MEMBERS FOR THE COMMERCIAL & PLANNING PORTFOLIOS – PAUL CLAUSSEN & ANN STEWARD REPORT DATES

CABINET 12<sup>TH</sup> FEBRUARY 2008  
MINUTES TO COUNCIL 21<sup>ST</sup> FEBRUARY 2008

REPORT OF THE ASSISTANT DIRECTOR RAY JOHNSON – COMMERCIAL  
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### GROWTH POINT GOVERNANCE AND DELIVERY

**Summary:** The following report explains the background to Thetford Growth Point and sets out a recommended governance and local delivery vehicle (LDV) structure to successfully deliver the Thetford Growth Point Programme.

#### **1. BACKGROUND**

- 1.1 In October 2006 Thetford was awarded Growth Point (GP) status. The period to 2021 and beyond will see Thetford and its hinterland become one of the fastest growing areas in the East of England outside of the areas designated in the Sustainable Communities Plan. The draft Regional Spatial Strategy (RSS) indicates that in Norfolk, between 2001 and 2021, there will be 72,600 new dwellings. 15,200 of these will be in Breckland, of which at least 6,000 are to be delivered in Thetford. The draft RSS also indicates that in Norfolk, between 2001 and 2021, there will be 56,000 new jobs with 6,000 of these within Breckland and a significant number of those in Thetford.
- 1.2 Thetford Growth Point Status stems from the need to deliver affordable, sustainable housing, to drive the economy forward, to improve the transport framework and to take advantage of natural assets within Breckland. The successful creation of a sustainable, inclusive and growing community in Thetford will be dependant upon Breckland Council and its key partners including Norfolk County Council, Thetford Town Council and the community along with Government Agencies working together.
- 1.3 In 2006 the Moving Thetford Forward group was set up, bringing together key stakeholders and partners to inform the work on the growth of Thetford. A Joint Member Steering Group has been established comprising County, District, Town and Parish Council representation to allow for engagement and co-ordination between the various tiers of government in relation to the growth and regeneration of Thetford.
- 1.4 Following the submission of the ***Thetford Prospectus – Programme of Development*** by Breckland Council to the Department for Communities and Local Government (CLG) in October 2007 an announcement of funding was made in December 2007. Thetford is being awarded £1,946,579 capital/£203,980 revenue for 2008/09 with an indicative allocation at this stage of £3,644,758 capital/£285,572 revenue for 2009/10 - 2010/11. As this is a new funding system CLG are only confirming 2008/09 awards at this stage. Figures for 2009/10 and 2010/11 are indicative. It will be for local authorities to prioritise how the funding is used for their area. Considering funds available were 3 times oversubscribed by applicant areas the net result of nearly £6 million for Thetford for the first years of the programme is a good result and some prioritisation of infrastructure, study and environmental improvement projects has been made to ensure funding is spent, will meet key local priorities and are deliverable within appropriate timescales.

- 1.5 There will be opportunities to attract private and public sector match funding and investment in addition to that awarded by CLG. Work by Council officers has already begun on this via the submission of the Breckland Prospectus to EEDA in May 2007.

## **2. KEY DECISION**

- 2.1 This is a key decision.

## **3. COUNCIL PRIORITIES**

- 3.1 The matter raised in this report falls within the following Council priorities:

- A safe and healthy environment
- A well planned place to live which encourages vibrant communities
- A prosperous place to live and work

## **4. GOVERNANCE AND DELIVERY**

- 4.1 To ensure that the programme has the necessary and appropriate levels of governance and strategic and programme management, maximises funding opportunities, complies with CLG requirements and meets local community and stakeholder needs, priorities and expectations the local delivery vehicle (LDV) now needs to be formalised and empowered to deliver.

- 4.2 ***The Shadow GP LDV Structure Chart*** is set out in appendix 1 of this report. The roles and responsibilities within the LDV are described in more detail in 4.2.2 below.

- 4.2.1 The LDV suggested here was constructed on advice from the GP rep from The Government Office for the East of England (GO-East) and should be considered as a shadow LDV until it is formally recognised and possibly funded by CLG. One of the first jobs of the shadow LDV will be to prepare a business plan for approval and possible funding for its operation and delivery.

- 4.2.2 **Thetford Growth Point (Shadow) Partnership Board** – The current Growth Point Member Steering Group membership should be broadened to include the necessary community, public and private sector stakeholders and national and local government organisations. Members would need to be of a status to provide the GP programme with the appropriate levels of governance, strategic direction, identify and rank local priorities and bring resources, support and expertise to ensure spend and delivery. The following recommendations were agreed at the GP Member Steering Group meeting on the 19<sup>th</sup> December 2007 held at Thetford Town Council in relation to the membership, role, responsibilities and delegations of a board. GP Board representation should include representatives with the authority to commit resources and make high level strategic decisions without having to return to their organisations for approvals. It would be necessary for the representatives to obtain any required delegations from their authorities or organisations in advance of sitting as a board member. In addition to the current GP Member Steering Group it was suggested the following organisations should be represented when appropriate and invited by core GP Board members: EEDA, English Partnerships (EP), Forestry Commission, Chairman of Housing Authority, PCT, Chamber of Trade and a Principal Land Owner rep, to avoid any direct conflicts of interest, through their professional organisation (CAA). In addition it would also be desirable to have a rep from a Thetford major company. All the above would undertake the role of Thetford GP Champions within their organisations and both regionally and nationally.

- 4.2.3 Accountability - Breckland District Council (BDC), as applicant and direct recipient of GP core funds remains the CLG accountable body in terms of financial management and monitoring. Organisations represented on the GP Board would be the accountable body for funding they secure, manage and spend on behalf of their organisations for the GP programme. Also the GP Board could not pre-determine planning applications as BDC have that responsibility as the local planning authority.

4.2.4 Community Forum – Suggested as this stage but considered highly desirable would be a Growth Point Community Forum made up of the local Community Action Group and the planned Thetford Area Committee. This Forum would have membership on the GP Board and MTF Group and represent the interests and priorities of community stakeholders immediately effected by the 14 year GP Programme.

4.3 Moving Thetford Forward (MTF) Group – Currently the MTF group's Terms of Reference define their purpose as *an advisory group that will steer work on the production of the Thetford Master Plan and the wider regeneration of Thetford*. The Group has no elected member representation and consists of BDC/NCC/Thetford TC planning, transport and technical officers, reps from various regional agencies, local partnerships and community organisations as well as land owners, Forestry Commission, police and the Highways Agency. This group, supported by Breckland's Environmental Planning/GP Team and chaired by BDC senior officers, has been highly successful in terms of their original remit and all meetings and events have been well attended. Some existing appropriate representation would now need to migrate to or, be represented again at a senior level on the GP Board. It will be important to retain the momentum of the remaining group and ensure they continue as a key consultation and programme and project appraisal/sounding board within the Growth Point LDV as well as acting as GP ambassadors. It was agreed at the MTF Member Steering Group meeting referenced above that membership could expand and contract according to issues facing the GP programme at any given period. This approach would include representation from certain groups, organisations or agencies over the full programme period when needed or deemed appropriate by the GP Board.

4.4 Growth Point Delivery Team – This is the team who will handle the day to day programme and project management on behalf of the GP Board and all stakeholders. It is critical this team has a strong and consistent core of personnel with the appropriate skills and competencies and the posts are all permanent. This will provide a strong platform for pragmatic delivery and ensure quality and continuity is maintained for the full life of the GP programme. The LDV Structure Chart indicates a core team of four with all posts being hosted and lined managed by BDC under the Strategic Director for Services while reporting directly to the GP Board. Two of these posts have been appointed so far. The core team can be contractually expanded when required through fixed term or consultancy contracts when it is necessary to obtain specialist skills for the delivery of specific priorities. This model and approach has proven successful in the delivery of the Breckland European Objective 2 (O2) Programme where it was used within Council Teams and among O2 Delivery Partners and is currently being used to deliver the Corporate Rev Project. As with the other elements of the shadow LDV Structure the core GP Delivery Team may need to expand it's core capacity following any required review process.

4.4.1 A small BDC planning team of two is currently in place and undertook the management of the production of *The Thetford Growth Framework and Infrastructure Study* and *The Green Infrastructure Study* (both September 2007). The team also acted as principal contact for the development of the GP Programme and supported the Member Steering and MTF Groups. This team now needs to expand its capacity and expertise to the core level of four suggested above.

4.5 Council Technical Support - Breckland Council in its central and lead role in Growth Point will need to draw on its existing resources and expertise to ensure a successful programme outcome. A two tiered system of support for the core GP Delivery Team is recommended. This is necessary as there are a number of Council Departments, due to their technical skills and statutory and non-statutory remits, that will need to provide direct support on a regular basis to the GP Delivery Team. These are set out in the LDV Structure Chart but are essentially Environmental Planning, Economic Development, Finance and Communications. Second tier support would be provided when required by Strategic Housing, Asset Management, Development Control, Community Engagement and Legal. This list is not an exhaustive list and there will be other Council Departments required to help.

## **5. SHADOW LDV REVIEW**

- 5.1 Review of The LDV - The LDV as described above and set out in *Appendix 1* should provide the necessary structure to achieve the appropriate levels of governance and delivery as a shadow structure in the very short term (first 6 months to a year). The LDV and subsequent governance, delivery and support mechanisms and arrangements will need to be approved by CLG following the submission of a business plan in the early stages of the programme and reviewed following their comments and thereafter on an annual basis (at least annually) to make sure all is fit for purpose.

## **6. REASONS FOR RECOMMENDATION(S)**

- 6.1 The success of the Thetford Growth Point programme can only be achieved if the Council takes the lead with the involvement of all key stakeholders. This includes the public and private sector and community stakeholders. Each Growth Point area has its own unique set of priorities and challenges and there is no magic formulae, model or approach that will suit everyone. The shadow LDV as described within this report has drawn on both internal Council and external best practice models in its construction and officers believe this is the best vehicle to achieve the objectives of the Thetford GP Programme in the very short term and as they are understood at this point in time.

## **7. GP PROGRAMME RISKS**

- 7.1 The risks set out here represent the high level strategic and operational risks that will face the Council and its Partners in the delivery of the GP Programme. Specific project and delivery risks will be put forward by the GP Delivery Team and be dealt with by the GP Board as part of their project approval process. In line with Corporate best practice a risk management plan will be put in place by officers to ensure the below risks are regularly monitored and remain manageable and at acceptable levels.
- 7.2 **Risk 1 BDC Accountable Body Status** - The Council as applicant is the 'accountable body' for the Growth Point and any complimentary match funding. As noted elsewhere in this report the Council will receive and manage the core CLG and match funding to finance the GP programme. This means the Council will be ultimately responsible for all funds expended by the LDV either legitimately or illegitimately. Funds expended illegitimately either directly by the Council or by any partner organisation or body empowered to do so on it's behalf cannot be reclaimed from the source funding body. As mentioned in 4.4.3 partner organisations would be accountable bodies for their own funding sources.

**Risk 2 Performance** – Failure to successfully deliver the projects prioritised within in the first three year period of the GP programme could lead to reduced funding in future programme years both from CLG and other match funders. In addition to this the Council and LDV could be seen by stakeholders and media as not having the necessary competencies to undertake there respective roles.

**Risk 3 Recruitment** - Failure to recruit at the appropriate degree of expertise and seniority at every level within the LDV is a risk to successful delivery. During the development period some key recruitment has already been achieved. These individuals include elected members, officers and organisations. These appointments now need to be built upon to create the Shadow LDV described above.

**Risk 4 Relationship Management** – Relationship and perception management of all stakeholders over the full programme period will be critical to GP success and reputation to achieve recognition and support from stakeholders. A number of sensitive political issues, differing public and private sector objectives and local stakeholder expectations will need to carefully managed to avoid any criticism leading to negative press and media coverage for the Council and the LDV. A good Communication Strategy overall will be essential here.

## 8. **RECOMMENDATION(S)**

8.1 I recommend that;

8.1.1 Cabinet recommends Council accept the CLG offer of Growth Point funding as set out in this report of £1,946,579 capital and £203,980 revenue for 2008 to 2009 and an indicative allocation of £3,644,758 capital and £285,572 revenue for 2009 to 2010 in accordance with 4C Council's Financial Regulations and Finance Procedure Rules section 3 Budget paragraph 4.

8.1.2 Cabinet allocate the CLG Growth Point funds set out above in 8.1.1 for use as the core budget for the Thetford Growth Point programme

8.1.3 Cabinet approve The Shadow GP LDV Structure Model as set out in this report and that it be adopted by the Council as the appropriate informal vehicle for the initial governance and delivery of the Thetford Growth Programme in the short term.

8.1.4 Cabinet recommends Council approves that the Leader and Executive Members representing the Council on the GP Board be given the necessary legal and corporate constitutional delegated powers available to make decisions on behalf of the Council and commit budgeted resources outside the normal Committee process but remaining subject to the Councils normal call in procedures.

8.1.5 Cabinet asks Breckland Officers to prepare a business plan on the suitability of the Shadow LDV Structure on behalf of the Council and GP partners and submitted to CLG for approval and possible funding by April 1<sup>st</sup> 2008.

8.1.6 Members receive regular quarterly reports to include the following :

1) Any changes to the LDV structure or staffing required as a result of the submission of the business plan to CLG for formal approval of funding or due to regular fit for purpose reviews.

2) Project and financial performance reports including a list of the delegated decisions made by the GP Board.

8.1.7 Cabinet agrees the decisions of the report prepared for the Councils General Purposes Committee for the Meeting of January 30<sup>th</sup> for the recruitment of the core delivery posts both within the GP Delivery Team and Council Teams as set out in this report.

These should all be permanent posts and are as follows:

<b>GP Delivery Team Member / Department Staff Resource</b>	<b>FTE / PTE</b>	<b>New Post</b>	<b>Extension of Contract</b>	<b>Estimated Cost over next 3 years (to be underwritten by BDC)</b>	<b>Estimated Cost to be actually incurred by BDC*</b>
<b>GP Programme Manager</b>	FTE	✓	×	£162,168	£0
<b>Team Support</b>	PTE (3 days)	✓	×	£35,479	£0
<b>Principle Planning Officer</b>	FTE	×	×	£173,635	(£122,340)
<b>Planning Policy Officer</b>	FTE	×	✓	£116,117	(£27,833)
<b>Senior Claims Officer</b>	FTE	✓	×	£85,037	£0
<b>Total</b>				£572,436	(£150,173)

### **Annual costs**

<b>Yr 0</b>	<b>£5,528</b>
<b>Yr 1</b>	<b>£178,349</b>
<b>Yr 2</b>	<b>£188,951</b>
<b>Yr 3</b>	<b>£199,608</b>
<b>Total</b>	<b>£572,436</b>
<b>IT &amp; equip</b>	<b>£6,000 (£1,200 per person)</b>

**Notes:**

\*It is estimated that all the costs associated with the Growth Point Delivery team will be reimbursed to the Council through:

- a) Revenue grant / associated interest awarded for Growth Point delivery by CLG. (see proforma B)
- b) Capital grant awarded for Growth Point Delivery by CLG as delivery team members work on capital projects. (see proforma B)
- c) Other External funding drawn into the Growth Point Delivery Programme as members of the delivery team work on associated project delivery.

In addition as the Principle Planning Officer and Planning Policy Officer are roles currently funded by Breckland Council through the Planning Delivery Grant & LABGI. These funds will be able to be reimbursed (via the Growth Point Grant), allowing the Council to address other priorities with these funds.

*Appendices: 1. GP LDV Structure Chart*

Where appropriate, this report has taken account of the need for compliance with

- The Council's Equal Opportunities Policies
- Section 17, Crime & Disorder Act 1998
- Human Rights Act 1998
- Section 40, Natural Environment and Rural Communities Act 2006