

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

9th OCTOBER 2008

**REPORT OF CORPORATE
MANAGEMENT TEAM**

KEY DECISION

**REGENERATION & DEVELOPMENT – LEAD CABINET MEMBER CLLR. ROBERT COOK
HOUSING & COMMUNITY SAFETY – LEAD CABINET MEMBER CLLR. STEVE NELSON**

TEES VALLEY GROWTH POINT STATUS

1. Summary

At the 24th April 2008 Cabinet (min CAB14/08 refers) Members endorsed a bid by the Tees Valley Local Authorities for round 2 Growth Point status to the Department for Communities and Local Government (CLG). On 24th July 2008 CLG announced that Tees Valley had been successful. This report provides an update to Members and seeks approval for the 'Programme of Delivery'.

2. Recommendations

1. Members note the content of the report and delegate approval of the 'Programme of Delivery' to the Interim Chief Executive in consultation with the Cabinet Members for Regeneration & Development and Housing & Community Safety.

3. Reasons for the Recommendations/Decision(s)

Growth Point status will contribute to the overall economic regeneration of the Tees Valley, improve the housing offer available and attract significant external funding. It will also help to bring forward key development sites and address the challenges faced by the current housing market conditions and credit crunch.

4. Members' Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to

prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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SUMMARY

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RECOMMENDATIONS

1. Members note the content of the report and delegate approval of the draft 'Programme of Delivery' to the Interim Chief Executive in consultation with the Cabinet Members for Regeneration & Development and Housing & Community Safety.

DETAIL

1. Growth Point status requires the Tees Valley to increase its housing growth by 20% above the approved Regional Spatial Strategy target up to the period 2016/17. It can best be described as an accelerated development programme, which identifies key infrastructure investment necessary to speed up the development of the city region. Growth Point status brings with it 2 separate sources of funding, the Community Infrastructure Fund and the Growth Fund.

Community Infrastructure Fund (CIF)

2. CIF is joint funded by the CLG and Department for Transport and is intended to fund small to medium scale transport schemes which are vital for unlocking housing development sites and improving the sustainability of major locations for growth.
3. Nationally, for the period up to 2011, £200m is available to share between 2 'Growth Areas', 29 round 1 Growth Points, the 20 recently announced round 2 Growth Points and any successful Eco Towns.
4. The deadline for expressions of interest for this was the 15th September 2008 and in January 2009 a shortlist of schemes will be selected to go through to full business case stage. The announcement on successful schemes and the subsequent allocation of funding is timetabled for July 2009.

5. The Tees Valley package of schemes for CIF consists of the following:

Scheme	Local Authority Area
Tees Valley Network Management Strategy Phase 1	Hartlepool, Middlesbrough, Stockton
A19 / A689 / A1185 Junction and Corridor Improvements	Hartlepool, Stockton
A1035 Riverside Enhancements	Stockton
Former School Sites Access	Darlington
Hemlington Grange Access	Middlesbrough
Low Grange Farm Residential Site Access Improvements	Redcar & Cleveland

Growth Fund and Programme of Delivery

6. The Growth Fund is administered by CLG and is to fund specific housing development sites to enable housing growth. For round 2 Growth Points the national allocation is £100m for the period up to 2011. The Tees Valley has already been allocated £200,000 for 2008/2009 and a significant part of this to fund the development and production of the 'Programme of Delivery' (PoD).
7. Our allocation for the period 2009 to 2011 will be based on the appraisal of our PoD which has to be submitted to CLG by the 27th October. In summary, it identifies the key sites for development and demonstrates their deliverability, sustainability and value for money. It also details the Tees Valley's successful sub regional partnership working through Tees Valley Unlimited, which it is hoped will position us well in the appraisal process. It is recommended that the PoD is approved under delegated powers by the Interim Chief Executive in consultation with the Cabinet Members for Regeneration & Development and Housing & Community Safety, prior to its submission to CLG by the 27th October.
8. Announcements on individual allocations of Growth Fund are anticipated January/February 2009. Unlike CIF which provides ring fenced, project specific funding, the Growth Fund provides non ring fenced block funding to local authorities and their partnerships. With the exception of capital revenue split, there are no grant conditions about how and when the money can be spent between 2009/10 and 2010/11. It is for local authorities and partnerships to prioritise for their own areas. At this stage, no specific schemes or projects for funding have to be identified, just the sites which could help bring forward the housing growth required by Government. The sites included are those which have already been identified through the Local Development Framework. Their inclusion in the PoD is with the caveat that all sites would be subject to due diligence and the statutory planning process.
9. The key sites for Stockton Borough Council are:
 - North Shore
 - Green Blue Heart
 - Stockton Riverside
 - Northern Gateway (check name consistent with LDF)
 - Parkfield
 - Bowesfield Riverside
 - South Stockton
 - Allens West
10. For both funds, it is not possible to speculate at the moment what the final allocations will be, and clearly, both funds are likely to be massively over subscribed due to the significant number of Growth Areas and Growth Points eligible to apply. However, our formal inclusion within the Government's Growth Programmes means that we are now well placed

to receive additional funding that may become available in the future. A number of Eco Town bids have recently been refused which may mean that their share of the national pot is now available and further allocations are anticipated in future Comprehensive Spending Reviews.

FINANCIAL IMPLICATIONS

11. There are no financial implications for the Council. Growth Point status is anticipated to bring additional external funding to assist in the delivery of housing development sites.

LEGAL IMPLICATIONS

12. There are no legal implications at this stage.

RISK ASSESSMENT

13. The current housing market conditions will have a negative impact on the ability of all Growth Point areas to deliver their original growth targets. These risks have been outlined within the PoD and CLG are also very much aware of this but are keen for the Growth Point programme to be driven forward. The Tees Valley sub region is being proactive in its approach to this national problem and has established a Tees Valley Credit Crunch Task Group to assess the true impact of the credit crunch and devise a coordinated approach to mitigating this. A separate report on the impact of the credit crunch for Stockton will be brought to Cabinet in the future. Risk likelihood high and impact low.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

13. Growth Point status impacts on the Economic Regeneration and Transport and Liveability key policy platform areas of the Sustainable Community Strategy. It will provide a much improved housing offer which encourages more people to live in the heart of the city region. It will reduce our carbon footprint through the construction of low energy homes and improving the visibility of public transport.

EQUALITIES IMPACT ASSESSMENT

14. At the present time the strategic sub regional application to Government to access funding is not subject to an Equalities Impact Assessment (EIA). However, once we have secured funding for Stockton Borough, we will then carry out a full EIA.

CONSULTATION INCLUDING WARD/COUNCILLORS

15. The Leader has had an individual briefing on the content of the cabinet report and PoD.
16. The Cabinet Members for Regeneration & Development and Housing and Community Safety have been briefed.
17. Ward members for the individual sites within the PoD have been briefed and a copy of the draft PoD has been placed in the Members Library.
18. The Tees Valley Unlimited Executive Group has been briefed.
19. The Tees Valley Unlimited Board will be asked to approve the final draft of the PoD before it is submitted to CLG.

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Background Papers

Tees Valley Growth Point Status Bid Cabinet Report 24th April 2008

Ward(s) and Ward Councillors

Jean O'Donnell	Billingham South
Michael Smith	Billingham South
Robert Cook	Norton South
Steve Nelson	Norton South
David Coleman	Stockton Town Centre
Paul Kirton	Stockton Town Centre
Tina Large	Mandale & Victoria
Alison Trainer	Mandale & Victoria
Steve Walmsley	Mandale & Victoria
Paul Baker	Newtown
Robert Gibson	Newtown
Mohammed Javed	Stockton Town Centre
Roy Rix	Stockton Town Centre
Alan Lewis	Eaglescliffe
John Fletcher	Eaglescliffe
Maureen Rigg	Eaglescliffe
Ken Dixon	Ingleby Barwick West
Lee Narroway	Ingleby Barwick West
Ross Patterson	Ingleby Barwick West

Property

Some of the sites within the PoD are Council owned but have already been identified for development.