

Report to Cabinet
25th June 2014
Report of Deputy chief executive (operations)
Subject Norwich Annual Business Plan 2014-15 for strategic infrastructure projects

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Purpose

To consider an annual business plan for 2014-15 for strategic infrastructure projects to support planned growth in Norwich and recommend it to council for approval. Following approval it is recommended that the attached business plan is presented to the Greater Norwich Growth Board for delivery in 2014-15 from pooled funding.

Recommendations

1. To recommend Council to approve the annual Business Plan for 2014-15 for strategic infrastructure projects to support planned growth in Norwich.
2. Subject to approval, to present the Business Plan for 14/15 to the Greater Norwich Growth Board (GNGB) to form the Norwich element of the Greater Norwich Delivery Plan.

Corporate and service priorities

The report helps to meet the corporate priority prosperous city.

Financial implications

The council agreed in February 2014 to pool CIL income (not including the neighbourhood funding and administrative funding elements (i.e. excluding 20% or 30% depending on whether there is a neighbourhood plan). The report seeks £161,000 for 2014/5 from the pooled fund for projects in Norwich.

The total pooled amount for Greater Norwich is currently projected to be as follows:

	13/14 received	14/15 Projected	Cumulative total	Pooled Fund 70%
Total	£93,000	£1,108,562	£1,201,562	£841,093

Ward/s: All

Cabinet member: Councillor Brenda Arthur, leader of the council.

Contact officers

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Background documents:

None

Background

1. In February 2014, Council approved the Greater Norwich Growth Board (GNGB) agreement and constitution. Council also agreed to pool its CIL income (not including the neighbourhood element or the proportion retained to cover its administrative costs) across greater Norwich. It was also agreed that the business plan setting out the priorities for investment from the pooled fund would be brought back to Cabinet and Council for approval.

Introduction

2. The adopted joint core strategy (JCS) identifies key infrastructure required to support the planned scale and distribution of growth in greater Norwich. The JCS has been developed with infrastructure delivery in mind and has a delivery plan. The greater Norwich local authorities have updated the delivery plan, now known as the Greater Norwich Infrastructure Plan (GNIP).
3. The GNIP identifies the relationship between growth pressures and infrastructure dependencies and seeks to capture all projects that have been identified arising from the planned growth across the greater Norwich districts.

City Deal

4. The Council has committed to delivering housing and jobs through the Greater Norwich City Deal in partnership with Broadland District Council, South Norfolk Council, Norfolk County Council and the Local Enterprise Partnership. The City Deal signed in December 2013 has a strong infrastructure theme.
5. Under the infrastructure theme, two programmes have been set up. A local infrastructure fund was launched on 12th May, offering finance for infrastructure required to unlock stalled development sites. The other programme is a strategic infrastructure programme. The programme is built up from the infrastructure requirements of the JCS and seeks to ensure strategic infrastructure delivery supports projected housing and jobs growth.

The Strategic Programme

6. Delivery of the strategic programme is vital to keep planned housing and jobs growth on track. Through the GNGB the authorities have agreed to pool CIL contributions to assist in delivery of the programme. The annual business plan promotes projects for delivery in 14/15 against this programme.

The 14/15 Business Plan

7. This is the first business plan (Appendix A) prepared to recommend projects to be delivered from pooled funding. The GNGB will consider the plans from the 3 districts at its meeting on 31st July 2014 so the 2014/15 business plan is not for the full financial year. Subsequent business plans will be prepared to tie in with the Council's budget setting cycle.
8. In section 7 the business plan sets out in more detail the relationship between the business plans the Greater Norwich growth board and the governance

arrangements to support delivery. This is explained in the governance diagram in Appendix B.

9. The Norwich business plan (Table 2 in Appendix A) promotes schemes to receive funding from pooled contributions for delivery in 14/15. Within this year the projects identified for delivery total £161,000:
 - Marston Marsh
 - Danby Wood
 - Riverside Walk; improvement work to river banks, seating and interpretation
 - Enhancement of Earlham Millennium Green for site users and wildlife.
 - Marriott's Way (city end)
10. In addition £160,000 of scheme development work is required for 3 transportation projects in the strategic programme to prepare for delivery in subsequent years:
 - Golden Ball Street/ Westlegate,
 - Guardian Road roundabout,
 - Yellow pedalway.

The cost of this development work is to be met by the accountable body (Norfolk County Council).

Scrutiny

11. This report is due to be considered at Scrutiny Committee on 19 June 2014 and the outcome will be reported to the Cabinet meeting. Members are asked to consider any recommendations and comments from Scrutiny Committee before recommending the annual business plan to Council for approval.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Cabinet
Committee date:	25 June 2014
Head of service:	Andy Watt
Report subject:	Norwich Annual Business Plan 2014-15
Date assessed:	2 June 2014
Description:	To consider an annual Business plan for 2014/15 for strategic infrastructure projects to support planned growth in Norwich and recommend it to Council for approval. Following approval it is recommended that the attached business plan is presented to the Greater Norwich Growth Board for delivery in 2014/15 from pooled funding.

Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CIL income will allow delivery of projects in Norwich
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CIL projects eg transportation and public realm make Norwich more attractive for investors
Financial inclusion	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Proposes support for transportation projects which include priority for non- car modes
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Projects promote active lifestyles
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Projects will improve transportation in Norwich
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Projects provide for improvements to strategic open space
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Pollution	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sustainable transport projects will provide potential to reduce pollution through reduced car use.
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sustainable transport projects will provide potential to reduce energy consumption through reduced car use.
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Recommendations from impact assessment				
Positive				
The projects proposed will improve the quality of the environment and provide benefits for local people.				
Negative				
Neutral				
Issues				

Norwich

Annual Business Plan 2014-15

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1. Background

This Business Plan sets out investment required in 14/15 to support the delivery of planned growth across Norwich for which funding support is sought through the Greater Norwich Growth Board (GNGB).

The investment supports delivery of the Joint Core Strategy (JCS), adopted in January 2014. The Joint Core Strategy included an outline Implementation Plan that sets out high level picture of the infrastructure required to support the planned growth.

Work on infrastructure delivery has continued alongside the work to adopt the JCS and the Community Infrastructure Levy (CIL). The latest position on infrastructure delivery is set out in the Greater Norwich Infrastructure Plan (GNIP), formerly known as the Local Infrastructure Plan and Programme (was the LIPP). The GNIP is focussed on infrastructure to support delivery and has been streamlined to reflect the fact the JCS is adopted and adoption of the Site Allocation development plan document is anticipated in autumn 2014. These set out the housing trajectory that triggers the need for investment in infrastructure and details the infrastructure linking back to the high level picture presented in the adopted JCS. An updated version will be published June 2014.

City Deal

The four local authorities of Broadland, Norwich City, South Norfolk and Norfolk county council, together with the New Anglia Local Enterprise Partnership signed a City Deal for Greater Norwich with central Government in December 2013.

The City Deal has 3 themes, enterprise, skills and infrastructure.

The infrastructure theme puts in place mechanisms and creates opportunities to progress infrastructure delivery. The city deal assists delivery through

- Support from HM Treasury for reduced rate PWLB if required to support acceleration of Infrastructure delivery to bring forward Growth
- £60m for Authorities (NCC Accountable Body)
- plus £20m for Local Infrastructure Fund for loans for Developers (NCC Accountable Body)
- a commitment to collaborative working from central government departments and delivery agencies.

New Anglia Strategic Economic Plan

The Growth objectives of the JCS, the infrastructure requirement and the City deal commitments have been reinforced in the New Anglia Strategic Economic Plan (SEP) submitted to Government in December 2013. The SEP sets out the 10 year plan for economic growth and is key to receiving funding from Government for infrastructure investment through the New Anglia Growth Deal which is expected to be agreed with Government in summer 2014.

2. Purpose of the Annual Business Plan

The schemes captured in the Annual Business Plan have been identified from the Joint Core Strategy and the Greater Norwich Infrastructure Plan.

The Annual Business Plan will allow year on year decisions to be made on infrastructure prioritisation, funding and delivery to be made in the context of up and coming infrastructure needs over the next 5 years. This provides a wider context to prioritise annual spend and decisions on the use of CIL and preferential rate borrowing.

The Annual Business Plan identifies the timeline for delivery and secured funding of the identified infrastructure regardless of type to promote balanced infrastructure delivery to support the planned housing trajectory.

The Annual Business Plan sets out the financial implications for income and expenditure for the forthcoming year; the cumulative financial impact of funding decisions on the Programme given funding and borrowing commitment from earlier years; and after Year 1 will take account of the long-term financial implications for the end of the programme period i.e. 2026.

This business plan has been prepared by officers of Norwich City Council for approval by the Council. It will then be presented to the Greater Norwich Growth Board who will put together a Greater Norwich Growth Programme from the individual plans submitted to the Board

The GNGB will prepare the Greater Norwich Growth Programme annually; the Programme will be published on its website (in development). The Board will provide strategic direction, monitoring and coordination of both the City Deal and wider growth programme for the Greater Norwich area. It will have representation on, and links with, the New Anglia Enterprise and Innovation Board, the New Anglia Business Growth Programme Operational Board and the Employment and Skills Strategy Board and the New Anglia Local Transport Body.

3. Infrastructure projects and the housing trajectory

The context for investment in this year (14/15) considers the medium term projected growth and infrastructure delivery to 2021.

Table 1: Five Year Housing Delivery

Projected housing delivery is

	Norwich - 2008/09 to 2025/26	COMPLETIONS					PROJECTIONS															
	1 April - 31 March	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26			
Past Completions	Actual completions - Previous Years	527	399	377	280	407																
Future Supply	Projected Completions - Current Year						587															
	Projected Completions - Future Years Existing Sites							560	655	981	900	736	1060	573	585	525	505	405	475			
	Projected Completions - Future Years Emerging Sites						35	15	0	140	100	105	25	0	0	20	20	20	40	11057	Total Delivered	
Requirement taking into account completions	Managed delivery target - annual requirement taking account of past/projected completions	477	474	479	486	501	508	501	496	475	403	329	255	117	26	-114	-333	-763	-1950			
	JCS allocation annualised over 18 years (2008 - 2026)	477	477	478	477	477	478	477	477	478	477	477	478	477	477	478	477	477	478	8592	Total Required	
								508	508	508	508	508	2540	Units								
								533	533	533	533	533	2665	Units								
								560	655	981	900	736	3832	Units								
													1167	Unit Surplus against 5.25 year requirement								
													7.55	Years of the 5.25 year requirement								
								575	655	1121	1000	841	4192	Units								
													1527	Unit Surplus against 5.25 year requirement								
													8.25	Years of the 5.25 year requirement								

Infrastructure

The GNIP identifies an infrastructure programme to 2026. To inform business plan decision making an extract of the GNIP is included to give information on up and coming projects. The GNIP extract includes an overview of the infrastructure projects that will be delivered in Norwich (Appendix 1). These schemes will be funded from a wider variety of sources such as mainstream funding, Community Infrastructure Levy receipts, Section 106 agreement payments and other funding, such as ad hoc bids.

Appendices 2 and 3 shows the projects that will be delivered through existing S106 agreements to give the whole picture of infrastructure delivery in Norwich

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4. Infrastructure Projects in Norwich

The GNIP identifies a number of projects for delivery in Norwich over the next five years, summarised below.

- City Centre NATS schemes
 - Rose Lane and Prince of Wales Road
 - Tombland public realm
 - Golden Ball St and Westlegate
- BRT Thorpe Marriott to City Centre (Fakenham Rd)
- BRT Longwater to City centre (Dereham Rd)
- Dereham Road BRT - Guardian Road roundabout
- BRT Broadland Business Parks to City centre
- BRT – Yarmouth Road – Phase I
- BRT – Yarmouth Road – Phase II
- BRT Rackheath to City Centre (Salhouse Rd Gurney Rd) incl. cycling
- BRT Airport to City centre (A140)
- Strategic Bus route via Hethersett Lane, NNUH, NRP, UEA, City Centre
- Strategic bus route via B1172
- New primary provision in Norwich - new school in central Norwich
- Riverside Walk Improvement work to river banks, seating and interpretation
- Marston Marsh footpath and access works and habitat improvement
- Bowthorpe 3 Score
- Danby Wood
- Earlham Millennium Green - Enhancement of Earlham Millennium Green for site users and wildlife

Four projects are identified for delivery in 2014/15 that require funding support through the business plan, as set out below in Table 2.

Table 2: 14/15 Projects

Project	Type	Status	Total cost	Secured funding	Source	Funding gap	14/15 Business Plan Need
Marston Marsh	Green Infrastructure	Ready to commence	30,000	0		30,000	30,000
Danby Wood	Green Infrastructure	Ready to commence	35,000	0		35,000	35,000
Riverside Walk; improvement work to river banks,	Green infrastructure	Ready to start design/ implementation	70,000	19,000	s.106	51,000	21,000

seating and interpretation							
Earlham Millennium Green - Enhancement of Earlham Millennium Green for site users and wildlife	Green infrastructure	Ready to start design/ implementation	15,000	0		15,000	15,000
Marriott's Way (city end)	Green infrastructure	Ready to commence	60,000	0		60,000	60,000
Total (£)				19,000			161,000

In addition to the schemes for delivery a number of schemes have been identified for development this year to meet delivery dates over the next few years. The table below sets out the schemes that need to be developed with funding required for 14/15. These schemes are not seeking funding from pooled funding but require the delivery body to commit to development this year to meet the overall infrastructure programme, set out in table 3 below:

Table 3: Feasibility work in 2014/15

Project	Type	Status	Total cost	Secure d fundin g	Source	Funding gap	14/15 Business Plan Need
Golden Ball St and Westlegate	Transport (NATS)	Scheme developme nt	2,500,000	0		2,500,000	60,000
Dereham Road BRT- Guardian Road roundabout	Transport (NATS)	Feasibility	3,000,000			3,000,000	50,000
Yellow Pedalway	Cycle Network (NATS)	Ready to commence design	3,000,000	119,000 (19,000 15/16)	S106	2,881,000	50,000
Total (£)				19,000			160,000

5. Cash flow and spending plan

The Greater Norwich City Deal included a commitment from the authorities to pool funding to deliver the infrastructure programme and in return flexibility in the CIL reporting arrangements has been granted. The CIL charging and collecting Authorities have agreed the pooling of CIL income (excluding the neighbourhood funding and administration elements) to deliver infrastructure across Greater Norwich . Through the business planning process the Local Authorities will identify the call on pooled CIL to support the projects promoted for that year. Table 4 shows CIL income to the end of 14/15 across the three collecting authorities. The cumulative pooled position is based on a conservative estimate of 70% of predicted CIL income.

Table 4: CIL Income projection for the Greater Norwich area

2013/14 - Received	2014/15 Projected	Projected Total Cumulative CIL	Cumulative Pooled CIL (70% of Total) (£)
£93,000	£1,108,562	£1,201,562	£841,093

6. Annual Proposal

There are no pre commitments on the expected pooled CIL and the proposed schemes for Norwich total £101,000 and can be met from projected income. It is proposed that the schemes in Table 1 are supported for submission to the Greater Norwich Growth Board for inclusion in the Greater Norwich Annual Delivery Plan

7. Implementation and monitoring

Reporting Structure

The Greater Norwich Annual Delivery Plan will be put together by the Greater Norwich Growth Board and the Greater Norwich Growth Board will receive half yearly updates on delivery of the infrastructure programme.

The Infrastructure Delivery Board will be responsible for managing the delivery of the Greater Norwich Annual Delivery Plan. That group will meet monthly to consider progress on the programme and the individual schemes.

The scheme promoters will be responsible for informing the Infrastructure Delivery Board of progress on individual schemes.

Appendix 1: Extract from the Greater Norwich Infrastructure Plan – Norwich City Projects

Ref	District	Project/ Scheme description	Status	Total estimated project cost (£'000)	Total estimated scheme cost (£'000)	Contributory funding (£'000)	Source	Funding need (£'000)	Funding requirement £'000											
									2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
T7	Norwich	City Centre NATS schemes		14,000					60	200	3,340	2,900	1,000	950	950	950	950	950	950	800
T7.1	Norwich	Rose Lane and Prince of Wales Road	Feasibility required		2,000	2,000	Pre- committed LGF			100	1,000	900								
T7.2	Norwich	Tombland public realm	Feasibility required		3,000			3,000			1,000	1,000	1,000							
T7.3	Norwich	Golden Ball St and Westlegate	Needs scheme development		2,500			2,500	60	100	1,340	1,000								
T7.4	Norwich	Exchange St closure	Feasibility required		750			750												
T8	Broadland Norwich	BRT Thorpe Marriott to City Centre (Fakenham Rd)	Needs scheme development	10,000			CIL and other	10,000		500	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
T9	Norwich South Norfolk	BRT Longwater to City centre (Dereham Rd)	Needs scheme development		7,800						1,000	2,000	2,000	1,000	1,000	800				
T9.1	Norwich	Dereham Road BRT - Guardian Road roundabout	Feasibility required.		3,000			3,000	50	100	1,510	1,340								
T10	Broadland Norwich	BRT Broadland Business Parks to City centre		10,000							2,000	2,000	2,000						2,000	2,000
T10.1	Broadland Norwich	BRT – Yarmouth Road – Phase I	Needs scheme development		4,000		0	4,000			2,000	2,000								
T10.2	Broadland Norwich	BRT – Yarmouth Road – Phase II	Needs scheme development		6,000		0	6,000					2,000						2,000	2,000
T11	Broadland Norwich	BRT Rackheath to City Centre (Salhouse Rd Gurney Rd) incl. cycling		5,000			CIL and other	5,000	30	970	800	1,000	1,000	600		6,000				

[illegible]

[illegible]

Appendix 2: Infrastructure delivered through existing S106 agreements or other funding

[illegible]

[illegible]

Appendix 3: Identified Schemes not currently in the Strategic Infrastructure Programme

[illegible]

Greater Norwich Growth Programme Process

