

Report for Resolution

Report to Executive
29 September 2010

Report of Assistant Director- City Development

Subject Norwich and HCA Strategic Partnership- Revised Interim
Business Plan

7

Purpose

This report seeks Executive approval to the revised interim Business Plan for the Norwich and HCA Strategic partnership.

Recommendations

To approve the revised interim Business Plan for the Norwich and HCA Strategic partnership (Appendix 1)

Financial Consequences

There are no direct financial consequences of this report. The Council has already received £7.5M investment from HCA as part of the Partnership agreement. This report updates on progress and outlines plans for future investment

Risk Assessment

There are no direct risks arising from the approval of the revised business plan. Risks are dealt with as part of the Plan and managed through the programme management of the partnership.

Strategic Priority and Outcome/Service Priorities

The report helps to meet the strategic priority “Strong and prosperous city – working to improve quality of life for residents, visitors and those who work in the city now and in the future” and the service plan priority.

Executive Member:

Ward: All

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Background Documents

Background document Norwich and HCA Strategic Partnership- Collaboration and Investment Agreement, September 2010

Norwich and HCA Strategic Partnership- Revised Interim Business Plan

Background

1. The Norwich and HCA Strategic Partnership was formed in September 2009 following signing of a Collaboration and Investment Agreement (CIA) between Norwich City Council and the Homes and Communities Agency (HCA). The Partnership is based on investment from HCA and City Council assets and is intended to create a self perpetuating finance arrangement through the reinvestment of the proceeds from development in future projects which meet the Partnerships objectives. The objectives are:

- To accelerate the delivery of affordable homes
- To increase the supply of private homes
- To improve the quality of existing homes
- To maximise the opportunities for local employment
- To deliver early outputs
- To create sustainable communities
- To deliver strategic regeneration projects within Norwich such as eco-retrofit programme or estate renewal

2. In total the Partnership provides for £8M investment from HCA of which £7.5M has already been paid to the City Council (the final £500K will come from additional receipts from the sale of sites for affordable housing). The CIA included an initial business plan for the Partnership and set out the way that the investment should be used:

- £2.6M for the Memorial gardens project
- £330,000 for the Skatepark
- £1.745M for the.ecoretrofit of at least 800 Council homes
- Grants of £250K and £75K respectively for Open 24/7 Youth venue and the Narthex projects

(all of these projects to be delivered by 31 March 2011)

- £500K for programme and project management costs
- £2.5M to help to bring forward the Threescore site at Bowthorpe for development
- Further affordable housing grant to be provided to allow for 100 homes on small site to be started by 31 March 2011.

Progress to-date

3. Since the Partnership was formed, considerable progress has been made:
 - The governance arrangements for the Partnership have been put in place with a Strategic Board overseeing the partnership and the implementation Board taking day-to-day responsibility for management of the projects and the programme. The Council's City Growth and Development Manager has carried out the project director role (this has been agreed to end of June 2011)
 - Grants have been paid to Open 24/7 and the Narthex and these projects are complete (employment outputs to be assessed at 31 March 2011)
 - The Skatepark project is complete and in use
 - The Memorial Gardens project is well underway with opening planned for November 2010.
 - The ecoretrofit project has commenced with improvements to 941 homes anticipated. The improvements to properties will be assessed through "before" and "after" energy performance certificates.
 - City Council staff costs in managing the partnership and individual projects are being charged to the Partnership budget, resulting in savings to the Council (£23,000 staff costs covered in 2009/10 and £190,000 anticipated in 2010/11)
 - The brief for the small housing sites project was issued in early September 2010 to find an RSL partner to deliver the affordable homes. This will be linked to a pilot employment and skills project to provide local people with the opportunity to secure training and employment opportunities.
 - Initial advice on how to bring forward the Threescore site for development has been obtained via consultants. Further advice is being provided by HCA on bringing forward an exemplar first phase
 - Work is underway to secure outline planning permission for the Threescore site (seeking approval for a planning application originally submitted in 2005, for which there is already a committee resolution to grant planning consent).
 - In addition, a relationship has been formed with the Knowledge and Skills team at HCA and training events have been held for City Council and HCA staff- at no cost to the Council (in fact a small additional grant was received in 2009/10 to cover staff costs in setting events up)
 - The Partnership has been entered for an Association for Public Service Excellence award and was one of the finalists in the public/public partnership category.
4. In March 2010 an audit inspection of the Council's partnerships was undertaken. This included reviewing the Norwich and HCA Strategic

Partnership. The draft final report on the Partnership states:

“This is a significant venture for the Council and the HCA. A strong positive is the clear “win-win” nature of the venture. The Council and the HCA have moved very quickly to ensure that governance issues are clearly embedded from the start. The early risk of non delivery appears minimal (although this can change quickly with the type of projects being delivered).

The clear positive is the nature of the monitoring arrangements in respect of these projects. Further to this is there is strong engagement on this partnership both at the Strategic Board level and at the Implementation Board level. The escalation between the two levels also has clarity. This bodes well for being in a position to tackle future challenges e.g. key project problems or changes required to the business plan.

As a result of the early findings the audit comments can be considered as minimal. “

Revised Business Plan

5. The CIA requires the Business plan to be revised on an annual basis. A revised plan therefore needs to be approved in September 2010. A draft is attached as Appendix 1.
6. The Strategic Board of the partnership has agreed that this plan should be an interim plan pending a more comprehensive revision by March 2011 and annually thereafter. This will allow the plan to be amended following government spending announcements through the Comprehensive Spending Review (CSR) in the October 2010 and to link in with Corporate and Service planning cycles. The revised interim plan has already been considered by Scrutiny committee and is due to be signed off by the Strategic Board of the Partnership on 27 September.
7. Priorities for the next 6 months include:
 - Completion of the Memorial gardens project
 - Technical starts on site of the small housing sites (to deliver 100 affordable homes)
 - Completion of the ecoretrofit project- delivering improvements to over 800 homes
 - Completion of advice on the development of an exemplar first phase for Threescore and agreement of the way forward plus a timetable for implementation.
 - Subject to approval by the Strategic board, production of a brief for the procurement of a partner to take forward the first phase of development on Threescore. (Approval will be sought from Executive about the development of the Threescore site as appropriate depending on the outcome of advice, obtained)

Table 1: Norwich and HCA Strategic Partnership- Project outputs, outcomes, milestones etc

| Project | Total Budget | Spend in 2009/10 | Outputs (from original BP) | Other outcomes (required by SB) | Key milestones | Expected completion date |
|------------------|-------------------------|------------------|--|---|--|--------------------------|
| Memorial Gardens | £2.6M plus £33K from PM | £949,175 | <p>1. NCC to use best endeavours to deliver the completed project before the long stop date of 31 March 2011</p> <p>2. 12 jobs created on site plus 12 in supply chain relating to offsite works, professionals and suppliers over 16 months</p> <p><i>(For this project the employment outputs are the estimated jobs provided on site and in the supply chain by the building contract during the length of the contract as confirmed by the appointed contractor)</i></p> | | Official opening of project November 2010. | End of October 2010 |
| Skatepark | £330K plus £15K from PM | £157,629 | <p>1. NCC to deliver the completed project before the long stop date of 31 March 2011</p> <p>2. 4 jobs created on site over 5 month construction</p> | <p>Level of casual usage</p> <p>Monitored by visits by Sports Development Team at varying times of peak usage e.g. after school, weekends and school holidays, weekly visits by Parks & Open Spaces Officer,</p> | Official launch event July 2010 | End of May 2010 |

Table 1: Norwich and HCA Strategic Partnership- Project outputs, outcomes, milestones etc

| | | | | | | |
|-----------|-------|-------|--|---|--|-------------------|
| | | | <p>programme, plus 2 in relation to supply chain</p> <p><i>(For this project the employment outputs are the estimated jobs provided on site and in the supply chain by the building contract during the length of the contract and are to be confirmed once the contractor is appointed.)</i></p> | <p>Friends of Eaton Park</p> <p>Satisfaction of users- feedback using Facebook – Skatepark consultation group</p> <p>Take up of activities, coaching sessions, competitions and events - monitored and evaluated by Sports Development Team</p> <p>Other Reduction in anti social behaviour by young people skateboarding in City centre feedback as reported from police statistics</p> | | |
| Open 24/7 | £250K | £250K | <p>1. NCC to procure delivery of the completed project by a third party before the long stop date of 31 March 2011</p> <p>2. 74 construction jobs created during construction. To run the centre there are 10 full time staff, 15 part time and 100 volunteers</p> <p><i>(For this project the employment outputs are as</i></p> | | Project completion report sign off by SB March 2011. | Project completed |

Table 1: Norwich and HCA Strategic Partnership- Project outputs, outcomes, milestones etc

| | | | | | | |
|----------------------------------|-----------------------------|------|---|---|---|-------------------|
| | | | <i>confirmed in the acceptance of the grant offer letter to the third party)</i> | | | |
| The Narthex | £75K | £75K | <p>1. NCC to procure delivery of the completed project by a third party before the long stop date of 31 March 2011</p> <p>2. 60 construction jobs created over 10 month period. To run the centre 4 full time, 10 part time and 80 volunteers</p> <p><i>(For this project the employment outputs are as confirmed in the acceptance of the grant offer letter to the third party)</i></p> | | Project completion sign off by SB March 2011. | Project completed |
| Ecoretrofit of 800 council homes | £1.75M plus £58,800 from PM | £0 | <p>1. NCC to deliver the completed project before the long stop date of 31 March 2011</p> <p>Note: In April 2010 Strategic Board agreed to undertake improvements to 1184 properties- consisting of Total 'elements' of works = 2172.</p> | The evaluation of CO2 reductions- SAP and General Energy Savings to be calculated through strategic use of individual Energy Performance Certificates (EPCs) for each asset. The Council's current supplier of this data to produce an EPC for each asset pre and post investment. Results to be | Start of project- May 2010 | February 2011 |

Table 1: Norwich and HCA Strategic Partnership- Project outputs, outcomes, milestones etc

| | | | | | | |
|---------------------|--|--|---|--|--|--|
| | | | Domestic heating system replacements (70), UPVc Windows (1774), Composite front and or rear doors (259), Loft insulation to 300mm (<i>above current building regulation requirements</i>) (56), and External wall insulation to solid wall assets (13) | logged formally via the “NES one” web site (used by energy assessors nationally and held by BRE) showing individual and cumulative results.. A copy of the EPC to be made available to the current tenant. | | |
| Small housing sites | Affordable housing grant at normal rate plus £500,000 NAHP funding to be spent by 31 st March 2011 Plus £108,100 from PM | | 1. Delivery of a minimum of 100 new affordable homes starting on site before 31 March 2011. | Receipt by the Council of £500,000 from developing partners through the disposal of the sites to be made possible through the mechanism of the NAHP 08/11 Programme (in addition to average grant rate). The Council is obliged to add this resource to the Partnership investment | Selection of RSL partner (July 2010) Planning permissions secured(December 2010) | Technical start on site end of March 2011 Physical starts on site 2011/12 |

Table 1: Norwich and HCA Strategic Partnership- Project outputs, outcomes, milestones etc

| | | | | | | |
|-----------------------|--|--------------|--|---|--|---|
| Employment and skills | £50K- allocation yet to be agreed by Strategic Board following "testing" of approach with RSL partner on small housing sites | £0 | | Skills requirements of contractors identified Training opportunities for new entrants identified Training programmes made available to contractors Training opportunities taken up by local residents | PQQ completed by end of May 2010 Option on way forward linked to small housing sites . RP selection Sept 10 | Completion of written report on initial phase- August 2011 |
| Bowthorpe Threescore | £2.5M- further spend of this allocation to be agreed by Strategic Board Committed funding: £23K Envi. Statement to secure planning permissio | £10K from PM | Bowthorpe site milestones/ outputs to be agreed by Strategic Board 31 December 2009 or such later date as the Strategic Board shall agree. (Strategic Board agreed in November 2009 to defer decision till 31 st March 2010. Strategic Board in March 2010 agreed funding for next steps and deferred further decision until next meeting of Strategic Board. June Strategic Board deferred decision on further funding until December 2010 Strategic Board | Completion of Environmental statement work- September 2010 Outline planning permission secured- October 2010 Advice on village green obtained- July 2010 Bowthorpe advice- Phase 1 report by end of Sept 2010-05-24 Phase 2 report- (brief for procurement of JV partner and timetable for development of first phase- complete by end of December 2010. | Advice procured by June 2010-05 Report on phase 1 to Strategic Board 27 Sept 2010 Report on Phase 2 to Strategic Board by November 2010. | Completion of second stage of advice by end of December 2010. |

Table 1: Norwich and HCA Strategic Partnership- Project outputs, outcomes, milestones etc

| | | | | | | |
|----------------|---|----------------------|--|--|---|---------|
| | n Further £17K funding for ES work. £3K Legal advice on village green | | | | | |
| Communications | £0 | £18,000 (from PM) | | | Skatepark Soft launch- May 2010 Memorial gardens launch- November 2010 Small housing sites- signage and info for residents- May 2010- project completion | Ongoing |

FRONT COVER- with suitable photo- eg Memorial Gardens/housing sites?

**Business plan for the Norwich City Council and Homes and Communities Agency Strategic Partnership
– first revision**

Interim plan – September 2010 to March 2011

DRAFT

Foreword – Councillor Steve Morphew and Terry Fuller, HCA

DRAFT

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1. Overview

In September 2009 Norwich City Council (NCC) and the Homes and Communities Agency (HCA) entered into a collaboration and investment agreement (CIA) which established the Norwich and HCA Strategic Partnership (NAHCASP). The CIA sets out the formal legal basis for the partnership and the objectives which would be achieved over its 10 year life. The original business plan forms part of the CIA and set out the short term outputs and outcomes which were to be achieved. The CIA requires the business plan to be updated at least annually and that any variation to the business plan requires the prior consent of NAHCASP Strategic Board.

This is the first revision of the original business plan. This plan is intended to cover an interim period from September 2010 to March 2011, allowing a review following the Comprehensive Spending Review, so that in future the business planning cycle ties in with the timeframes for the corporate planning process.

The NAHCASP is based on the combination of assets from NCC and investment from the HCA and is intended to create a self perpetuating finance arrangement through the reinvestment of the proceeds from development in future projects which meet the partnership's objectives.

The business plan is intended to set out how the HCA investment has been committed and how the outcomes will be monitored and controlled. It also establishes the process for future development of partnership activity.

2. Partnership vision

The partnership's vision and overarching objective is to deliver and strengthen sustainable communities through innovative approaches to joint working.

The partnership will develop the assets (including those identified initially and any others ring fenced for partnership investment in the future) in order to satisfy the objectives listed below and ultimately deliver the outcomes determined by the NAHCASP Strategic Board.

3. Strategic objectives

The strategic objectives for the partnership are as follows:

- to accelerate the delivery of affordable homes
- to increase the supply of private homes
- to improve the quality of existing homes
- to maximise the opportunities for local employment
- to deliver early outputs
- to create sustainable communities
- to deliver strategic regeneration projects within Norwich such as eco- retrofit programme or estate renewal.

4. Quality standards

All affordable housing developments will be delivered to the HCA design standards as a minimum requirement, or other such standards as agreed by the strategic board. In respect of Bowthorpe, which may be disposed of in phases, the joint venture will ensure the development is constructed to the HCA standards applicable at the point of full or reserved matters planning consent.

5. Performance management

The performance of projects is managed at a number of levels.

- Project briefs are approved by the strategic board which set out the outputs and outcomes to be achieved at a project level.
- All projects are managed in accordance with the city council's agreed project management framework.
- Monthly highlight reports are considered in detail by the implementation board in order to monitor progress against agreed project milestones.
- Performance is monitored on a quarterly basis by the strategic board.

6. Risk management

Individual project risk and issues registers are maintained by the individual project managers. An overall partnership risk register and issues log is maintained and this is attached as Appendix 1. Risks are reported to the implementation board and strategic boards on a regular basis so that appropriate steps can be taken to manage and mitigate risk.

Key risks at this stage relate to decisions on the development of an exemplar first phase at Threescore and the use of the £2.5m Bowthorpe funding. Risks in terms of delivery are very much related to the economic climate which could affect the delivery of projects by external contractors. These risks are mitigated by having appropriate contingency plans in place. Although there has been uncertainty over government funding, the CIA is a legally binding contract and so represents a commitment between the two parties.

7. Partnership governance

The partnership governance structure is established through the CIA and shown in Appendix 1. The strategic board and implementation board are now well established and effectively managing and overseeing the progress of the partnership and its activities

8. Cost control and reporting

Any expenditure on projects will require approval from the strategic board. The strategic board may agree expenditure delegation levels for the implementation board which will be set out in a separate delegation schedule for the implementation board.

In order to secure consent to any expenditure, a proposal should be prepared and submitted for approval. This should include the reason for expenditure, amount, and value for money together with a recommendation.

The following are the only ways in which expenditure can be committed on an agreed and identified project:

i) implementation board

The implementation board will be responsible for committing all expenditure by the joint venture provided it is within the parameters of the delegation levels delegated to it by the strategic board.

ii) Project team/s

The project team/s will not be allowed to commit any expenditure unless permission has been delegated to them by the implementation board. If this occurs then the strategic board shall be notified of the level of delegation prior to the commitment being made. In any event, the implementation board may only delegate permission to a project team to the extent it is consistent with the permission delegated to it by the strategic board.

9. Procurement of goods, works, services or equipment

The procurement of any goods, works, services or equipment by NCC in relation to joint venture activities shall be in accordance with clause 7 of the collaboration and investment agreement.

It should be noted that a public procurement threshold exists and if it is exceeded then the full Official Journal of the European Union OJEU process must be followed. The head of procurement at NCC or HCA should advise on this process.

Delivery in 2009-10

10. Budget and expenditure in 2009-10

| NAHCASP Workstreams | | Income | | | Expenditure | | | Total | | |
|-----------------------|---------|--------------------|--------------------|----------------|------------------|------------------|--------------------|-----------|--------------------|--------------------|
| Workstream | Project | Budget | Actual | Variance | Budget | Actual | Variance | Budget | Actual | Variance |
| Memorial gardens | 5500 | (2,600,000) | (2,600,000) | 0 | 2,633,000 | 949,175 | (1,683,825) | 33,000 | (1,650,825) | (1,683,825) |
| Skatepark | 5501 | (330,000) | (330,000) | 0 | 345,000 | 149,959 | (195,041) | 15,000 | (180,041) | (195,041) |
| Open 24/7 | 5502 | (250,000) | (250,000) | 0 | 250,000 | 250,000 | 0 | 0 | 0 | 0 |
| Catholic Cathedral | 5503 | (75,000) | (75,000) | 0 | 75,000 | 75,000 | 0 | 0 | 0 | 0 |
| Bowthorpe development | 5504 | (2,000,000) | (2,000,000) | 0 | 2,000,000 | 0 | (2,000,000) | 0 | (2,000,000) | (2,000,000) |
| Eco Retrofit (HRA) | 5505 | (1,745,000) | (1,745,000) | 0 | 1,803,800 | 0 | (1,803,800) | 58,800 | (1,745,000) | (1,803,800) |
| Housing Sites | 5506 | 0 | 0 | 0 | 108,100 | 0 | (108,100) | 108,100 | 0 | (108,100) |
| Programme Management | 5507 | (500,000) | (501,039) | (1,039) | 285,100 | 29,976 | (255,124) | (214,900) | (471,064) | (256,164) |
| Total NAHCASP | | (7,500,000) | (7,501,039) | (1,039) | 7,500,000 | 1,454,110 | (6,045,890) | 0 | (6,046,930) | (6,046,930) |

| Programme Management | | Analysis of Expenditure | | |
|-----------------------------------|--|-------------------------|---------------|------------------|
| Workstream Breakdown | | Budget | Actual | Variance |
| Project Direction (to end Dec 09) | | 17,000 | 13,012 | (3,988) |
| Project Direction (to end Mar 10) | | 15,000 | 10,164 | (4,836) |
| Due Diligence | | 2,000 | 2,000 | 0 |
| Project Director Contingency | | 3,000 | 250 | (2,750) |
| Bowthorpe Consultants | | 10,000 | 0 | (10,000) |
| Bowthorpe Planning Consent | | 10,000 | 4,550 | (5,450) |
| Employment & Skills | | 50,000 | 0 | (50,000) |
| Unallocated | | 178,100 | (1,039) | (179,139) |
| Total Programme Management | | 285,100 | 28,936 | (256,164) |

11. Progress in the first year (from Sep 2009)

The NAHCASP has made considerable progress in its first year:

- o £7.5M investment transferred to the partnership.
- o Strategic board and implementation board established.
- o Terms of reference for boards agreed.
- o Project briefs approved by strategic board.
- o Appointment of the project director agreed until end of June 2011.
- o All regeneration projects commenced (full details set out below).
- o Open 24/7, The Narthex and Skatepark projects completed.
- o Initial advice on the development of Threescore obtained.
- o Further consultancy advice procured for the development of an exemplar first phase at Threescore.
- o Bowthorpe planning permission progressed.
- o 'Supply side' employment and skills project procured.
- o Successful audit inspection as part of the council's audit of partnerships.

INCLUDE PHOTOS AND EXTRACTS FROM ARTICLES/ PUBLIC REACTION

12. Internal audit

An audit of the NAHCAP was conducted by Zurich in March 2010 as part of an overall inspection of the council's partnership performance. A good report was received:

“This is a significant venture for the council and the HCA. A strong positive is the clear ‘win-win’ nature of the venture. The council and the HCA have moved very quickly to ensure that governance issues are clearly embedded from the start. The early risk of non delivery appears minimal (although this can change quickly with the type of projects being delivered).

“The clear positive is the nature of the monitoring arrangements in respect of these projects. Further to this is there is strong engagement on this partnership both at the strategic board level and at the implementation board level. The escalation between the two levels also has clarity. This bodes well for being in a position to tackle future challenges eg key project problems or changes required to the business plan.

“As a result of the early findings the audit comments can be considered as minimal.”

In autumn 2010 a further internal audit is due to be carried out on the partnership, which will allow any improvements to the partnership's management to be addressed.

Priorities for 2010-11

13. Budget for 2010-11

The tables below show how the original partnership investment was broken down and the committed budget for 2010-11. Individual project plans will provide a profile of the budgets on a quarterly basis to allow the strategic board to monitor expenditure. In addition the strategic board may make further allocations during the course of 2010-11 for the unallocated part of the £500,000 programme management budget and the unallocated part of the £2m Bowthorpe funding. During the course of the year a further £500,000 will be received from the income from the sale of small housing sites which needs to be transferred to the Bowthorpe fund to make up the full £2.5m agreed in the CIA. There may also be scope to re-allocate any underspend from regeneration projects which are completed during the course of the year.

| NAHCASP Workstreams | | Income | | | Expenditure | | | Total | | |
|-----------------------|---------|----------|----------|----------|------------------|----------|--------------------|------------------|----------|--------------------|
| Workstream | Project | Budget | Actual | Variance | Budget | Actual | Variance | Budget | Actual | Variance |
| Memorial gardens | 5500 | 0 | 0 | 0 | 1,683,825 | 0 | (1,683,825) | 1,683,825 | 0 | (1,683,825) |
| Skatepark | 5501 | 0 | 0 | 0 | 187,371 | 0 | (187,371) | 187,371 | 0 | (187,371) |
| Bowthorpe development | 5504 | 0 | 0 | 0 | 2,000,000 | 0 | (2,000,000) | 2,000,000 | 0 | (2,000,000) |
| Eco Retrofit (HRA) | 5505 | 0 | 0 | 0 | 1,803,800 | 0 | (1,803,800) | 1,803,800 | 0 | (1,803,800) |
| Housing Sites | 5506 | 0 | 0 | 0 | 108,100 | 0 | (108,100) | 108,100 | 0 | (108,100) |
| Programme Management | 5507 | 0 | 0 | 0 | 256,164 | 0 | (256,164) | 256,164 | 0 | (256,164) |
| Total NAHCASP | | 0 | 0 | 0 | 6,039,261 | 0 | (6,039,261) | 6,039,261 | 0 | (6,039,261) |

| Programme Management | | Analysis of Expenditure | | |
|-----------------------------------|--|-------------------------|----------|------------------|
| Workstream Breakdown | | Budget | Actual | Variance |
| Project Direction (to end Mar 11) | | 48,000 | 0 | (48,000) |
| Project Director Contingency | | 2,750 | 0 | (2,750) |
| Bowthorpe Consultants | | 5,450 | 0 | (5,450) |
| Bowthorpe Planning Consent | | 0 | 0 | 0 |
| Employment & Skills | | 50,000 | 0 | (50,000) |
| Communications | | 18,000 | 0 | (18,000) |
| Unallocated | | 131,964 | 0 | (131,964) |
| Total Programme Management | | 256,164 | 0 | (256,164) |

14. Priorities for Year 2 – September 2010 to March 2011

Table 1 sets out the outputs, outcomes and milestones for each of the main areas of project activity, currently agreed by the partnership.

Priorities for Year 2 are:

- completion of the Memorial Gardens project
- technical starts on site of the small housing sites (to deliver 100 affordable homes)
- completion of the ecoretrofit project – delivering improvements to 962 homes
- completion of advice on development of an exemplar first phase for Threescore and agreement of the way forward plus a timetable for implementation
- subject to approval by the strategic board, procurement of a partner to take forward an exemplar first phase of development on Threescore.

15. Communications plan and activities

The CIA requires a communications plan to be developed for the partnership. This was approved by the strategic board in November 2009. The document is a living document and is updated regularly to respond to changing circumstances and specific communications activities. The strategic board (in April 2010) approved a budget for specific communications activity:

- Skatepark – signage and photo commissioning for soft launch – £1,000
- Memorial gardens – launch event etc – £9,000
- Small housing sites/ecoretrofit – signage and information for residents – £8,000

A communications protocol has also been agreed which ensures that there is an agreed process (between HCA and NCC) for agreeing press releases and handling media enquiries.

16. Case studies and awards

There have already been requests for information on the NAHCASP to be included as case studies. HCA is developing a case study for its website and HCA skills and knowledge directorate has developed a case study on the learning aspects of the partnership's activity. There is a general presumption that the partnership welcomes showcasing activity where there is no cost to the partnership.

The strategic board agreed to put forward the partnership for an award in the Association for public sector excellence (APSE) Service Awards 2010 in the public/public partnerships category). The partnership has been shortlisted as one of the finalists for the awards which will be made at APSE Annual Dinner in September 2010. The strategic board also agreed to put the partnership forward for any future awards.

The implementation board also received a Norwich City Council roars award for cross council working.

17. Working with HCA skills and knowledge directorate

A programme for developing skills and knowledge of NCC and HCA staff in working on the partnership was agreed by the strategic board in November 2009. An initial event was held in April 2010 on development economics. This was well received. A programme of four events has been developed for 2010-11. The cost of these events is fully met by the HCA skills and knowledge directorate and the staff costs of NCC staff in developing and organising events was covered by a grant in 2009-10. This brought around a further £2,000 income to the partnership. A further grant for 2010-11 is being negotiated.

18. Further development of the partnership

The CIA allows for further sites to be brought into the partnership. It does not preclude further investment by HCA although none is specifically committed. It is important that the partnership has a process for bringing forward new sites and project ideas for consideration and develops emerging priorities to take advantage of future funding which will come through the partnership or direct from HCA or other sources. This could include opportunities for shared expertise as well as spend on capital projects. The following approach is proposed:

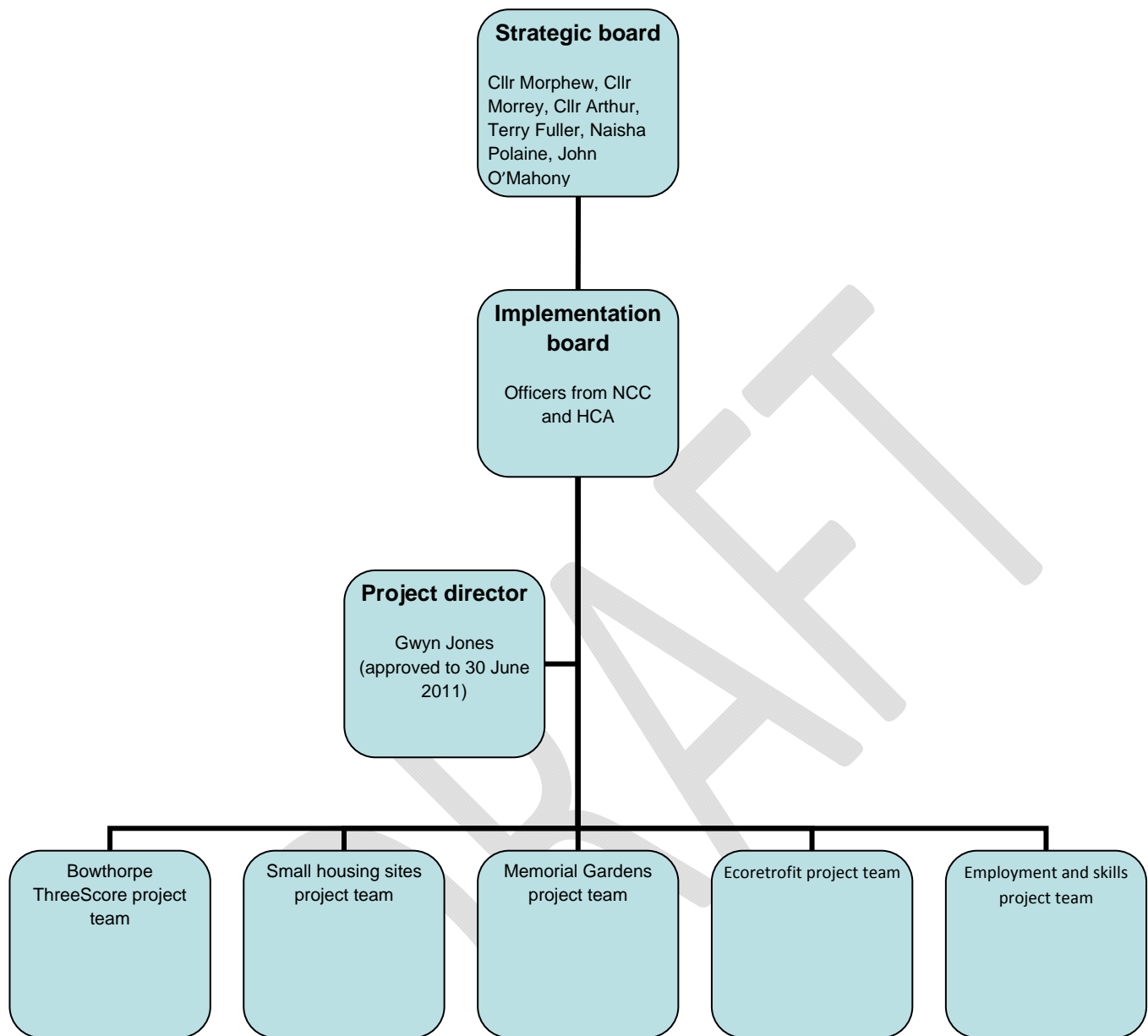
- Implementation board considers any new sites or project ideas on a quarterly basis.
- Implementation board makes an assessment of how the project idea meets the partnership objectives.
- any project ideas which have merit are then reported to the strategic board as part of the project directors report.
- any proposed amendments to the business plan to be reported for approval by the respective partners.

The partnership is aware of the development of the GNDP wide *Local investment plan* which is likely to focus on growth, regeneration and housing delivery with possible associated infrastructure requirements. The partnership will contribute to the development of this approach where appropriate, and Norwich projects may be delivered through the partnership if this is considered appropriate.

19. Further funding

The NAHCASP agreed to bid for funds to supplement the existing investment and in December a joint bid was made for funding from the Department of Energy and Climate Change. Unfortunately this was not successful. The partnership will continue to look for opportunities for further external funding and pursue relevant bids.

Appendix 1. Governance structure – September 2010



Appendix 2- Risk register and issue log

The document will form the basis of regular risk reporting to the Strategic and Implementation Boards

All risks identified must be assigned an owner

All risks to have an action assigned to them at the earliest opportunity

RISKS TO PARTNERSHIP

Key risks arising

| Risk | Impact (1-5) | Likelihood (1-5) | Total | owner | action |
|---|--------------|------------------|-------|-------|---|
| Project risks | | | | | |
| Eco-retrofit of 800 homes | | | | | |
| Overrun of agreed programme due to poor monitoring / contract administration | 5 | 2 | 10 | JW | Framework for delivery already in place and tested. |
| Service provider unable to deliver to budget or timescale | 5 | 3 | 15 | JW | Contingency plans in place and ready to be activated |
| Small housing sites | | | | | |
| Registered provider capacity to deliver | 5 | 1 | 5 | AT | Delivery capacity a key element of procurement |
| NCC capacity to release resource to the project | 2 | 1 | 2 | AT | Additional resources are available through 500k prog. management funding |
| Planning delays / community engagement delays granting of planning consent | 2 | 3 | 6 | AT | Additional planning resource put in place via 500k prog management funding; delays of this nature would not affect all sites |
| Ground conditions – contamination / adverse ground conditions may delay start on site | 2 | 2 | 4 | AT | Reserve sites can be brought forward to fulfil requirement to deliver 100 housing units |
| Uncertainty over HCA funding through NAHP programme | 5 | 3 | 15 | AT | Hca confirmation that CIA provides contractual commitment despite cuts in funding |
| Memorial Gardens | | | | | |
| Unforeseen problems causing delay meaning work runs past March 2011 | 5 | 1 | 5 | GT | Project is due to complete Nov 09 so sufficient flexibility. Contract with Carters is priced in such a way (no profit margin) that in Carters interest to complete as quickly as possible |

| | | | | | |
|--|---|---|----|----|--|
| Skatepark | | | | | |
| Construction problems /unforeseen ground conditions leading to work runs past March 2011 | 3 | 1 | 3 | DH | Project completion May 2010 |
| Third party projects: | | | | | |
| RC Cathedral visitor centre ' the Narthex' | | | | | |
| Failure to comply with job outputs | 5 | 1 | 5 | NR | Project complete. Completion report with job outputs expected. Grant can be clawed back if unable to comply. |
| Open 24/7 | | | | | |
| Failure to comply with job outputs | 5 | 1 | 5 | NR | Project complete. Completion report with job outputs expected. Grant can be clawed back if unable to comply. |
| Generic risks | | | | | |
| Material breach arising from NCC project management obligations | 5 | 1 | 5 | GJ | Projects are being managed in accordance with corporate framework |
| | 5 | 1 | 5 | GJ | NCC project managers have been made aware of their obligations regarding partnership with HCA |
| | 5 | 1 | 5 | GJ | NCC officers have been made aware of the circumstances constituting a material breach |
| Material breach arising from accounting / procurement | 5 | 1 | 5 | GJ | NCC has put in place procedures to ensure compliance and accounting requirements of collaboration agreement |
| Outputs not delivered- risk of paying back funding | 3 | 1 | 3 | GJ | Project management procedures in place to minimise risk. (Note- this is a Council risk but could threaten the Partnership) |
| Material breach due to change government and unforeseen changes to organisations and their funding | 5 | 3 | 15 | GJ | Legally binding on contract in place with exit strategy in event of Partnership folding |
| Threescore | | | | | |
| Alleged Norfolk County Council claim against Threescore title | 5 | 1 | 5 | DJ | NCC has agreed to indemnify HCA against any claim made by County (Note- this is a Council risk (recorded on Council's Strategic risk register) but could threaten the Partnership) |

| | | | | | | |
|--|---|---|----|----|---|--|
| Decision on spend of £2.5M- and payback of funds | | | | SB | Regular updates to Strategic Board and deferrment of decision | |
| Ability to bring forward 1st phase of Threescore due to continuing recession | 5 | 3 | 15 | GJ | Property advice on second phase of work on Threescore to deal with this aspect | |
| Lack of progress due to CLG advice about appointment of consultants | 4 | 2 | 8 | GJ | Alternative plan brought forward using HCA in-house expertise | |
| | | | | | | |
| ISSUES | | | | | | |
| Key issues arising | | | | | | |
| 1. Lack of continuity in property advice on Bowthorpe. There is likely to be a gap between the report produced by EC Harris (due Feb 2010) and the commissioning of any further work- a decision will be required by the Strategic Board and the procurement process will mean approx 2 month gap from completion of initial advice. | | | | | Further advice being procured | |
| | | | | | | |
| 2. Lack of continuity of Project Director role- G.Jones appointed until end of March 2010. Strategic Board need to make a decision on how to fill the role after 31st March 2010 at its meeting in March. If there is any recruitment process there will be a gap so there may need to be an extension of the interim arrangement. | | | | | Mitigated through agreement of strategic board to extend G Jones role to 30 June 2011 | |
| | | | | | | |