

# Scrutiny Panel Meeting

**Online Meeting,  
Monday, 17 August 2020 at 18:00**

**The Scrutiny Panel** examines the policies and strategies from a borough-wide perspective and ensure the actions of the Cabinet accord with the Council's policies and budget. The Panel reviews corporate strategies that form the Council's Strategic Plan, Council partnerships and the Council's budgetary guidelines, and scrutinises Cabinet or Portfolio Holder decisions which have been called in.



## Information for Members of the Public

### Access to information and meetings

You have the right to observe all meetings of the Council, its Committees and Cabinet including those which may be conducted online such as by live audio or video broadcast / webcast. You also have the right to see the agenda (the list of items to be discussed at a meeting), which is usually published five working days before the meeting, and minutes once they are published. Dates of the meetings are available here:

<https://colchester.cmis.uk.com/colchester/MeetingCalendar.aspx>.

Occasionally certain issues, for instance, commercially sensitive information or details concerning an individual have to be considered in private. When this is the case an announcement will be made, the live broadcast will end and the meeting will be moved to consider the matter in private.

### Have Your Say!

The Council welcomes contributions in the form of written representations from members of the public at most public meetings. Each representation may be no longer than three minutes (or 500 words, if a written submission). Written submissions must be submitted via the form accessed by this link, before noon on the working day before the meeting date: [Scrutiny Panel Have Your Say!](#) If you wish to speak in person to the Panel, you must register your wish by noon on the previous working day, by emailing [democratic.services@colchester.gov.uk](mailto:democratic.services@colchester.gov.uk), and include a written copy of what you wish to say, in case technical difficulties prevent you joining the meeting. The Chairman will invite members of the public to make their representations at the start of the meeting.

If you would like to submit representations to a meeting and need to find out more, please refer to the Have Your Say! arrangements here:

<https://colchester.cmis.uk.com/colchester/HaveYourSay.aspx>.

E-mail: [democratic.services@colchester.gov.uk](mailto:democratic.services@colchester.gov.uk)  
[www.colchester.gov.uk](http://www.colchester.gov.uk)

## Scrutiny Panel – Terms of Reference

1. To fulfil all the functions of an overview and scrutiny committee under section 9F of the Local Government Act 2000 (as amended by the Localism Act 2011) and in particular (but not limited to):

- (a) To review corporate strategies;
- (b) To ensure that actions of the Cabinet accord with the policies and budget of the Council;
- (c) To monitor and scrutinise the financial performance of the Council, performance reporting and to make recommendations to the Cabinet particularly in relation to annual revenue and capital guidelines, bids and submissions;
- (d) To review the Council's spending proposals to the policy priorities and review progress towards achieving those priorities against the Strategic and Implementation Plans;
- (e) To review the financial performance of the Council and to make recommendations to the Cabinet in relation to financial outturns, revenue and capital expenditure monitors;
- (f) To review or scrutinise executive decisions made by Cabinet, the North Essex Parking Partnership Joint Committee (in relation to decisions relating to off-street matters only) and the Colchester and Ipswich Joint Museums Committee which have been made but not implemented referred to the Panel pursuant to the Call-In Procedure;
- (g) To review or scrutinise executive decisions made by Portfolio Holders and officers taking key decisions which have been made but not implemented referred to the Panel pursuant to the Call-In Procedure;
- (h) To monitor the effectiveness and application of the Call-In Procedure, to report on the number and reasons for Call-In and to make recommendations to the Council on any changes required to ensure the efficient and effective operation of the process;
- (i) To review or scrutinise decisions made, or other action taken, in connection with the discharge of functions which are not the responsibility of the Cabinet;
- (j) At the request of the Cabinet, to make decisions about the priority of referrals made in the event of the volume of reports to the Cabinet or creating difficulty for the management of Cabinet business or jeopardising the efficient running of Council business;

2. To fulfil all the functions of the Council's designated Crime and Disorder Committee ("the Committee") under the Police and Justice Act 2006 and in particular (but not limited to):

- (a) To review and scrutinise decisions made, or other action taken, in connection with the discharge of those functions by the responsible authorities of their crime and disorder functions;
- (b) To make reports and recommendations to the Council or the Cabinet with respect to the discharge of those functions.

**COLCHESTER BOROUGH COUNCIL**  
**Scrutiny Panel**  
**Monday, 17 August 2020 at 18:00**

**The Scrutiny Panel Members are:**

Councillor Kevin Bentley  
Councillor Lewis Barber  
Councillor Tina Bourne  
Councillor Paul Dundas  
Councillor Chris Hayter  
Councillor Mike Hogg  
Councillor Sam McCarthy  
Councillor Lorcan Whitehead

Chairman  
Deputy Chairman

**The Scrutiny Panel Substitute Members are:**

All members of the Council who are not Cabinet members or members of this Panel.

**AGENDA**  
**THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING**  
**(Part A - open to the public)**

**Please note that Agenda items 1 to 5 are normally dealt with briefly.**

**Live Broadcast**

Please follow this link to watch the meeting live on YouTube:

<https://www.youtube.com/user/ColchesterCBC>

**1 Welcome and Announcements (Virtual Meetings)**

The Chairman will welcome members of the public and Councillors to the meeting and remind those participating to mute their microphones when not talking. The Chairman will invite all Councillors and Officers participating in the meeting to introduce themselves. The Chairman will, at regular intervals, ask Councillors to indicate if they wish to speak or ask a question and Councillors will be invited to speak in turn by the Chairman. A vote on each item of business will be taken by roll call of each Councillor and the outcome of each vote will be confirmed by the Democratic Services Officer.

**2 Substitutions**

Councillors will be asked to say if they are attending on behalf of a Committee member who is absent.

**3 Urgent Items**

The Chairman will announce if there is any item not on the published agenda which will be considered because it is urgent and will explain the reason for the urgency.

**4 Declarations of Interest**

Councillors will be asked to say if there are any items on the agenda about which they have a disclosable pecuniary interest which would prevent them from participating in any discussion of the item or participating in any vote upon the item, or any other pecuniary interest or non-pecuniary interest.

**5 Minutes of Previous Meeting**

No minutes from previous meetings are submitted to this meeting for approval.

**6 Have Your Say! (Virtual Meetings)**

Members of the public may make representations to the meeting. Each representation may be no longer than three minutes (500 words). Members of the public may register their wish to address the meeting by registering online by 12.00 noon on the working day before the meeting date. In addition a written copy of the representation will need to be supplied for use in the event of unforeseen technical difficulties preventing participation at the meeting itself.

**7 Decisions taken under special urgency provisions**

The Councillors will consider any decisions by the Cabinet or a Portfolio Holder which have been taken under Special Urgency provisions.

**8 Cabinet or Portfolio Holder Decisions called in for Review**

The Councillors will consider any Cabinet or Portfolio Holder decisions called in for review.

**9 Items requested by members of the Panel and other Members**

(a) To evaluate requests by members of the Panel for an item relevant to the Panel's functions to be considered.

(b) To evaluate requests by other members of the Council for an item relevant to the Panel's functions to be considered.

***Members of the panel may use agenda item 'a' (all other members will use agenda item 'b') as the appropriate route for referring a 'local government matter' in the context of the Councillor Call for Action to the panel. Please refer to***

***the panel's terms of reference for further procedural arrangements.***

**10 North Essex Garden Communities Project and NEGC Ltd Update and Financial Information 9 - 36**

The Panel will consider a report setting out financial information relating to the Council's contributions to the North Essex Garden Communities project and NEGC Ltd as requested by the Panel.

**11 Exclusion of the Public (Scrutiny)**

In accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with The Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

**Part B  
(not open to the public including the press)**





<b>Report of</b>	<b>Strategic Director, Policy &amp; Place</b>	<b>Author</b>	<b>Ian Vipond 282717 Paul Cook</b>
<b>Title</b>	<b>North Essex Garden Communities Project and NEGC Ltd Update and Financial Information</b>		
<b>Wards affected</b>	All		

## **1 Executive Summary**

- 1.1 The report sets out financial information relating to this Council's contributions to the North Essex Garden Communities project and NEGC Ltd as requested by the Panel.

## **2 Recommended Decision**

- 2.1 To consider the report and make any appropriate recommendations to Cabinet.

## **3 Reason for Recommended Decision**

- 3.1 To scrutinise the Council's contributions to the North Essex Garden Communities project and NEGC Ltd finances.

## **4 Alternative Options**

- 4.1 Not applicable.

## **5 Background**

- 5.1 The Deputy Chair of the Panel has requested that the Panel receive a report containing the following information:

- First Quarter Management accounts for FY20/21 (as of June 20 2020) or any more up-to-date information including current reserves, debtors and creditors
- List of all expenditure since end of public examination of Section 1 on January 31 2020
- A total cost for the "Shaping Future Communities for Future Generations" public consultations carried out October to December 2019.
- An analysis of actual expenditure versus that applied for/awarded in Capacity Funding Applications 2019 & 2020 with variances and virements.
- Confirmation of total winding up costs and anticipated reserves balance to be distributed to shareholders/partners at liquidation.

- Any financial and contractual information related specifically to Colchester's role as banker.

5.2 It is important for Members of the Panel to remember that there are two distinct elements to what has been termed "NEGC"; i.e.

- North Essex Garden Communities project; and
- NEGC Limited

This report details the Council's contributions to both the North Essex Garden Communities project and NEGC Ltd. Members will note that the vast majority of the Borough Council's funding contributions have been to the North Essex Garden Communities project and not to NEGC Ltd.

5.3 As Members will be aware the Council has managed and co-ordinated the financial elements of the North Essex Garden Communities project and the various funding contributions received by the other 3 partner local authorities. All grant payments received from Government were also paid to the Borough Council on behalf of the project

## **6. Structure of the North Essex Garden Communities project finances**

6.1 This report provides details of expenditure on the North Essex Garden Communities project as a whole. Within the total project income and expenditure, a small proportion was incurred by NEGC Ltd. NEGC Ltd income and expenditure is shown separately in the report tables.

## **6 Overview of the project**

6.1 Members will be aware that the North Essex Garden Communities project has been a multi-partner and multi-year project actively encouraged, funded and enabled by Government. Essex County Council, Tendring and Braintree District Councils and Colchester Borough Councils have acted together, in accord with the duty of cooperation placed upon them, and the policy imperatives set and supported by the Government, their lead Department, the Ministry of Housing, Communities and Local Government (MHCLG) and Homes England.

6.2 Scrutiny of the project without the views of Government and Local Authority partners is necessarily limited to the observations and evidence this Council can provide, which cannot bind our partners. We would say that the primary outcomes are clear. Approval for three garden communities was sought by the Local Authorities, with the support of Government. One was found viable, that for the Tendring Colchester Borders (TCB). This was a significant disappointment for all concerned, including the Government, but the judgment of the Inspector has been accepted by our Local Plan Committee and we look forward to an approved Local Plan which will provide the necessary planning framework and the TCB garden community.

6.3 These outcomes required the partners together to invest some £8M. Contrary to some reports this is not Colchester Borough Council funding alone. Each of the Local Authorities bear some 1/8<sup>th</sup> with Government funding the balance. The investment for this Council, in these circumstances, under this cost sharing model, is clear value for money. With partners we have secured Government's agreement

to invest in TCB related infrastructure and rapid transport worth some £100M, and the opportunity presented by the garden community itself, valued beyond £2bn which will provide high quality housing and environment for many, and create and sustain thousands of jobs.

## **7 Financial implications**

7.1 Appendix A sets out detailed income and expenditure over four periods:

- From the start of the project to 31 January 2020.
- From 31 January 2020 to 31 March 2020
- The first quarter of 2020/21 (Apr – Jun 2020)
- Estimated 1 July 2020 to 31 August 2020 and estimated closing position. The winding up costs have yet to be finalised but are expected to be minimal and these are current forecasts. The use of any project balance has yet to be determined.

## **8 Capacity Funding**

8.1 The North Essex Garden Communities project has benefitted from Capacity Funding [2020 Prospectus](#)

8.2 Capacity Funding applications for 2018/19 and 2019/20 are attached at Appendix B and these summarise the use of the funds.

8.3 Capacity Funding was paid to the North Essex Garden Communities project by MHCLG in 2018/19 and 2019/20 as an unringfenced grant. In 2018/19 £1.000m was received as that year's allocation plus £0.190m in respect of 2017/18. In 2019/20 £0.550m was received.

8.4 2020/21 Capacity Funding bids are due 4 September 2020.

## **9 Shaping the Future Consultation Costs**

9.1 The total cost of the Shaping the Future consultations held between October 2019 and December 2019 is set out in Appendix C

## **10 Colchester Borough Council Carrying Costs**

10.1 The Council has maintained the accounts for the North Essex Garden Communities project with budgets and forecasts provided by the North Essex Garden Communities project team.

10.2 As part of this role the Council has provided various services to the North Essex Garden Communities project. These are set out in Appendix D

10.3 This is normal practice in local and central government that when different local authorities are working together in partnership, they will assign roles according to the capacity each has to share the burden of administration and avoid duplication of cost.

10.4 A similar arrangement applies within Colchester in relation to the Colchester and Ipswich Museums Service and the North Essex Parking Partnership. This recognises the strengths of this Council in successfully working with other agencies to deliver services.

## **11 Environmental and Sustainability Implications**

11.1 The objective of the Garden Communities project is to protect the environment and achieve sustainable development.

## **12 Equality and Diversity Implications**

12.1 Equality and Diversity implications have been assessed and addressed at all stages of the project.

## **13 Risk Management Implications**

13.1 Risks have been assessed and managed during the progress of the project by the NEGC Ltd Board and the partner local authorities.

## **14 Other Standard References**

14.1 There are no direct Publicity, Human Rights, Community Safety or Health and Safety implications as a result of this report.

**Appendix A North Essex Garden Communities Project income and Expenditure**

**Appendix B Capacity Funding applications**

**Appendix C Shaping the Future Consultation Costs**

**Appendix D Colchester Borough Council carrying costs**

## Appendix A North Essex Garden Communities Project income and Expenditure

	14/15	15/16	16/17	17/18	18/19	19/20	Total	Apr 19 - Jan 20	Feb 20 - Mar 20	19/20 excl CBC	Apr 20 - Jun 20	Jul 20 - Aug 20 Estimate	Note
NEGC 2014/15 to 2020/21 All £k													
NEGC expenditure	66	92	752	1,647	2,322	2,001	6,880	1,345	342	1,687	334	370	
NEGC income including non-CBC contributions		-704	-1,248	-1,594	-1,609	-1,619	-6,774	-1,069	-550	-1,619	0	0	
CBC Contributions		-38	-250	-250	-100	-350	-988	0	0	0	0	0	
Deficit/(-surplus)	66	-650	-746	-197	613	32	-882	276	-208	68	334	370	
Cumulative Reserve	66	-584	-1,330	-1,527	-914	-882		-638	-846	-846	-512	-142	
NEGC 2014/15 to 2018/19 All £k	14/15	15/16	16/17	17/18	18/19	19/20	Total	Apr 19 - Jan 20	Feb 20 - Mar 20	19/20 excl CBC	Apr 20 - Jun 20	Jul 20 - Aug 20 Estimate	
Employees and Agency Staff		36	97	273	545	859	1,810	695	164	859	259	134	
Transport consultancy			1	4	8	75	88	70	5	75	18	5	
Supplies and Services	66	56	654	1,370	1,769	1,067	4,916	580	173	753	57	231	
	66	92	752	1,647	2,322	2,001	6,880	1,345	342	1,687	334	370	
Supplies and Services	14/15	15/16	16/17	17/18	18/19	19/20	Total	Apr19 - Jan 20	Feb 20 - Mar 20	19/20 excl CBC	Apr 20 - Jun 20	Jul 20 - Aug 20 Estimate	
Legal		2	286	242	434	-139	825	-144	5	-139	12	15	
Management consultancy		49	149	273	592	657	1720	527	130	657	46	42	
Professional Fees			14	354	351	187	906	187	0	187	0	0	
Portal - design, support, maintenance				483	67	0	550	0	0	0	0	0	
Other	66	5	205	18	325	362	981	10	38	48	-1	174	A
	66	56	654	1370	1769	1067	4982	580	173	753	57	231	
NEGC Limited costs included above	0	0	0	65	193	182	440	0	182	182	45	141.5	B
Note A	Includes closure costs estimate												
Note B	Includes estimate for ceasing admitted body status on pension scheme												

## Appendix B Capacity Funding



20<sup>th</sup> July 2018

Ministry of Housing, Communities & Local Government  
2 Marsham Street  
London

Dear Minister

Thank you for giving North Essex Garden Communities the opportunity to submit this further bid for Garden Town capacity funding, which will enable us to further build on the significant work undertaken to date.

Since last year, NEGC Ltd, the company formed by the four partner councils to deliver our vision for three new Garden Communities across North Essex has appointed a Managing Director, Richard Bayley, who brings with him a wealth of experience in managing large-scale commercial housing and infrastructure programmes.

The ongoing support and guidance from your department has been invaluable, as well as that received from Homes England who also now attend the NEGC Ltd board in an advisory capacity.

In the next few lines I want to explain what this submission seeks funding for, and why North Essex Garden Communities should continue to be a priority for your department.

1. We are looking to create up to three communities comprising 43,000 houses - with the emphasis on communities, underpinned by the right infrastructure and local jobs. In parallel with the work being undertaken, a North Essex Economic Strategy ensuring the Garden Communities play a central role in unlocking the significant potential for growth in the area.
2. We have been strong advocates for an understanding of the clear benefits of the recent legislation to bring forward Locally Led New Town Development Corporations. As a company, and as a collaboration of councils, we are keen to take advantage of this legislation, and will continue to work with, and support, Government on this key policy objective.
3. This innovative approach to delivery provides the opportunity for North Essex to be a vanguard for Government. This offers the opportunity to create the blueprint for how other large-scale garden communities could be delivered across the country.



North Essex Garden Communities Ltd  
Company Number: 10319743

Correspondence C/O: Rowan House, 33 Sheepen Road, Colchester, Essex CO3 3WG



4. Innovation and stewardship are key threads of the programme and cuts through all elements of what we are trying to achieve. Innovation to us needs to challenge the traditional 'norms' of how things are done
5. This programme continues to be forged by a remarkable partnership of four councils with different political hues. In money terms they have already contributed £2m but a far greater sum in the uncoded work of many officers.

The funds that have already been provided to us have been spent carefully and wisely. We are tight on housekeeping, but also strong on vision. The recent letter to the three planning authorities has produced an even stronger dialogue between us as we work out together how to meet requirements.

North Essex Garden Communities continues to create the potential to re-write the relationship between the private and public sector when it comes to creating new housing.

This investment is well worthy of your support and engagement.

Yours faithfully,

A handwritten signature in black ink, appearing to read "John Spence".

John Spence CBE  
Chairman  
For and on behalf of North Essex Garden Communities Limited



North Essex Garden Communities Ltd  
Company Number: 10319743

Correspondence C/O: Rowan House, 33 Sheepen Road, Colchester, Essex CO3 3WG



**NORTH ESSEX GARDEN COMMUNITIIES**  
**GARDEN VILLAGES & TOWNS CAPACITY FUNDING BID 2018/19**

1	Name of local authority & key contact details in relation to this bid																						
	<p>Chris Outtersides, Head of Programme (North Essex Garden Communities), Colchester Borough Council (CBC). E: Chris.Outtersides@colchester.gov.uk M: 07867 578548)</p> <p><i>CBC acting as accountable body on behalf of a joint bid with Braintree District Council, Tendring District Council, Essex County Council, working alongside North Essex Garden Communities Ltd (as a private limited company owned by the Councils) and Uttlesford District Council.</i></p>																						
2	Name of garden village or town project																						
	<p>North Essex Garden Communities, comprising of three separate new stand-alone communities which sit within an overall cross boundary long term growth strategy.</p> <ul style="list-style-type: none"> <li>• Tendring Colchester Borders Garden Community of up to 9,000 homes;</li> <li>• Colchester Braintree Borders Garden Community of up to 24,000 homes; and</li> <li>• West of Braintree Garden Community of up to 12,000 homes.</li> </ul> <p>The programme overall will therefore deliver up to 45,000 new homes within three new Garden Communities alongside transformational new infrastructure, substantial employment, significant open space, social and leisure uses.</p>																						
3	<p>(i) Set out details of how the garden village or town capacity funding awarded in 2017/18 has been used – please be specific and provide a brief description of each funded activity or resource. Highlight any impact it has had on accelerating delivery of the garden community, quantifying this where possible.</p> <p>(ii) Identify any underspend of the 2017/18 capacity funding and explain why it has occurred.</p>																						
	<p>The project was awarded £699k of capacity funding for the 2017/18 period. A full analysis of spend by activity was subsequently provided to Homes England &amp; MHCLG which identified the following key workstreams &amp; activities.</p> <table border="1"> <thead> <tr> <th>Core Workstream &amp; Activity</th><th>Impact/Output</th><th>Funding</th></tr> </thead> <tbody> <tr> <td colspan="3"><b>Placemaking</b></td></tr> <tr> <td>Preparation of site specific Concept Frameworks</td><td>Concept Frameworks produced for each site (3) including appraisal of technical constraints, spatial arrangement, site capacity and land use disposition. Frameworks prepared for Local Plan EIP and to support initial consultation of site specific Issues &amp; Options.</td><td>£177k</td></tr> <tr> <td>Strategic Vision for North Essex</td><td>Production of North Essex Strategic Narrative &amp; Prospectus to clearly communicate strategic vision, sub regional spatial approach and impacts/benefits of the overall approach.</td><td>£43k</td></tr> <tr> <td>Input to Site Specific DPD Issues &amp; Options</td><td>Preparation of Issues &amp; Options documents for formal public consultation.</td><td>£43k</td></tr> <tr> <td colspan="3"><b>Delivery Model</b></td></tr> <tr> <td>Legal input to delivery model evolution</td><td>Evolution of business model alongside landowner negotiations, preparatory work on delivery model evolution into locally led development corporation, and alignment with Local Plan processes and tests of deliverability.</td><td>£215k</td></tr> </tbody> </table>		Core Workstream & Activity	Impact/Output	Funding	<b>Placemaking</b>			Preparation of site specific Concept Frameworks	Concept Frameworks produced for each site (3) including appraisal of technical constraints, spatial arrangement, site capacity and land use disposition. Frameworks prepared for Local Plan EIP and to support initial consultation of site specific Issues & Options.	£177k	Strategic Vision for North Essex	Production of North Essex Strategic Narrative & Prospectus to clearly communicate strategic vision, sub regional spatial approach and impacts/benefits of the overall approach.	£43k	Input to Site Specific DPD Issues & Options	Preparation of Issues & Options documents for formal public consultation.	£43k	<b>Delivery Model</b>			Legal input to delivery model evolution	Evolution of business model alongside landowner negotiations, preparatory work on delivery model evolution into locally led development corporation, and alignment with Local Plan processes and tests of deliverability.	£215k
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	Corporate Finance input to delivery model evolution	Evolution of approach to scheme financing including consideration of funding options and relationships alongside alternative delivery models including the locally led development corporation route.	£51k
	Land negotiation Support	Ongoing discussions and communications with landowners to maintain relationships and explore scheme funding and delivery options.	£65k
	Property Market Advice & Analysis	Professional input to local property market context and market appetite/delivery considerations.	£15k
	Project Planning & Strategic Programme Support	Ongoing strategic support to enhance local capacity and knowledge, including support in preparation of Interim Business Plan, scheme viability understanding and infrastructure planning, including successful bids to HIF.	£91k
	Total Funding awarded & allocated		£699k
	There was no underspend from the 2017/18 capacity funding award.		
4	(i) Provide information on the staff resources the local authority has in place to drive forward delivery of the garden community project. This can include dedicated staff; appointment of consultants to assist with project management & delivery; or reallocation of existing staff resource to the project on a part-time basis. Highlight those resources that have been funded using previous GV&T capacity funding awards.		
	<p>In order to progress the delivery of the programme's key objectives and ensure the delivery of the three Garden Communities, a new dedicated delivery structure has been put in place to take the proposals forward. NEGC Ltd has been established as a private limited company wholly owned by the Councils to act as the body to guide the proposed Garden Communities through the design process and into implementation, providing ultimate oversight and scrutiny of the delivery. The NEGC operating model is based on a small core team which has responsibilities for:</p> <ul style="list-style-type: none"> <li>Project leadership and vision; business strategy and structure; programme and project management, including the coordination of workstreams and commissioned work;</li> <li>Concept development through the evolution of site specific masterplans; planning for infrastructure, identifying and securing funding; evolving the economic strategy and</li> <li>Exploring opportunities for innovation and effective long term stewardship;</li> <li>Community outreach and engagement, communications and marketing to ensure proposals evolve with local community involvement and are understood by wider audiences.</li> </ul> <p>The operating structure also draws on the support of a range of specialists across the other partners, including on planning, legal and financial officers within each of the Councils. A service level agreement is in place to provide support services for NEGC such as accommodation, ICT, human resources and payroll. The following provides an overview of the current team and supporting resources:</p> <ul style="list-style-type: none"> <li><b>Employees (all recruited and in situ):</b> Group Managing Director, Head of Programme; Programme Manager; Communications Manager; Delivery Team Administrator;</li> <li><b>Expert contractors (under contract):</b> Commercial; Procurement; MMC/Construction; Finance; Engagement &amp; Marketing;</li> <li><b>Consultants (either in place or under procurement):</b> Economic Strategy; Delivery &amp; Financial; Tax; Planning &amp; Property; Legal; Land &amp; Valuation; Masterplanning &amp; Transport; PR &amp; Communications; Company Secretary.</li> </ul>		
5	<p>(i) Set out the current key milestones in the delivery of the garden village or town up to implementation / start on site stage.</p> <p>(ii) Compare these milestones to those submitted with your 2017/18 funding bid. If there has been slippage of more than 6 months from the key milestones in your 2017/18 funding bid,</p>		

<p>please give the reasons for this and indicate any measures you can take to recover time lost.</p> <p>(iii) Identify any risks to achieving the current milestones provided (e.g. infrastructure delivery, viability issues), and include brief details of any actions that will be taken to mitigate these.</p> <p>(iv) Please provide a current housing delivery trajectory for your garden village or town, stating projected housing starts in each year to completion of the project. If this differs from the housing trajectory given in your original expression of interest to MHCLG, please provide a brief explanation why.</p>																																	
<p>A comparison of the previous and current milestones for the delivery of the three Garden Communities are set out below:</p> <table border="1"> <thead> <tr> <th>Milestone</th><th>Current</th><th>Previous</th><th>Comment</th></tr> </thead> <tbody> <tr> <td>Issue Preferred Option Local Plans</td><td>Complete</td><td>Complete</td><td>Achieved to programme.</td></tr> <tr> <td>Submit Plans for Examination</td><td>Submitted on 9<sup>th</sup> Oct 2017.</td><td>Autumn 2017</td><td>Achieved to programme.</td></tr> <tr> <td>Adopt Plans (Section 1)</td><td>Autumn 2019</td><td>Autumn 2018</td><td>Further evidence gathering required with further hearing sessions necessary.</td></tr> <tr> <td>Prepare Joint Plans / Masterplans</td><td>Started 2017</td><td>Started 2017</td><td>Achieved to programme. Concept Frameworks have been prepared to work and new masterplanning consultants are under procurement.</td></tr> <tr> <td>Adopt Joint Plans (DPDs)</td><td rowspan="2">LDO in place 2021</td><td rowspan="2">2018/19</td><td>Site specific DPDs will follow the Local Plan Section 1</td></tr> <tr> <td>Determine planning applications</td><td>The approach has evolved to also incorporate the preparation of site wide LDOs</td></tr> <tr> <td>Start on site initial phases</td><td>2021/22</td><td>2020/21</td><td>Early provision of infrastructure is still anticipated and along with other measures will enable early housing starts well in advance of the Local Plan trajectory.</td></tr> </tbody> </table> <p>The Councils have been successful in achieving a range of key milestones aligned to the previous bid and have evolved a number of key workstreams and studies with respect to delivery, in tandem to work on scheme design and infrastructure planning.</p> <p>There has been slippage as a result of the Local Plan Examination in Public, with the Inspector raising a number of areas where further evidence is considered necessary to align with the formal tests of soundness. Such matters were raised in June 2018, and the Councils are considering their response. Notwithstanding a formal decision on how the Councils will proceed, it is clear that further analysis and evidence gathering relating to the Garden Communities will be important in any event. As such the broader work programme has been based upon an ongoing process of evidence gathering aligned to the Inspector's Option 2 – to provide further information promptly and enable further consideration via the current Examination in Public process.</p> <p>The Councils will continue to lead the process in terms of statutory planning, and whilst the matters raised through the Local Plan Examination need to be addressed in relation to the risks they pose to the overall programme, they will primarily be addressed by the Councils. This capacity funding bid is therefore focused on broader work relating to innovation in delivery, providing strong foundations for acceleration, effective infrastructure planning and delivery of high quality placemaking. Activities are in line with the work programme as set out in the NEGC Ltd (Interim) Business Plan and as agreed by the Board in July 2018.</p> <p>Given the scale of ambition and the timescale of delivery (which far transcends current plan</p>				Milestone	Current	Previous	Comment	Issue Preferred Option Local Plans	Complete	Complete	Achieved to programme.	Submit Plans for Examination	Submitted on 9 <sup>th</sup> Oct 2017.	Autumn 2017	Achieved to programme.	Adopt Plans (Section 1)	Autumn 2019	Autumn 2018	Further evidence gathering required with further hearing sessions necessary.	Prepare Joint Plans / Masterplans	Started 2017	Started 2017	Achieved to programme. Concept Frameworks have been prepared to work and new masterplanning consultants are under procurement.	Adopt Joint Plans (DPDs)	LDO in place 2021	2018/19	Site specific DPDs will follow the Local Plan Section 1	Determine planning applications	The approach has evolved to also incorporate the preparation of site wide LDOs	Start on site initial phases	2021/22	2020/21	Early provision of infrastructure is still anticipated and along with other measures will enable early housing starts well in advance of the Local Plan trajectory.
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making horizons) the programme provides an opportunity to establish an appropriate approach for other long term garden communities. As such it will be important to consider and evolve appropriate responses to the issues raised through the planning process across the following:

- **Infrastructure funding:** the role of strategic highways works (A12 & A120) which are as yet not in committed funding programmes, and the feasibility of rapid transit to achieve modal shift targets. On the A120 Essex CC have recently announced a preferred route (which has no spatial impact on the Garden Communities), and are working with Highways England to consider the scheme for RIS2. The A12 is already in RIS1 but to enable the full potential of the Colchester Braintree Borders scheme this requires additional realignment. A bid was made to HIF for potential additional costs and is proceeding through co-development. On rapid transit a further study has been commissioned by ECC to undertake further feasibility testing and scheme design funding also forms part of an ongoing HIF co-development bid.
- **Scheme viability.** Further sensitivity testing has been commissioned. In addition, further work has been undertaken on scheme funding and infrastructure planning which refine assumptions across a number of areas. NEGC Ltd has also commissioned work in parallel to consider project cashflows and funding approaches aligned to the nature of the public sector led delivery model. Discussions are ongoing with landowners to evolve wider evidence around viability and deliverability to ensure a comprehensive case can be set out.
- **Sustainability Appraisal.** Consultants are being commissioned to evolve and update the SA to ensure it considers the matters raised by the Inspector (this is being addressed directly by the Councils as opposed to forming part of this bid).

The Councils with NEGC Ltd are continuing to explore delivery matters involving all relevant Government Departments including MHCLG, HMT, DfT, and associated bodies such as the SELEP, Homes England, Highways England and others. Discussions have been held on the potential for a Housing Deal and broader scope for new infrastructure funding approaches such as through the implementation of a sub-regional Strategic Infrastructure Tariff (or equivalent).

In a broader sense, the Councils and NEGC Ltd have put in place a strong approach to project governance and delivery of the work required to support the programme going forward. Such activity will further safeguard the approach to maintaining positive momentum, ensuring effective working practices are put in place and that risks are actively monitored and managed.

This includes a structured approach to organisational business, including working in accordance with a formal (Interim) Business Plan, a scheme of delegation, strong oversight & governance including an NEGC Ltd Board, Steering Group, Working Groups and Task & Finish Groups, alongside individual Council committee and decision making structures;

Operationally the team has embedded additional skills into the project structure including focussed resources on commercial activity, finance, operational procedures and asset management. Dedicated resources and approaches are in place to monitor and manage risks and work to a detailed project programme.

In terms of housing trajectory, the Councils are working towards an accelerated delivery programme, to bring forward both the potential start on site date and overall build-out rates beyond those as being set out in Local Plan work. A comparison of proposed trajectories is shown in the accompanying sheet, which illustrates that the broad approach is aiming to deliver circa 12,000 homes within the plan period (to 2032/33) as opposed to a plan need of 7,500 – an uplift of +60%.

A start on site in 2021/22 is anticipated and is considered achievable through twin-tracking of the plan-making process alongside preparation of site wide LDOs which will provide an efficient planning approval process thus saving time at the latter end of the process. This consenting regime can come forward in tandem with infrastructure design work, which subject to successful progress through HIF and aligned to implementation of the A12 (RIS1) and commitment to the A120 (RIS2) will enable early development to get underway in the context of early investment in key infrastructure. Further work that is ongoing to integrate Modern Methods of Construction, potentially taking advantage of wider funding opportunities, but also with a view to enabling new housing products to come on stream early in the process and contribute to accelerated and



	enhanced build-out rates. Delivery will rely on landownership enabling early phases to come forward. This is anticipated to be achieved through ongoing positive negotiation with landowners, and early initiation of CPO processes as required and subject to further enabling guidance being issued promptly on the use of CPO via locally led new town development corporations.
6	<p>(i) Briefly describe what measures you have put in place to secure quality outcomes in place-making and design of your garden village or town (e.g. policies, design review, design tools)</p> <p>New development must reflect high standards of urban and architectural design. It must also be functional and viable. The new Garden Communities will be planned carefully with the use of masterplans and design codes prepared by the very best UK and international design firms, together with design panels, and a strong design policy basis as to be set through the Section 1 Local Plan, site specific DPDS and LDOs.</p> <p>This requirement for high design standards will apply to public and private buildings across all scales of development as well as to infrastructure projects. Enhancements to the public realm, landscaping measures and attention to architectural detail will be important features that the authorities will wish to see included in new developments.</p> <p>At new Garden Communities, there will be a particularly strong emphasis on strategic scale and local green infrastructure, creating a strong natural environment for living, working and leisure whilst also making a vital contribution to quality of place, biodiversity and health outcomes.</p> <p>The proposed approach based upon a public sector led delivery will provide an innovative mechanism to ensure that good design outcomes can be secured in practice. The objectives of any delivery vehicle will embed high design standards and require it to deliver on them. It will be responsible for direct delivery of infrastructure and the public realm, having high control over the timing and design quality of the placemaking. It will also establish the terms and design standards required from plot developers, such as through the use of design codes, build under licence terms and other mechanisms.</p>
7	<p>(i) Briefly describe what measures you have taken to progress areas of innovation set out in your original bid to be part of the programme, including innovation in delivery (e.g. construction, off site manufacture, delivery models)</p> <p>In relation to delivery, the Councils have already established an innovative delivery structure to enable the public sector to take a key role going forward. The Councils have also formally agreed and a comprehensive package of work is underway to enable the approach to evolve to take advantage of the updated New Towns legislation and scope to implement a locally led development corporation. The project is still on course to be a front runner on this mechanism with ongoing and active discussions being held with officials at MHCLG. Innovation via the delivery model provides many opportunities and benefits to be able to achieve a wider range of innovations in terms of placemaking, the provision of services and facilities, accommodating new technologies and ways of living and challenging traditional 'norms' of how things are done</p> <p>Given the long term nature and overall scale of the ambition, it will be important to ensure that the Garden Communities embed a forward thinking approach, including full and active consideration across new and innovative aspects of community life and place management. It will also be important to ensure that opportunities for innovation across the Garden Communities support Garden City Principles and improve the quality of life for both new and existing residents.</p> <p>Opportunities for innovation across the North Essex Garden Communities are being actively explored under three themes of 'People; Place; &amp; Operation' to ensure they can accommodate and make full advantage of new and modern approaches that can add value. Opportunities could range from new forms of transport including accommodating future anticipated trends in movement, through to implementing the 'Smart City' agenda such as via technology and sensors to ensure the new places and associated utility infrastructure are run effectively and efficiently to achieve sustainability gains.</p> <p>The approach will need to draw from the very best innovators from local, national and international realms. It will consider key opportunities and involve horizon scanning to ensure that NEGC is at the forefront of both thinking and implementation. A working group focussed on Innovation is in place and early workshops have occurred to generate interest and explore opportunities. These will continue alongside the masterplanning process to build in innovation</p>

	<p>and long term resilience as a key part of the design and placemaking process.</p> <p>A key part of the approach will be the need to define the inter-relationships and pre-conditions needed to encourage and facilitate innovation across a variety of topics and themes and ensure these are embedded in the approach to related activity such as masterplanning and economic strategy development.</p> <p>This is in addition to establishing strong garden city placemaking principles as set out in the North Essex Garden Communities Charter, policies as set out in the Local Plan and ambition as illustrated through the Concept Frameworks; evolving new ideas on sustainable transport (including options for rapid transit and achieving ambitious modal shift targets).</p> <p>The programme also benefits from innovation in collaborative working with the Kerslake review stating that "This is an excellent example of cooperation between Councils", and the planning Inspector supporting the approach in terms of satisfying the Duty to Cooperate.</p>
8	<p>(i) Provide a project plan for activities you wish to undertake in 2018/19 using GV&amp;T capacity funding. This should include staff resources; consultancy commissions; and other workstreams. Include details of the anticipated costs associated with each; the outcomes you expect to achieve; and any likely acceleration of delivery that may occur as a result.</p> <p>(ii) Please confirm the total amount of capacity funding you are bidding for in 2018/19.</p>
	<p>The project seeks to deliver three Garden Communities. This bid is seeking capacity funding to help maintain the project's positive progress and address the following critical workstreams and areas. Clearly the project involves other workstreams and activities which are also important:</p> <ul style="list-style-type: none"> <li>• <b>Legal &amp; delivery vehicle support.</b> To continue to evolve the delivery model to include work on: Delivery Vehicle Regulatory Support (£80k); Delivery Vehicle Structuring (£60k); Delivery Vehicle Financing Strategy (£100k); Funding advice (£30k); Delivery Strategy advice (£80k); Land Support with negotiations and preparation of land tender (£80k); Tax advice (£45k); market valuation and CPO advice (£60k). By the end of 2018/19 the Councils will have a clear delivery model that can be further considered by the Councils parallel and subject to the ongoing Local Plan process. <b>Total £535k</b></li> <li>• <b>Transport &amp; Infrastructure.</b> Work on multi-modal transport strategy including inputs to planning for rapid transit and modal shift (£190k) and provision of utilities (£60k). By the end of 2018/19 initial phasing and infrastructure planning work will be in place. <b>Total £250k</b></li> <li>• <b>Planning &amp; design.</b> Work on strategic masterplanning &amp; phasing, (£90k) to align with the preparation of more detailed cashflow analysis and viability testing (£75k). By the end of 2018/19 the Councils will have a clear understanding of phasing &amp; cashflows. <b>Total £165k</b></li> <li>• <b>Innovation &amp; Stewardship.</b> To include further development of work relating to opportunities for Modern Methods of Construction and long term stewardship models. By the end of 2018/19 studies will be complete and findings integrated into planning policy and operational business plans. <b>Total £85k</b></li> </ul> <p>The total capacity funding requirement for the critical aspects identified above is <b>£1,035,000</b>.</p>
9	<p>(i) Set out below any brokerage or other support from government (in addition to capacity funding) that would help overcome barriers and risks to delivery of your garden village or town; or help accelerate the rate of delivery</p>
	<p>A wide range of parts of Government will need to be involved in the delivery of such ambitions in North Essex. Liaison and close working will need to be ongoing with:</p> <ul style="list-style-type: none"> <li>• MHCLG: with respect to planning, the locally led new town programme, housing delivery and local government involvement (including funding options);</li> <li>• HMT on matters relating to programme financing;</li> <li>• DfT and Highways England. As set out earlier, further confidence or commitment from Government to the in funding of strategic infrastructure (A12, A120 and rapid transit) would be highly beneficial and discussions are continuing in terms of options around funding.</li> <li>• Homes England. With respect to funding programmes, housing delivery initiatives, land, modern methods of construction and continued evolution of the 2 Forward Funding HIF Bids via co-development.</li> </ul>

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|---|
| <ul style="list-style-type: none"><li>• DfE and DoH (with NHS, CCGs STPs) on scope for funding and modern delivery of public services in education and health;</li><li>• DfE, BEIS, LEPs on opportunities for economic and business growth and investment</li></ul> |
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Discussions are ongoing between the Councils and MHCLG officials regarding the level of local ambition and scope for further coordinated Government support. This may be achieved through some form of Housing Deal or equivalent as a package of support to match the level of local ambition.

# Homes England

## Garden Communities Capacity Funding Bidding Pro-Forma for 2019/20

### 1 Name of Garden Town / Village

North Essex Garden Communities (West of Braintree GC, Colchester Braintree Borders GC & Tendring Colchester Borders GC)

### 2 Local Authority/ies Name

- a Colchester Borough Council
- b Braintree District Council
- c Tendring District Council
- d Essex County Council

### 3 Local Authority Key Contact details for above

	Name	Telephone Number	Email Address
a	Ian Vipond (CBC)	01206 282717	<a href="mailto:ian.vipond@colchester.gov.uk">ian.vipond@colchester.gov.uk</a>
b	Emma Goodings (BDC)	01376 552525	<a href="mailto:emma.goodings@braintree.gov.uk">emma.goodings@braintree.gov.uk</a>

### 4 Confirm total number of homes to be delivered in your garden town or village

41,000



## Key project milestones to start on site highlighting any slippage from the milestones submitted with your 2018/19 funding bid giving reasons for slippage

The North Essex Garden Communities (NEGC) programme relates to the delivery of 3 separate and distinct site specific cross boundary new communities. It is being taken forward in a statutory planning sense by the respective Borough and District Councils working jointly, with delivery and placemaking led by NEGC Ltd as a company wholly owned by the four councils which has been established to take a key leadership role and set strong foundations for a public sector led delivery approach. The entire programme is guided by dedicated project management resources and a range of well established and effective governance structures focussed on delivering various workstreams through a coordinated approach. All activity is guided by an overarching Business Plan (for NEGC Ltd) with associated detailed work programmes and oversight arrangements.

There are a range of milestones mainly related to 2 key strands of activity - placemaking (engagement, design & planning) and delivery (legal, finance & delivery model). These are interrelated but involve the key stakeholders in different ways. Key milestones previously reported have primarily related to the placemaking component to set out a tangible route-map to start on site through the planning process. A comparison of the previous and current milestones as reported as part of this funding bid process are set out below:

- **Issue Preferred Option Local Plans.** Milestone complete
- **Submit Local Plans for Examination.** Milestone complete.
- **Adopt Local Plans (Shared Section 1):** Milestone now anticipated Spring 2020 (previously in 18/19 bid as Autumn 2019). Slippage has occurred due to the pause in the Local Plan Examination in Public (EiP) to enable the Councils to compile a suitably robust new updated evidence base to respond to issues raised by the Inspector in June 2018. This work is now complete, published and the Councils have all agreed via respective committees to move forward to submit the revised evidence and enable the Examination to be reopened. This is anticipated to occur by the end of 2019, with an Inspectors report early 2020, and (subject to a positive outcome) adoption of Section 1 by Spring 2020.
- **Adopt Joint Plans (DPDs)/Determine planning applications.** Milestone now anticipates LDO/DPDs to be in place by end of 2021/22 (previously by 2021). Slippage as a knock-on of the delay to the Local Plans and requirement for positive resolution of that before committing to what may be abortive works on detailed design & masterplanning. Pre masterplanning engagement is to occur in 2019/20. Greater intensity of design & masterplanning programmed to commence early in 2020 to align with the receipt of the Inspectors conclusions. Infrastructure design works have already commenced in 2019/20 particularly in relation to HIF funded works, to enable them to be able to deliver within spend windows.
- **Start on site initial phases.** Milestone now anticipated 2022/23 (previously 2021/22). As above some slippage as knock-on of the pause in planning policy work. Early provision of infrastructure is still anticipated especially should the HIF bids be successful. This along with other measures will enable early housing starts well in advance of the formal Local Plan trajectories.

Overall the Councils have been successful in maintaining strong and positive momentum across the project despite a pause to policy making as per the outcome from the initial Local Plan hearing sessions. The partners have had a key focus on ensuring a strong evidence base is put in place to address matters raised with respect to the Local Plans, which has effectively front-loaded additional work with respect to infrastructure planning, financial modelling and infrastructure delivery as a way to build greater certainty that can give confidence to and support the plan making process. The Councils have prepared an extensive set of new evidence and information. This was published in July 2019 with each Council agreeing to move forward through due processes to re-open the EiP by the end of 2019.

With the matters raised through the Local Plan Examination now being addressed, this capacity funding bid is therefore focused on taking the work forward to the next phase, in particular to bring matters closer to implementation stage and set strong foundations for acceleration in particular with respect to the provision of early enabling infrastructure some of which will be necessary to support the implementation of the HIF bids should they be successful. A key focus towards the second half of 2019/20 will be to deliver effective engagement with respect to placemaking and start work to evolve scheme design and masterplanning some of which will be necessary to enable and support the speedy implementation of the HIF bids. The overall work programme is set out in the NEGC Ltd (Interim) Business Plan and Project Plan (the latter is attached to this bid).

In tandem to placemaking work, the Councils with NEGC Ltd are continuing to explore delivery matters involving all relevant Government Departments including MHCLG, HMT, DfT, HMT and associated bodies such as the SELEP, Homes England, Highways England and others. Detailed discussions continue to be held on the approach to establishing a Locally Led Development Corporation (LLDC) and the potential for new infrastructure funding approaches such as through the implementation of a Public/Private Infrastructure Fund to support the delivery of serviced plots for the Garden Communities and a sub-regional Strategic Infrastructure Tariff (or equivalent) which would be specifically designed to support the delivery of a new Rapid Transit System (RTS) across North Essex.

In terms of housing trajectory, NEGC and the Councils are continuing to work towards an accelerated delivery programme and enhanced build out rate beyond that forecast in the Local Plan work. The start on site milestones set out above are considered achievable through twin-tracking of the plan-making process alongside preparation of site wide DPDs and aligned LDOs which will provide an efficient planning approval process. This consenting regime can come forward in tandem with infrastructure design work, which would enable early development to get underway alongside investment in infrastructure (for example via success with HIF bids). Further work is ongoing to integrate Modern Methods of Construction (MMC) with a view to enabling new housing products to come on stream early in the process and support the approach to achieve accelerated and enhanced build-out rates.

**6 Expenditure of capacity funding received 2018/19**

**a** Specify below the amount of capacity funding received in 2018/19 plus any underspend from previous years?

Funding received 2018/19	£1,190,000
Underspend from pre-2018/19 funding	£0

**b** Specify below the expenditure by category for the funding received in 2018/19 & highlight if funding has been expended, committed (where work has been formally commissioned/contracted) or proposed (work/activity is identified in a project plan but not currently commissioned or contracted) at this point:

Category	Activity or use	Amount	E/C/P
Staff resource (please specify purpose such as project management)	Project staff comprising dedicated permanent staff, seconded staff from partner bodies, contract workers and supporting overheads. Staff and specialisms has included leadership, project management, commercial, finance, planning, comms, procurement, programme, economic, stewardship and admin support.	£729,000	£
ii Masterplanning & design	Given the pause in the Local Plan process, specific masterplanning has been low intensity in 2018/19 and the bulk of placemaking related work has been undertaken by the North Essex Authorities as part of gathering additional evidence to address issues raised by the Inspector. Masterplanning expenditure under this heading refers to additional analysis on land use/site capacity and initial infrastructure programming.	£22,000	£
iii Technical studies including transport	Technical studies comprised a utilities and title constraint survey of the proposed Garden Community land together with special tax advice with regards to potential land purchase arrangements.	£146,000	£

iv	Engagement & communication	The bulk of communications in 2018/19 for the project has been led by the North Essex Authorities with respect to the ongoing progression of the local plan. Expenditure under this heading has comprised web based media, polling and networking as well as a contribution to the provision of external marketing at MIPIM UK to promote the 'North Essex Opportunity' to the wider property and investment sector.	£65,000	£
v	Legal or finance	Evolution of the business model, creation of a full cash flow model, consideration of delivery options and the funding thereof, complemented by soft market testing of funders to determine market appetite for a potential public/private infrastructure fund.	£360,000	£
vi	Viability	The work undertaken on Viability by NEGC is covered under the Delivery and Legal/Finance categories.	£0	
vii	Delivery	This work comprised an initial review of the market options in the context of the 3 Garden Communities and a review of the options for government support to a public/private Infrastructure Fund at competitive rates for the project, to increase its viability and market sustainability.	£170,000	£
viii	Innovation	Work in terms of innovation was funded from the general staff and company overhead. Work in this section comprised the commencement of an innovation workstream group which met three times and also an innovation conference which embraced the local business, health and education community. Also, in the course of the year an application was made for support by NHS England under phase 2 of the Healthy New Towns programme which later proved to be successful.	£0	

ix	Other (please specify)	Note that the expenditure is higher than grant award in 2018/19 due to the project being funded jointly through grant and allocated resources from the 4 partner Authorities (Colchester BC, Braintree DC, Tendring DC and Essex CC), which in general terms is a match-funding scenario.	£0	
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Total	£1,492,000
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7	Total amount of capacity funding you are bidding for in 2019/20	£855,000
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8 **Proposed use of capacity funding 2019/20 using the following headings & highlighting the costs associated with each aspect & the expected outcomes**

Category	Activity or use	Expected Outcome	Estimated Cost
i Staff resource (please specify purpose such as project management)	<p>Key activities &amp; 2019/20 costs:</p> <p>1) Project staff comprising permanent, seconded, contract workers and supporting overheads. Staff includes commercial, finance, planning, comms, procurement, programme, economic, placemaking, admin (£346k)</p> <p>Notes</p> <p>a) The wider project budget includes other resources and activities not all of which form part of this 2019/20 bid as additional funding is being provided by the Councils to enable a wider scope of work to be delivered.</p> <p>b) Some of the identified staff resources (£181k) will be applied for under the forthcoming anticipated 'Business Backed/Delivery Vehicles' funding initiative from MHCLG.</p>	<p>1) To provide oversight of programme wide activity &amp; governance, and ensure the work programme is managed effectively. This will include ensuring all appropriate structures, procedures, protocols and policies are in place. It will ensure a high quality approach is applied to placemaking &amp; design which is aligned with formal statutory processes, and that a coordinated, inclusive and positive approach is taken to all communications, PR, marketing and engagement activity.</p>	£346,000

ii	<b>Masterplanning &amp; design</b>	<p>Key activities &amp; funding needs in 2019/20:</p> <p>1) Masterplanners and Transport consultants to work with stakeholders to develop plans for an initial sequence of participative masterplanning. This is due to take place after the NEAs have consulted on the Local Plan evidence in August/September 2019. This will include strategic masterplanning to best accommodate infrastructure related to the two HIF bids and start to prepare for LDO(s) for each of the new Garden Communities (£123k)</p> <p>Notes</p> <p>Certain staff resources identified in (i) will also be allocated to this (and the other categories listed below).</p>	<p>1) To evolve robust plans with positive engagement by local communities and stakeholders. To ensure infrastructure (in particular potential HIF awards) can be appropriately integrated into the schemes. The approach will start to establish a stronger and more positive relationship between the project and local areas than currently exists, and form the basis of moving forward with DPDs &amp; LDOs for the sites.</p>	£123,000
iii	<b>Technical studies including transport</b>	<p>Key activities &amp; funding needs in 2019/20:</p> <p>1) Further work on transport and North Essex Rapid Transit System (£42k contribution to a wider scope of work). This will integrate closely with design and masterplanning work and relate to the delivery of the HIF bids.</p> <p>2) Technical work on road layouts &amp; site access points, to align with work on early infra. &amp; HIF related projects (£60k).</p> <p>3) Prepare a 'Utilities Capacity Report' &amp; commercial discussions with utility providers (£50k) some of which will also be required to support delivery of the HIF schemes.</p> <p>Note aspect (3) (total £50k) will be applied for under the forthcoming anticipated 'Business Backed/Delivery Vehicles' funding initiative from MHCLG.</p>	<p>1) To integrate sustainable movement patterns across the Garden Communities from the outset, including further design and preparatory work related to the proposed Rapid Transit System.</p> <p>2) To ensure design work for initial highways works integrate well with the wider masterplanning process.</p> <p>3) To address strategic utilities issues in a timely manner, including full consideration and pre-planning given the extent of potential lead in times for certain potential necessary network capacity improvements.</p>	£152,000
iv	<b>Engagement &amp; communication</b>	<p>Key activities &amp; 2019/20 funding needs:</p> <p>1) Undertake engagement with local communities (Sequence 1 of the masterplanning approach) using innovative and engaging tools &amp; practices via specialist consultants (£25k).</p>	<p>1) To build greater support and understanding of the proposals and ensure more participative and inclusive engagement can inform masterplanning.</p>	£25,000
v	<b>Legal or finance</b>	<p>Key activities &amp; 2019/20 funding needs:</p> <p>1) Prepare a costed Business &amp; Finance Plan for the programme (£36k as contribution to a wider scope of work).</p> <p>2) Run &amp; evolve the NEGIC delivery cost/investment financial model (£30k as contribution to wider scope of works).</p> <p>Note both aspects (total £66k) will be applied for under the forthcoming anticipated 'Business Backed/Delivery Vehicles' funding initiative from MHCLG).</p>	<p>1) To prepare a strong set of business planning tools to enable the Council to move forward, including an approach for the programme to becoming self financing from 2020/21 onwards.</p> <p>2) To evolve the current financial model to become a tool suitable to support Treasury compliant Outline Business Cases.</p>	£66,000

vi	Viability	Key tasks relating to viability are picked up in other categories (Legal & Finance and Delivery).		€0
vii	Delivery	<p>Key Activities &amp; 2019/20 funding needs:</p> <p>1) Consideration of operating structure for the future delivery of Garden Communities under a Locally-Led Development Corporation (€28k as contribution to wider scope of work).</p> <p>2) Area wide economic analysis to evaluate an appropriate strategy to secure economic activity and attract inward investment as part of the placemaking approach (€30k).</p> <p>3) Market demand studies to consider appropriate housing tenure and product types (€20k).</p> <p>4) Evaluate a Construction Strategy, including consideration of MMC in partnership with Homes England (€50k).</p> <p>Note: all aspects (€128k) will be applied for under the forthcoming anticipated 'Business Backed' funding initiative.</p>	<p>1) To support the preparation of a suitable 'mandate' for a potential Locally-Led Development Corporation to be able to be agreed by the Council, which will set a strategic and robust model to deliver across key objectives.</p> <p>2) To provide a robust context to integrate employment uses into each of the Garden Communities to meet economic objectives.</p> <p>3) To provide a robust basis for housing tenure mix which can support housing demand from local people and in turn enable an optimum approach to build out and take up of residential units across multiple tenures.</p> <p>4) To prepare for and enable the efficient construction of the project thus accelerating potential start and rate and overall build out rate.</p>	€128,000
viii	Innovation	<p>Key Activities &amp; 2019/20 funding needs:</p> <p>1) Work in this section is mainly funded by the staff resource and overhead allocation. In addition to the core elements of the Innovation programme, there is work with NHS England under phase 2 of the Healthy New Towns programme and the National Curator and Self Build Association to share best practice in farming policy making. Some of the other work being planned includes conference/workshops on the potential of drone transport as well as on the benefit of community interface platform (incorporating community IoT (Internet Of Things) and for community service provision. Cost for events &amp; conferences (€10k).</p>	<p>1) Material &amp; advice to inform the evolving master planning process on specific aspects such as healthy living, how living space might be used and digital backbone. In addition, two business breakfast events and a wider innovation conference are planned for September, November and early Q4 respectively.</p>	€10,000
ix	Other (please specify)	<p>Key activities &amp; 2019/20 funding needs:</p> <p>1) Specific work in connection with enabling and accelerated delivery, pilot project and establishment of a potential MMC factory. Vitr have been enquiring to a number of existing MMC factories and discussions with major users of MMC product.</p> <p>Note: that no funding is requested here, due to this being subject to a separate business plan and funding application currently being discussed with Homes England.</p>	<p>1) Advice &amp; reports are being compiled. The material will consider market output and expertise capability, to shape the future decision of NEGC of how best to utilise MMC to support its accelerated delivery proposals.</p>	€0
<b>Total</b>		Note: this bid includes items that are anticipated to be bid for under the separate Business Backed/Delivery Vehicle funding opportunity. The items set out above are split €425k Garden Communities (GV&T) and €425k Business Backed.		<b>€250,000</b>



**9 Briefly describe what measures you have put in place to secure quality outcomes in place-making & design of your garden town or village (e.g. policies, design tools, design review process)**

New development must reflect high standards of urban and architectural design as established by the Councils through the North Essex Garden Communities Charter and through emerging planning policy (via a tiered structure of control from the Local Plans, through to DPDs and site specific design guidance). This also includes consideration against the Essex Design Guide which now includes specific policy guidance to Garden Communities across the County.

Design teams have been appointed by the Councils following a rigorous procurement exercise to ensure that the teams include a blend of the best in domestic and international design & architecture with demonstrable track records in delivering beautiful places. The approach will enable masterplans and design codes to be prepared by the very best UK and international design firms, with participative engagement across all necessary stakeholders and subject to ongoing design review and challenge. With respect to design review, the overall design approach (at all stages) will be considered via a Design Review Panel with initial work already undertaken (working with Andy von Bratsky at MHCLG) to consider the optimum approach to establishing a robust panel & approach. Further work on the Design Review Panel proposal is planned for 2019/20 following some work already underway that is reviewing the overall Vision of the project.

The requirement for high design standards will apply to public and private buildings across all scales of development as well as to infrastructure projects and will be integrated into any early works to ensure any early investment sets high standards. The proposed delivery model based upon a public sector led approach will provide an innovative mechanism to ensure that good design outcomes can be secured in practice. The objectives of any delivery model will embed high design standards in all of its activity. It will be responsible for direct delivery of infrastructure and the public realm, having high control over the timing and design quality of the placemaking. It will also establish the terms and design standards required from plot developers, such as through the use of design codes, build under licence terms and other mechanisms.

**10 Briefly describe what measures you have put in place to progress areas of innovation in your original bid to be part of the programme (e.g. off site manufacture, better health outcomes, community engagement, delivery models, etc)**

The programme is well advanced with evolving a truly innovative delivery structure that will enable the public sector to take a key role going forward. Considerable work has been undertaken to date and will continue to set the foundations for the implementation of a locally led development corporation, or equivalent structure that can provide a sufficient level of control and certainty on delivery of positive outcomes. The project is still on course to be a front runner on this mechanism with ongoing and active discussions being held with officials at MHCLG. Innovation via the delivery model provides many opportunities and benefits to be able to achieve a wider range of innovations in terms of placemaking, the provision of services and facilities, accommodating new technologies & ways of living and challenging traditional 'norms'.

The Councils fully recognise the need to adopt a forward thinking approach across all aspects of the programme. Opportunities for innovation across the North Essex Garden Communities are continuing to be considered under three themes of 'People, Place, & Operation' to ensure they can accommodate and make full advantage of new and modern approaches that can add value. The approach is structured by the business plan and relates to a number of separate work streams and activities.

Specific examples include the ongoing consideration of MMC, working with Mario Wolf on Custom/Self Build, being recently successfully added to the NHS Healthy New Towns programme, ongoing work to evolve a modern rapid transit system potentially on a trackless tram basis, running business breakfast events to consider matter such as emerging trends in transport and how people might live (such as use of living space & drone use), working with the University of Essex and other partners to run an annual innovation conference, considering smarter resource use and relationships to utilities provision, ongoing consideration of the 'Smart City' agenda. The programme also benefits from innovation in collaborative working between the Councils including on planning to implement the joint shared Section 1 part of Local Plans.

**11 What additional resources & funding are you leveraging into the garden town or village project (e.g. local authority funding & support)? What impact would an absence of capacity funding have on delivery of the garden town or village?**

The programme to date has been supported through a combination of MHCLG capacity funding (grant) and additional equal revenue (grant) contributions from each of the four stakeholder Councils (Colchester BC, Braintree DC, Tendring DC and Essex CC). It is the largest project in the MHCLG Garden Communities programme and as such has received support to advance the project and in particular evolve the innovative approaches to delivery and placemaking. The Councils have always recognised this to be a shared endeavour and extra monies have been levered into the programme over recent years, which by the end of 2019/20 will amount to a total of £3.8m (including £1.4m planned for 2019/20) funding from the Councils.

A full work programme and budget forecast is in place for 2019/20 aligned to the Interim Business Plan. Spend is monitored monthly via a programme report and presented as a standing item at NEGC Board meetings. In addition, during 2019/20 there will be three formal review milestone dates (end of July, end of October, end of January) where the NEGC Board will receive a report from the Group MD setting out the remaining budget requirements and corresponding expenditure together with a recommendation of how to enable NEGC to progress to the next review milestone date. The 2019/20 Interim Business Plan and spend profile is predicated on a need to receive a further £1.4m Councils contributions (£350k per Council) together with additional capacity funding from this funding round (and from the separate Business Backed/Delivery Vehicle fund). Should such resources not be available the scale of work would need to be stopped or scaled back causing delay and uncertainty to the delivery of the Garden Communities and potential problems with the respective Councils future five year housing supply figures.

Once Section 1 of the Local Plans has been adopted (in early 2020/21), the Councils intend to move away from public revenue (grant) funding and obtain supported external finance to fund the progression of detailed planning and the set-up of the delivery vehicle (potentially a locally-led development corporation) for the Garden Communities. Various options exist here including public and/or private sector sources, to be confirmed through further financial and business planning in 2019/20.

## Appendix C Shaping the Future Consultation Costs

Shaping the future consultation costs	£
Print and design	5,054
Venues	1,759
Consultancy Support	77,353
Filming	1,136
Total	85,302



## Appendix D Colchester Borough Council carrying costs

CBC NEGC Carrying Costs	(£k)
Planning Officer costs 2018/19	46
Programme Officer costs 2018/19	46
SLA 2018/19	85
Planning Officer costs Q1 2019/20	12
Programme Officer costs Q1 2019/20	12
SLA 2019/20	114
Total carried costs 2018/19 and 2019/20	315

SLA Financial Year 18/19							
			18-19				
WORKSTREAM / BUDGET AREA			Q1	Q2	Q3	Q4	18-19
			Apr-Jun	Jul-Sept	Oct-Dec	Jan-Mar	All
Project Resource / Delivery Team							
Customer Business	SLA		1.0	1.0	1.0	1.0	4.0
Finance	SLA		5.0	5.0	5.0	5.0	20.0
Procurement	SLA		2.5	2.5	2.5	2.5	10.0
ICT	SLA		4.0	4.0	4.0	5.0	17.0
Accommodation - Rowan	SLA		6.0	7.0	6.0	6.0	25.0
HR	SLA		1.0	1.0	1.0	1.0	4.0
Health and Safety	SLA		2.0	1.0	1.0	1.0	5.0
	Totals		21.5	21.5	20.5	21.5	85.0

SLA Financial Year 19/20							
			19-20				
WORKSTREAM / BUDGET AREA			Q1	Q2	Q3	Q4	19-20
			Apr-Jun	Jul-Sept	Oct-Dec	Jan-Mar	All
Project Resource / Delivery Team							
Customer Business	SLA		1.0	1.0	1.0	1.0	4.0
Finance	SLA		5.0	5.0	5.0	5.0	20.0
Procurement	SLA		2.5	2.5	2.5	2.5	10.0
ICT	SLA		4.0	4.0	4.0	5.0	17.0
Other IT Hardware/software	via SLA		0.0	0.0	5.0	30.0	35.0
Accommodation - Rowan	SLA		6.0	7.0	7.0	7.0	27.0
HR	SLA		0.0	0.0	0.0	1.0	1.0
	Totals		18.5	19.5	24.5	51.5	114.0

FORECAST -SLA Financial year 20/21							
			20-21				
WORKSTREAM / BUDGET AREA			Q1	Q2	Q3	Q4	20-21
			Apr-Jun	Jul-Sept	Oct-Dec	Jan-Mar	All
Project Resource / Delivery Team							
Customer Business	SLA		1.0	1.0	0.0	0.0	2.0
Finance	SLA		5.0	5.0	0.0	0.0	10.0
Procurement	SLA		2.5	0.0	0.0	0.0	2.5
ICT	SLA		4.0	4.0	0.0	0.0	8.0
Other social media/web	via SLA		0.0	2.0	0.0	0.0	2.0
Accommodation - Rowan	SLA		2.0	2.0	0.0	0.0	4.0
Accommodation - CFC	SLA		0.0	1.0	0.0	0.0	1.0
HR	SLA		0.0	2.0	0.0	0.0	2.0
Accountancy/legal closure costs	via SLA		0.0	5.0	0.0	5.0	10.0
Company run-off insurances			0.0	3.0	0.0	0.0	3.0
	Totals		14.5	25.0	0.0	5.0	44.5