

# **Report to the City of Nottingham and Nottinghamshire Economic Prosperity Committee**

**23<sup>rd</sup> October 2017**

**Agenda Item: 7**

## **REPORT OF THE CHIEF EXECUTIVE OF NOTTINGHAMSHIRE COUNTY COUNCIL**

### **HOUSING INFRASTRUCTURE FUND – SUBMITTED BIDS FOR FORWARD FUNDING AND MARGINAL VIABILITY**

#### **Purpose of the Report**

1. This report updates the Economic Prosperity Committee on the submitted bids to the Housing Infrastructure Fund.

#### **Information and Advice**

2. The Housing Infrastructure Fund (HIF) is a government capital grant programme of up to £2.3 billion to support physical infrastructure to deliver more land for housing. The fund has two types of funding :
  - a. Marginal Viability Funding – to support infrastructure for marginal viability schemes (to support the final or missing piece of infrastructure funding). Bids can be made by single and lower tier authorities for up to £10m.
  - b. Forward Funding - to support a small number of strategic and high impact infrastructure schemes, funding can also be used for pump priming to allow further investment. Bids up to £250m can be made.
3. The funding is available over four years from 2017/18 to 2020/21. All funding must be committed by March 2021. Higher levels of funding may be available for exceptional bids. The split between the two funding streams will depend on the bids received but it is anticipated that the majority of the funding will go to Forward Funding proposals. Not all of the funding may be allocated so there could be other funding rounds with revised criteria. Authorities can submit multiple bids which will need to be ranked in order of priority. Joint working across authorities and with the Local Enterprise Partnership (LEP) is encouraged and joint bids are welcomed.
4. Bid proposals must take a strategic approach with strong local leadership and joint working to achieve higher levels of housing growth in local areas. They must require grant funding to deliver physical infrastructure and provide strong evidence that the infrastructure is necessary to unlock new homes and cannot be funded through another route. Bids must also demonstrate value for money. On the basis of an economic appraisal following the Green Book.
5. Business cases for the Marginal Viability Funding were invited by the 28 September. The two stages process for Forward Funding involves the submission

of expressions of interest by 28 September and if successful, the submission of full business cases in spring 2018.

### Forward Funding Proposal

6. A joint bid for Forward Funding focussed on HS2 and garden villages which involves upper and lower tier authorities across Nottinghamshire and Derbyshire has been submitted. There has been widespread support from key stakeholders, including the D2N2 LEP for a joint bid, with Nottinghamshire leading and coordinating the application. The HS2 Growth Strategy was the starting point for the bid preparation work.

### Marginal Viability Proposals

7. In addition the Forward Funding Expression of Interest a number of bids have been submitted for Marginal Viability funding, details are set out below.

Local Authority	Site	Dwellings	Project
Ashfield District	Various Hucknall and Sutton - in – Ashfield	1500 +	Infrastructure projects which will help accelerate the delivery of Local Plan housing proposals in Hucknall and Sutton - in –Ashfield
Bassetlaw	Harworth Colliery	1500 but assisting 3000 in settlement	Distributor route through site to improve access, permeability and relationship with existing town. Funding to advance provision of primary school site
Broxtowe Borough	HS2 Toton		Not submitting MV bid but supporting the D2N2 HS2 Growth Strategy bid
Gedling Borough	Rolleston Drive	60	Site remediation to ensure site viability
Mansfield	Sheepbridge Lane	150	Access and site remediation to ensure site is viable for development
	Former Mansfield Brewery site	200	Access and site remediation to ensure site is viable for development
Newark and Sherwood District	Newark South	3000	Newark Southern Relief Road – will advance early completion and accelerate housing delivery
	Thoresby Colliery	1500	Improvements to Ollerton Roundabout to ensure adequate access to principal road
Rushcliffe Borough	Clifton South/West	3000	Road infrastructure associated with opening up the Clifton South site

## **Reason(s) for Recommendations**

8. To provide information on the bids which have been submitted to the Government for funding from the Housing Infrastructure Fund. Midlands Engine Vision for Growth in response to the Government's strategy which expresses the intent to maximise their return on investment for the benefit not just of the Midlands, but the whole of the UK.

## **RECOMMENDATION**

It is recommended that the Economic Prosperity Committee notes the bids which have been submitted to the Housing Infrastructure Fund and invites further reports on the outcomes of the bids and any actions arising.

**Anthony May**

Chief Executive, Nottinghamshire County Council

**For any enquiries about this report please contact:**

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## **Background Papers**

The HS2 growth Strategy is available here:

[http://www.emcouncils.gov.uk/write/East\\_Midlands\\_HS2\\_Growth\\_Strategy -  
September\\_2017.pdf](http://www.emcouncils.gov.uk/write/East_Midlands_HS2_Growth_Strategy_-_September_2017.pdf)

Or

[http://www.d2n2lep.org/News/thousands-of-jobs-and-almost-4billion-for-economy-  
detailed-in-hs2-strategy](http://www.d2n2lep.org/News/thousands-of-jobs-and-almost-4billion-for-economy-detailed-in-hs2-strategy)