

**REPORT OF THE LEADER OF THE COUNCIL****HOUSING INFRASTRUCTURE FUND – PROPOSED BIDS****Purpose of the Report**

1. To brief Members on the Government's Housing Infrastructure Fund and to seek delegated authority for the Corporate Director Place in consultation with the Leader and the Service Director Finance, Procurement & Improvement to submit expressions of interest in the fund on behalf of Nottinghamshire County Council.

**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. 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 are 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.

### **Growth and development in Nottinghamshire**

6. We have strong ambitions for growth and development across Nottinghamshire. Working in partnership with our District partners and the development industry will be key to achieving our ambitions set out in the Council Plan, Your Nottinghamshire, Your Future. We already have a track record in bringing forward development, and the Housing Infrastructure Fund is an opportunity to obtain funding from central government to support the growth of communities across Nottinghamshire and to provide much needed new homes.
7. Discussions have been taking place with neighbouring authorities, the LEP and the Homes and Communities Agency (HCA) about the submission of joint bids to this fund. This report sets out the proposed bids and priorities for HIF applications supported by Nottinghamshire County Council.
8. The emerging HS2 Growth Strategy sets out an ambitious vision of a network of garden villages with Toton and the East Midlands Hub Station at its centre. The level of infrastructure required to bring that vision to life in a way that meets the needs and aspirations of existing and new communities is significant. The HIF provides an opportunity to access significant funding from Government to deliver our ambition.
9. Work is currently underway on the preparation of a joint bid focussed on HS2 and garden villages which involves upper and lower tier authorities across Nottinghamshire and Derbyshire. There has been widespread support from key stakeholders, including the D2N2 LEP for a joint bid, with Nottinghamshire leading and coordinating the application. This is the Nottinghamshire priority for HIF Forward Funding.
10. Our ambition for growth is not limited to the Toton and HS2 sites. We also have emerging propositions for growth corridors that run across the County. These are in development and will be addressed through the emerging Place Plan. However, the launch of the Forward Fund has provided an opportunity to start dialogue across the local partnership and with the HCA about our growth corridors with a view to bidding for funds in the future.
11. In addition to the Forward Fund expression of interest, we are working in support of our District and Borough partners with applications for Marginal Viability Funding. A number of potential applications for the funding are in development, these include, although are not restricted to:
  - a. Top Wighay, Gedling
  - b. Land South, Newark
  - c. Rolleston Drive, Gedling
12. The Government's time frame for the submission of EOIs and applications is very challenging and does not give opportunities for fully worked up bids to be considered by Members before submission. It is proposed that delegated authority be given to the Corporate Director Place in consultation with the Leader and the Service Director Finance Procurement & Improvement to agree the final version of a submission to government of a Housing Investment Fund bid for the above sites.

## **Other Options Considered**

13. For the authority not to make any submissions to Housing Infrastructure Fund, this would mean that an opportunity to obtain additional government funding for Nottinghamshire Communities would be lost.

## **Reason/s for Recommendation/s**

14. To obtain appropriate approvals for any bids the Authority may wish to make to the Housing Investment Fund.

## **Statutory and Policy Implications**

15. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **Financial Implications**

16. The HIF provides an opportunity to secure funding to bring forward infrastructure projects freeing up other monies to be recycled. The financial implications of any proposals to be put forward will be considered as part of the development of any submission.

## **RECOMMENDATION/S**

- 1) That delegated authority be given to the Corporate Director Place in consultation with the Leader and the Service Director Finance Procurement & Improvement to agree the final version of submissions to the Housing Investment Fund.

**COUNCILLOR MRS KAY CUTTS MBE**  
**Leader of the Council**

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

**Constitutional Comments (RHC 23/08/2017)**

17. Policy Committee is the appropriate body to consider the contents of this report.

**Financial Comments (RWK 24/08/2017)**

18. The financial implications are set out in paragraph 16.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'None'

### **Electoral Division(s) and Member(s) Affected**

- 'All'