

REPORT OF THE LEADER OF THE COUNCIL

HIGH SPEED 2 (HS2) GROWTH – DELIVERY PHASE

Purpose of the Report

1. To seek Policy Committee approval for 2019-20 funding to resource the work of the HS2 delivery team.

Information

2. The reports presented to Policy Committee on 14 February 2018 and 20 June 2018 outlined the importance of HS2 related growth to Nottinghamshire, and specifically how the development of an East Midlands hub at Toton was integral to this. These reports followed the publication of the East Midlands HS2 Growth Strategy in September 2017.
3. East Midlands Growth Zone at Toton – the vision:
 - An ambitious Innovation Campus, attracting universities and leading global research and innovation companies, contributing £590m Gross Value Added and 11,500 new jobs. Home to high value, precision engineering/manufacturing excellence, boosting productivity – university and research driven – a destination in its own right;
 - The most “Connected Place” in the country – High speed rail and network rail with 22 trains per hour, linked to a high growth passenger and freight airport, light rail and mass rapid transport connectivity, upgraded highway capacity, fixed/mobile digital connectivity, and 5G ubiquitous networks with autonomous vehicle network.
 - A network of Garden Villages across the region including Toton and Chetwynd at its heart – new modern “live and work” settlements providing higher density and higher quality 21st Century innovative living, at a human scale, offering world class environment and places to live with new housing developments.
 - Driving growth of productivity and prosperity across the East Midlands, in cities, urban areas, towns and villages to achieve a complementary development, adding value as a key component of the Midlands Engine
4. Many of these benefits can be delivered well ahead of the opening of the HS2 East Midlands Station in 2033. However, this will only be possible with Government funding to create the conditions for growth and proactive involvement of the County Council, the local partners including the planning authority and Midlands Engine. With this in mind, the 14 February 2018 Policy Committee agreed a £246,000 budget for the establishment of a HS2 Delivery team to drive forward delivery and help secure additional investment. Funds were agreed on a yearly basis and in order to maintain momentum on this critical programme, Policy Committee are asked to commit to continuing to staff and resource the HS2 Delivery team in 2019/20.
5. It was reported to the 20 June 2018 Policy Committee that good progress was being made to establish the team that will drive forward the programme. That progress included the

appointment of the Service Director for Growth & Investment and a Programme Director for HS2 related growth to oversee the programme. Since then a recently appointed Economic Development Officer has been secured to assist with the programme and the Council has jointly commissioned additional Development Management support for the next key stages. The Programme Director and Development Management support have been secured through working collaboratively with development and regeneration specialists, LCR. As mentioned the work of the delivery team will continue to be subject to annual review and as such it does not involve the creation of new permanent posts.

6. The Delivery team are co-ordinating a number of workstreams involving colleagues from across the Council in a 'virtual team' approach. The funding secured at the 14 February 2018 Policy Committee also enabled the commissioning of crucial strategic advice on planning and land strategies through a combination of Arup and Cushman & Wakefield, who are internationally recognised experts in their respective fields.

Progress Update

7. The Delivery team approach outlined above enabled the following progress to be made towards HS2 Growth Strategy objectives:
 - Established a refreshed Toton Station Delivery Board, creating a dedicated and credible delivery structure and delivery team to co-ordinate the implementation of these actions.
 - Developed a clear "route-map" outlining the key steps around planning and land strategies to delivery and a clear approach to realise the development and infrastructure ambition for the area.
 - Worked collaboratively with Broxtowe Borough Council and key partners to evolve the plans for Toton and Chetwynd, including through input into the Broxtowe Local Plan to ensure closer alignment with the growth strategy and Housing Infrastructure Funding (HiF) process.
 - Developed the vision and ambition for the wider area and growth point helping to position the potential for a new development body to be established with Midlands Engine.
 - Secured potential for £1.8 million further funding from the Department for Transport (DfT) over two years with a first tranche of £900,000 secured through D2N2 Local Enterprise Partnership (LEP) for 2018/19.
 - Placed Nottinghamshire in a strong position to successfully bid for further funding, working closely with neighbouring authorities. For example, the HiF bid that will be submitted to Ministry of Housing, Communities and Local Government (MHCLG) in March, seeking £29.5m investment in infrastructure for Toton and Chetwynd. The Council is also making a joint bid with Broxtowe Borough Council associated with the recently announced 'Future Places' Initiative.
 - HiF funding support secured – Nottinghamshire County Council is leading the regions £100m bid working alongside Derbyshire, Derby City and Chesterfield Borough Councils and partners have secured some match funding support from MHCLG towards the costs of preparing the bid.
 - Worked closely with HS2 to input into their thinking during the design phase. A comprehensive response to the Working Draft Environment Statement for Phase 2b was submitted in December 2018.

- Various technical studies being prepared with partners will strengthen the ability to influence HS2 and prepare for delivery including further development of designs for infrastructure and development masterplanning.
 - In September 2018, the government also announced plans for a further £2m to establish a development corporation for the area through the Midlands Engine. Further clarification is anticipated, but it is clear that the work to date has helped to position this.
8. Locally-led Development Coporations are established to facilitate significant growth and development in an area and require the approval of government. Discussions are due to take place on forming a corporation for East Midlands and specifically the vision for an area focussed HS2 growth strategy around Toton. The ambition concentrates on three core components i.e. the HS2 Hub Station at Toton and surrounding development; proposals for Ratcliffe Power Station, and ambitious plans for East Midlands airport.
 9. It is clear that the steps being taken by the Council to support the growth programme at Toton are delivering significant progress towards the achievement of Nottinghamshire's wider ambition. The above outcomes have fulfilled and possibly surpassed the original objectives.
 10. The Council's continued commitment to support the Delivery team will sustain momentum and ensure the opportunities are optimised for the benefit of Nottinghamshire and the wider region. This will involve maintaining the services of the Delivery team and a day-to-day working budget to ensure continuity and appropriate levels of match funding to complement Government funding commitments.
 11. The work programme will need to be cash-flowed, but will benefit from cost recovery opportunities utilising the funding identified above. The team will be working closely with partners including the D2N2 LEP under the guidance of the Toton Station Delivery Board to manage that process.
 12. In light of the above and based on the previous financial year, a further £250,000 of funding is requested for 2019/20.

Other Options Considered

13. The 'do-nothing' option was discounted given the alignment with Nottinghamshire County Council's priorities. Whilst formation of a development body will be subject to further consideration and development in due course, there remains a need to maintain momentum. There is currently no clear alternative to the Delivery team hosted by Nottinghamshire County Council.

Reason/s for Recommendation/s

14. To ensure NCC has sufficient capacity to help drive the delivery of growth at Toton in a way that meets residents & business needs and aspirations. The HS2 programme is vital to the economic prosperity of the County and work needs to progress at pace.

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. As determined at the 14 February 2018 Policy Committee, the costs and funding of the HS2 delivery team area to be reviewed annually. A contingency allocation will be sought from the Finance and Major Contracts Committee to fund the costs of up to £250,000 in 2019/20 (Paragraph 11 above).

Implications for Service Users

17. One of the aims of the delivery team is to ensure that implications for service users are given appropriate consideration throughout this programme of work.

Implications for Sustainability and the Environment

18. A further aim of the delivery team is to ensure that the implications for sustainability and the environment are considered throughout this programme.

RECOMMENDATIONS

It is recommended that:

- 1) The case for continued investment in the delivery team for 2019/20 is endorsed;
- 2) Dialogue with Government and key delivery partners is maintained to further scope the evolutionary steps to establishing a delivery body.
- 3) That a request is submitted to the Finance and Major Contracts Committee to approve an allocation of contingency of up to £250,000 to fund the work of the HS2 delivery team in 2019/20.

COUNCILLOR MRS KAY CUTTS, MBE
Leader of the Council

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Constitutional Comments [SSR 21/01/2019]

19. The recommendations fall within the scope of decisions which may be approved by Policy Committee.

Financial Comments [SES 01/02/2019]

20. The financial implications are set out in paragraph 16 of the report.

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