

AGENDA
Opportunity South Essex Board meeting
18th April 2018, 13.45 – 16.00*

Thames Oilport, The Manorway
Stanford Le Hope, Essex
SS179LQ

***Please note:** Prior to the Board meeting there will be presentation of Thames Enterprise Park This will commence at 1pm, and will include a light lunch at 1.30. If you are attending the presentation and lunch you need to arrive **at 12.45** to go through security. If you are arriving for the meeting only you need to arrive **1.45 latest**.

Item No.	Item Description	Lead	Timing
Procedural items and items for which a full report has been circulated prior to the meeting			
1	Introductions and apologies	Kate Willard	2.00 – 2.20PM
2	Declarations of interest	Kate Willard	
3	Minutes of last meeting	Kate Willard	
4	Local Growth Fund Capital Monitoring To provide the Board with an overview of the LGF supported South Essex Capital Programme (Report enclosed) .	Ian Lewis	
5	OSE Operational Update Recruitment update Finance Update	David Marchant	
Strategic items for Board discussion			
6.	Pipeline projects – a summary of projects on going and planned.	Ian Lewis	2.20
7	A127 Corridor Presentation of progress with the improvement scheme at the Fairglen Interchange and strategy for the A127 corridor (Report enclosed)	Essex County Council	2.30
8	Thames Estuary Production Corridor and SELEP wide Workspace Strategy Requiring OSE approval to proceed. (Report enclosed)	Ian Lewis	2.50
9	South East Local Enterprise Partnership Update Update item	Adam Bryan	3.10
10	Department for Business, Energy and Industrial Strategy (BEIS) Update An item to update the Board on Thames Estuary 2050 Commission, Industrial strategy update. Report	Iain McNab BEIS	3.20
11	South Essex 2050 Update Item and report back on private sector input at last OSE Board meeting	South Essex Chief Executives	3.30
12	National Planning Policy Framework consultation What this means for businesses and asking for feed back (Report enclosed)	Shaun Scrutton	3.40
13	Date of next meeting – 6 th June, 2018, Venue TBC		

ITEM 4

Capital Programme Reporting

Recommendation:

To note the following:

- Note the Local Growth Fund Position
- The success in being shortlisted £43m from the Housing Infrastructure Fund for Purfleet
- Confirmation that the Growing Places Fund loan is now in place for South Essex College and the first drawdown has been made

Local Growth Fund

The board usually receive a full programme update of progress with the Local Growth Fund supported programme in South Essex. This was last reported to the Board in February. Since then, the only change of note is slippage of a couple of projects due to land transactions not being concluded before the end of the financial year. These are due to conclude shortly.

Due to the timing of this meeting, we would not be in a position to fully report the year end position with most projects because of the timing of invoices and the like. This would mean that we would not be able to provide the Board with an accurate year end position and could lead to quite a number of significant changes when we next report, with finalised year end position, in June.

Therefore, we will not provide the full LGF update at this meeting but will provide a full update at the next Board meeting on the 6th June. This will enable us to fully reflect the year end position and give a true reflection of project progress.

If Board members have any specific queries on particular projects they can get in touch with the author of this report and we can provide the information we currently hold.

Housing Infrastructure Fund

Thurrock Council have been shortlisted for £43m of funding to support the delivery of the Purfleet Centre scheme from the Housing Infrastructure Fund. The next stage is to prepare a business case for submission in Summer 2018 to secure the funding.

Growing Places Fund

The Loan Agreement has been put in place with South Essex College for the £2m loan to support the Centre for Advanced Engineering Facility. The first drawdown has been made, with the second draw down currently being processed.

The funding has been used to secure premises for the new facility. The fitting out works will commence and the centre will open to students in 2018/19.

Report Author: Ian Lewis, Essex County Council

ITEM 5

Report of: The Accountable Body
Subject: Finance / Resource Planning Update
Date: 18 April 2018

SUMMARY

This report provides the Board with the latest financial status of the Opportunity South Essex Partnership, specifically the current position on 2017/18 income and expenditure, as well as the indicative and evolving budget for 2018/19.

RECOMMENDATION

It is recommended that the Board:

NOTES the latest updated position on the previously agreed budget for 2017/18 and the indicative budget for 2018/19, as outlined in Appendix 1. These show:

	£000s
A surplus balance as at 01/04/17:	(42)
A forecast funding gap for 2017/18:	18
A forecast surplus balance at 31/03/18:	(24)
A forecast funding gap for 2018/19:	14
Overall forecast surplus as at 31/03/19:	(10)

NOTES the timetable for receiving partner contributions as follows:

- **November Board Meeting** – Receives report of Chief Financial Officer of the Accountable Body regarding the financial position
- **February** - Local Authorities ordinarily set their budgets
- **End of March** – Request for Purchase Order issued by Castle Point
- **April/May** – Purchase Orders raised by Councils to Castle Point, and Castle Point issues invoices to Councils
- **June** – Partner contributions received prior to the Board meeting
- **June Board meeting** – confirm with Board that partner contributions have been received

BACKGROUND

1. Attached to this report, as Appendix 1, is the financial position for 2016/17 through to 2018/19. In summary, the final financial outturn for 2017/18 is awaited. Any underspend will be brought forward into 2018/19. It can be seen that the Opportunity South Essex Partnership has allocated a total annual budget for 2018/19 of approximately **£111,000** to cover expenditure related to:
 - **£80,000** for salary and on costs for the previous Growth Partnership Director;

- **£7,000** for related accommodation and support costs; and
- **£20,000** for supplies and services, etc.

The above figures assume that the vacant post of Programme Manager was occupied from 1st April 2018. At the time of writing the report, terms have been agreed for the recruitment of a new Programme Manager although are only estimated at this time and a formal start date is awaited. I anticipate providing an update on recruitment at the board meeting.

It should be noted that the current level of annual council contributions only covers **£97,500** of the above costs each year.

CURRENT FINANCIAL POSITION

2. The original 2017/18 operational budget for Opportunity South Essex of **£30,000** for supplies, services and other projects, has been reduced to **£15,300** of which **£1,399** has been spent to date in 2017/18. The remainder of **£13,901** is anticipated to be carried forward into 2018/19..For 2018/19 the operational budget has been reduced to **£20,000** per year. This is the only budget line where there is the possibility for a small degree of flexibility. All other costs are committed and fixed.
3. Therefore in summary, and taking into account:
 - the final 2016/17 outturn position
 - the reduction in spend in 2017/18, and
 - a replacement post at a lower salary for 2018/19,the partnership is forecast to be in surplus by March 2019. However if costs and contributions were to continue beyond that point at a similar value to that forecast for 2018/19 there would still be a need to find at least **£14,000** in additional funding each year to avoid any future deficit and continue to be able to deliver on its planned business priorities and Implementation and Communication Plan commitments.

Appendix 1 – Opportunity South Essex – actual 16/17, actual/budget 17/18 and indicative budget 18/19						
	2016/17 actual		2017/18 actual/budget		2018/19 budget	
	£		£		£	
Expenditure						
<u>Staffing Costs</u>						
Director / OSE Programme Manager	82,550		93,048		80,000	
Intern 1 (Nov 2016 to Jan 2017)	2,647					
Intern 2	0					
Support (3 months 16/17)	4,169					
Travel costs, etc						
• Lump sum essential user car allowance	948		545		1,239	
• Miscellaneous expenses (Spent)	3,072		128			
• Miscellaneous expenses (Uncommitted balance)	0		0		3,000	
<u>Supplies and services</u>						
• Spent:					0	
Website costs	300		300			
Recruitment costs			1,099			
Shared Intelligence consultancy work	12,607					
3 Fox international communications work	6,068					
Park Inn Palace - Workshop 20/09/16	344					
Basildon Council - Opportunity South Essex Strategy Workshop	58					
• Committed	0		0		0	
• Uncommitted balance	0		13,901		20,000	
<u>Premises and establishment</u>	7,000		7,000		7,000	
Total expenditure	119,764		116,021		111,239	
Income						
Essex	(25,000)	25.64%	(25,000)	25.64%	(25,000)	25.64%
Basildon	(12,500)	12.82%	(12,500)	12.82%	(12,500)	12.82%
Castle Point	(12,500)	12.82%	(12,500)	12.82%	(12,500)	12.82%
Rochford	(12,500)	12.82%	(12,500)	12.82%	(12,500)	12.82%
Southend	(17,500)	17.95%	(17,500)	17.95%	(17,500)	17.95%
Thurrock	(17,500)	17.95%	(17,500)	17.95%	(17,500)	17.95%
Total Council contributions	(97,500)		(97,500)		(97,500)	
Intern 1 funding from University of Essex	(2,850)					
Total income	(100,350)	100.00%	(97,500)	100.00%	(97,500)	100.00%
Opening balance	(61,780)		(42,366)		(23,845)	
Net in year expenditure / (income)	19,414		18,521		13,739	
Closing (Surplus) / Deficit	(42,366)		(23,845)		(10,106)	

ITEM 6

OSE Project Pipeline

Purpose of report

- To explain the need for OSE to maintain a strong pipeline of projects and investment propositions;
- To highlight level of activity currently in progress across South Essex; and
- To start a discussion within the Board of current activity, the Growth Strategy Priorities, pipeline projects in preparation for a review

Introduction

There are a large number of projects across South Essex ranging from those in delivery through to loose ideas of things to do in the future. We have captured this as a project pipeline which has split projects into three categories:

- Projects funded and in delivery
- Projects with business cases but not yet funded
- Project ideas that need business cases developing

Every project goes through this cycle (working from the bottom up) as it develops, albeit this development time can vary significantly. The pipeline provides us with:

- A clear list of aspirations across the area
- An ability to review our projects against our Growth Strategy objectives, and identify those with best fit/outcomes
- A point from which to establish suitable funding and delivery routes

In essence, a well-developed pipeline can give a clear view ahead of a programme of future activity and demonstrate how objectives will be realised. It is therefore essential that OSE has a strong pipeline of future projects.

In OSE's case, it is also important to capture this as far as possible across both public and private sectors because the totality of this activity gives a clear message to wider stakeholders of what is happening. This can give confidence to stakeholders and also demonstrate to those outside South Essex that as an area we are serious about achieving our objectives. A good pipeline will also enable us to respond to funding opportunities and assemble the funding packages required to move forward into delivery.

Our Current Projects

We have not captured the current level of activity across South Essex in a single place before. Below is a list of projects currently underway across the area. I have not listed everything, neither have I considered a threshold of a minimum size. I have focussed on those projects that are transformative in some way. I have also deliberately not split them as public or private – this is a snapshot of activity across the patch, from which it may be possible to derive a total investment figure which will be much easier to communicate.

The current list of major projects which are either in delivery, or will be commencing shortly, in South Essex:

- | | | |
|--|------------------------------|----------------------------------|
| • A13 Widening | • Basildon Town Centre | • Southend Airport Business Park |
| • Tilbury 2 | • Better Queensway, Southend | • Purfleet Centre |
| • London Gateway Port and Logistics Park | • Thames Enterprise Park | • A127 Fairglens Interchange |
| • Lakeside Leisure Quarter | • Lower Thames Crossing | |

The pipeline of projects that have a business case in place but are not yet funded is below. It is worth noting that this list predominantly public sector projects:

- Basildon Town Centre
- PROCAT National Institute of Advanced Technology
- Basildon Innovation Warehouse
- Hadleigh Gateway
- Enterprising Canvey
- Museum of the Thames Estuary
- Southend Airport CONNECT
- Lakeside Basin Transport Hub
- Southend Airport Surface Access (Sutton Rd/Purdeys Way)

The list of project ideas, requiring development into business cases, is included below. It is worth noting that this list only includes public sector projects:

- Pitsea and Wickford Phase 2
- Gardiners Lane South, Basildon
- Canvey Town Centre
- Rosscommon Way Phase 3
- Canvey Seafront
- A127/A130 Fairglen - Major Scheme
- Access to Canvey
- Rayleigh Town Centre AAP
- Rochford Town Centre AAP
- Hockley Town Centre AAP
- Business Hub, Rochford
- Wallasea Island access
- University of the Built Environment
- Coastal Community Team support
- Southend Pier Improvements
- Energy Generation to support Regeneration
- Parking and Access Strategy
- High Street, Southend
- Tech City on Sea
- Shoebury Area Action Plan
- Coastal Defence works, Southend
- Smart Cities, Southend
- School of entrepreneurship and Innovation
- City Beach phase 2, Southend
- Purfleet Phase 2
- Thurrock Rail Package
- Thameside towns portfolio (Purfleet, Grays and Tilbury)
- Logistics skills facility, Thurrock
- Smart Cities, Thurrock

OSE Growth Strategy

In the growth strategy, we have identified the following priorities:

- Driving Growth – securing resources for priority projects and supporting business growth
- Outstanding connectivity – locally, nationally and internationally
- Quality of Place – places that improve lives and secure investment
- Skills for Growth – developing, attracting and retaining talent
- Housing – stimulating and reshaping our housing market

Our pipeline needs to reflect the above, and consider where there are gaps. For example, in the lists of projects above you could conclude that there are few projects which address the skills for growth priority when compared to projects supporting the other priorities.

Next Steps

Over the coming months, we need to do the following:

- Review the current projects and the pipeline to ensure that we have captured the full extent of the South Essex pipeline
- Test that the pipeline supports the priorities we have identified in the Growth Strategy
- Working with ASELA and the South Essex 2050 vision understand the implications this may have and opportunities that it may present for the pipeline
- Put in place a process for a regular review of the pipeline

Report Author: Ian Lewis, Essex County Council

ITEM 7

A127 Corridor for Growth

Current position on strategies and improvement schemes

February 2018

The A127 corridor forms a major part of the strategic highway network for South Essex. The route is the east/west link between Southend and M25, and serves the communities and businesses of six Boroughs / Districts and Unitary Authorities of South Essex plus London Borough of Havering in the west.

The strategic route joins the A13 at the A127/A130 Fairglen Interchange via the A130 at Sadlers Farm interchange.

A127 Corridor

A127 Corridor for Growth route strategy

The route strategy has been reviewed and updated with an Options Assessment Report which divides the route into sections from the M25 to Victoria Avenue, Southend. It not only looks at the individual junction options, but also sets out overall principals for treatment of common problems along the route such as side roads, private accesses and lay-bys. The review was initiated through a workshop in August 2016 involving representatives from the South Essex authorities along the corridor, London Borough of Havering, Essex Police and various disciplines within ECC/Essex Highways.

The review takes account of the emerging draft local plans across South Essex and the level of growth in homes and jobs as detailed in the South Essex SHMA at the time. (NB the SHMA has been updated since and the housing and job numbers have increased). It also acknowledges the impact the Lower Thame Crossing may have on the route. Further work is need on this and is being taken account of in the development of the various schemes.

The Route Strategy and the Options Appraisal documents are informing the development of a promotional document and associated activities for which support from the private sector will be sought through OSE along with South Essex authorities.

Discussions have also been had with Highways England, TfL and London Borough of Havering seeking their support of the route strategy and promotional document and possible inclusion of the western section of the A127 from M25 to A12 at Gallows Corner. Following these discussions a Statement of Common Ground is in the process of been signed agreeing to work collaboratively in the development of local plans taking into account the impact on the A127 and the wider transport network.

The final draft of the Options Appraisal document and assessment of the various options/solutions has now been finalised and is about to be circulated to participants of the Workshop and partners for comment and inclusion of the western end of the route. Once finalised the document will be subject of report to Members.

Status of LGF Funded schemes

A127/A130 Fairglen Interchange - £27m

Major junction upgrade in two phases (short and long term). Short term funded scheme programmed to start on site 2020/21 for completion summer / autumn 2022/23. The short term scheme will support growth to 2036 depending on rate of growth.

- Options assessment report completed January 2017.
- Short term option undergoing further detailed modelling during 2017 / 2018 using the Lower Thames Crossing model data.
- Public information sessions held February 2017
- **Public consultation February / March 2018 web based – www.essex.gov.uk/fairglen**
- Planning application 2019
- Construction start late 2020
- Works complete 2022/23

A127 Route Based Strategy Schemes - £9.15m (ECC/LGF)

A127/A132 Nevendon Interchange

Widening of the circulatory under the A127 to reduce queuing on the slip roads and blocking of the nearside lane on the main A127 carriageway. Upgrade and linking of the signals on both sides of the junction along with a link to Traffic Control Centre for remote control; Widening of A132 entries to provide 3 lane entry north / south

- Works substantially completed March 2017

A127/A129 Rayleigh Weir

Signals upgrade and linking of Rayleigh Weir signals with nearby Stadium Way addition of MOVA and SCOOT; CCTV for monitoring of junction by Traffic Control Centre to enable remote control signals as required reducing queuing on slip roads.

- Scheme completed May 2017

A127/B186 Warley junction

Widening of slip lanes from A127; installation of signal control at junctions with B186 to give priority to clearing of slip lane queues which can block the near side lane of the main A127 carriageway giving rise to safety issues

- Scheme currently in design
- Programmed for works to start on site late 2018/19

Signing / CCTV / Variable Message Signs

Ongoing programme as funding allows for signing improvements; installation of CCTV at various locations linked to the Traffic Control Centre; installation of Variable Message Signs (VMS) at various locations.

LED lighting upgrade

Upgrade of the lighting along the ECC section of the A127 complete

A127/A130 Fairglen Interchange – signals upgrade

The signals on the Fairglen roundabout were upgraded March 2017.

Southend Borough Council Schemes

A127 The Bell junction (Southend)

Upgrade of signal junction and local improvements

- construction date to be advised.

A127 Kent Elms (Southend)

Upgrading of signals and local widening.

- Scheme substantially complete summer 2017; new footbridge being installed early 2018.

Pipeline Schemes

The following schemes are in the early stages of the development pipeline. Construction works are unfunded but option development and appraisal is underway as part of the County Council's Advanced Scheme Design Programme

A127/A128 Halfway House

A127 Fortune of War

A127/A130 Fairglen Interchange – long term scheme

The options identified for the longer term scheme to 2045 are currently not funded. A bid was made to DfT Large Local Majors Fund in June 2016 for development funding but the bid was not successful.

Maintenance Package

A bid was made to DfT Challenge fund in 2015 for maintenance funding for the whole length of the ECC section of the A127, but this was not successful. ECC has funded some surfacing works.

Further funding bids will be made for A127 Corridor Schemes as and when opportunities arise. This will be an ongoing activity alongside the lobbying and publicity package to draw Central Governments attention to the need for major investment in the A127 to support growth across South Essex.

ITEM 8

Thames Estuary Production Corridor and Workspace Masterplan

Recommendations

The Board:

- Note the development of the Thames Estuary production Corridor Concept and confirm their support of the work going forward
- Endorse the Open Workspace Masterplan

Introduction

The TEPC concept was initiated by a conversation between the Greater London Authority (GLA) and South East Local Enterprise Partnership (SELEP). A broad range of partners from London, Essex and Kent came together to develop the initial vision document. It was delivered to the Thames Estuary 2050 Growth Commission in response to their call for innovative and ambitious ideas, see:

http://www.southeastlep.com/images/uploads/resources/TEPC_VISION.pdf

The Production Corridor aims to make the Estuary a global centre for creative innovation and production which will provide significant economic benefit and act as a catalyst in developing quality places. It will provide a structured, co-ordinated approach across the Estuary to creating jobs, developing talent pipelines and ensuring that the connectivity, networks and supply chains exist across the Estuary to enable the creative economy to flourish. It will also look at the skills and infrastructure needed for the Estuary to make a significant contribution to the growth of the creative economy across the whole of the UK. The programme will help to ensure that all partners understand their potential contribution, and that the work is effectively co-ordinated across business, culture, local authorities and higher education.

TEPC will look to find the best ways of encouraging the development of state of the art production and manufacturing facilities in the Estuary. It will consider innovative ways to exploit strategic industrial land to support the growth of the creative economy, creating high-value, sustainable and future-proofed employment. It will help to maximise the contribution that the creative industries can make to the economies of London, Essex and Kent.

The ultimate aim of the TEPC is to create a compelling case to attract investment to the Estuary, highlighting potential schemes, areas and opportunities.

Thames Estuary Production Corridor

The Greater London Authority (GLA) has appointed Regeneris to undertake a feasibility study of the TEPC concept and consider its routes to delivery. To support this, SELEP have engaged Emma Wilcox to co-ordinate the North Kent and South Essex input to this work and articulate a proposition for the area.

As part of her work, she has developed three propositions to test opinion and use as a basis for seeking views. The full propositions are included in Appendix A, but are summarised below:

1. The Estuary as a Creative Enterprise Zone – putting in place affordable workspace, business and skills support, excellent connectivity and other incentives such as a supportive planning regime should drive the development of a series of clusters which could come together around specific specialisms

Key Questions:

- Where are the potential sites and spaces?
 - What plans and policies can we influence to support a pro-creative industry planning regime?
 - What are the freedoms and flexibilities that we might seek from Treasury to enable this proposition?
 - How can this work help to maximise the benefit of new and proposed transport infrastructure improvements?
 - Can the provision of good quality, interesting commercial spaces help with wider town centre regeneration and “place-making” work?
2. Creative Innovation and Research for Growth, and cross-sectoral working - Link freelancer with Higher/Further education, access to specialist facilities and create climate for interdisciplinary work.

Key Questions:

- How can we work with Further and Higher education facilities to enable access to skills, training and equipment?
- What existing skills can we re-purpose to support the creative industries?
- Are there any short term steps we can take to prove the concept?

3. Culture within regeneration and place making – the TEPC approach could be used to drive up the design quality across developments and also provide a route to deliver genuine community cohesion and create a place that genuinely has a unique and attractive character.

Key Questions:

- How can we use TEPC to make an impact in this area?

OSE should note that there is a real opportunity for South Essex here in terms of the supply chain that could benefit from the development of the production corridor concept. South Essex has a strong position in terms of manufacturing, for example, which could open up a range of opportunities for businesses not currently active in this sector. The TEPC could also be a route to securing a higher skilled and more adaptive workforce more broadly.

SECEN Open Workspace Masterplan

SELEPs South East Creative Economy Network (SECEN) have identified a number of areas of work to accelerate growth across the sector in the South East. The lack of workspace has been identified as a key limiting factor. In response SECEN wish to move forward with the development of a LEP-wide masterplan to address this issue, which can also be used to provide the opportunities for clusters of businesses in the sector to form. The aims of this work are to:

- Identify a minimum of three Creative Enterprise Zones
- Create a pipeline of projects through an investment strategy and toolkit
- Research and present existing and new options for financial and governance models
- Develop cultural planning policy that can be adopted by local authorities to support the inclusion of creative workspace in new developments and the re-purposing of under-used buildings as creative workspace.
- Create a SELEP-wide open workspace property portfolio
- Continue to grow the evidence base

The scope of work is attached in Appendix B

Discussion

The TEPC concept has generated a significant level of interest and profile within London. The concept has received high profile support from the Mayor and we should seek to replicate this in South Essex. The concept has also received support from Sadie Morgan (Thames Estuary 2050 Commission and National Infrastructure Commission) and will be reflected in the Thames Estuary Commission's final report due in May 2018. Therefore, OSE need to be visibly supportive of this work.

There are clear links between the TEPC and the Workspace Masterplan. This is a LEP-wide piece of work which requires all Federated Boards to provide their endorsement. The work is being funded centrally by SELEP. OSE should therefore provide their endorsement for this work, recognising it will contribute to the development of the wider TEPC vision.

ITEM 10

CITIES AND LOCAL GROWTH UNIT UPDATE FOR OPPORTUNITY SOUTH ESSEX BOARD MEETING – 18 APRIL 2018

Thames Estuary 2050 Growth Commission

We are nearing completion of the Commission's work and expect to launch the final report on the morning of 21 May at High House Production Park, Purfleet. OSE Board members will be invited.

Ahead of the final report Sir John Armit (Chair) and Prof Sadie Morgan (Deputy Chair) will be meeting the Thames Gateway Strategic Group (TGSG) on 19 April. The intention is to share the key findings and recommendations.

Since the last meeting of OSE in February Sir John has met or visited:

- Thames Gateway Kent Partnership
- London City Airport
- Adam Bryan to discuss SELEP
- Medway Council
- London Deputy Mayors (four of them)
- Environment Agency
- Cllr Kevin Bentley
- Quinn Estates

He has meetings scheduled with Cllr Paul Carter (Kent) and Prof Andrew Sentence – to discuss the Essex Economic Commission and links to the Thames Estuary Commission. Although the future of the Commission beyond publication of the report is unclear, Sir John Armit has accepted an invitation to address the Southend Business Forum on 14 June. A planned visit to the RSPB site at Rainham Marshes had to be abandoned because of heavy snow.

Industrial Strategy announcements

There have been a few of particular interest:

A Sector Deal has been agreed between the government and the Creative Industries Council (CIC) on behalf of the creative industries sector as part of BEIS's Industrial Strategy. The document is here: <https://www.gov.uk/government/publications/creative-industries-sector-deal>

The deal was jointly announced by the BEIS Secretary of State Greg Clark, the Digital and Culture Secretary of State Matt Hancock and Co-Chair of the CIC, Nicola Mendelsohn. As part of the deal, more than £150 million is being invested by the government and industry to help cultural and creative businesses across Britain thrive.

A Cultural Development Fund has also been launched for cities and towns to bid for a share of £20 million to invest in creative and cultural initiatives. The Sector Deal aims to double Britain's share of the global creative immersive content market by 2025, by which time it is expected to be worth over £30 billion. To seize on the opportunity of this expanding market, government is investing over £33 million in immersive technologies such as virtual reality video games, interactive art shows and augmented reality experiences in tourism.

An additional £1.5 million will also be given to the highly successful UK Games Fund over the next two years so that it can further boost young entrepreneurs and new product creation in the games sector.

Up to £2 million will be made available to kick-start an industry-led skilled workers package, including a creative careers programme which will reach at least 2,000 schools and 600,000 pupils over two years.

ITEM 12

National Planning Policy Framework Consultation March 2018

What is the Government consulting on?

The Ministry for Housing, Communities and Local Government (MHCLG) published its draft revisions to the National Planning Policy Framework (NPPF) for consultation, on 5 March 2018.

The draft revised NPPF incorporates policy proposals previously consulted on in the Housing White Paper and other consultations, as well as changes to planning policy implemented through Written Ministerial Statements since the NPPF was first published in 2012.

The consultation also seeks views on additional proposals to change planning policy and legislation announced in the 2017 Budget. Simultaneously views are also being sought on draft planning practice guidance, a housing delivery test measurement rulebook and possible reforms to the existing system of developer contributions.

<https://www.gov.uk/government/consultations/draft-revised-national-planning-policy-framework>

What are the key proposals?

Housing – It broadly reflects the Government's ambition to speed up plan-making and decision-making and increase the overall supply of housing across the country. Councils for example are expected to accommodate their full housing need (using the new standard method) unless there are strong reasons not to, including unmet needs from neighbouring areas. This is accompanied by a new housing delivery test, which places greater emphasis on holding Councils to account for under-delivery of housing.

Strategic planning – The preparation of strategic plans across several Council areas is a favoured approach for delivering certainty in relation to the 'big picture' issues including housing and jobs numbers and their distribution, strategic site allocations and strategic infrastructure delivery (inc. roads, digital, community etc.)

Viability – A new approach to viability is proposed. Plans are expected to be clear about the developer contributions expected in association with particular sites and types of development. Viability at the plan-making stage rather than the decision-making stage is emphasised.

Economy – The economy now has its own chapter. It is more explicit about the importance of supporting business growth and improved productivity, in a way that links to key aspects of the Government's Industrial Strategy.

Town centres – Out of centre sites should be considered only if suitable town centre or edge of centre sites are unavailable or not expected to become available within a reasonable period.

Effective use of land – Development of under-utilised land and buildings e.g. converting space above shops, building on or above service yards, car parks and railway infrastructure to support opportunities to use airspace above existing residential and commercial premises for new homes is promoted and supported. There is continued emphasis to regularly review allocations in plans, including employment land.

Green Belt – Clarifying criteria that should be satisfied before 'exceptional circumstances' are used to change Green Belt boundaries. Allowing brownfield land in the Green Belt to be used for affordable housing (including Starter Homes), where there is no substantial harm to openness.

What is the potential impact for businesses?

- Strategic planning can deliver certainty for businesses through setting out a coherent, deliverable plan to support strategic housing, jobs and infrastructure delivery
- Continued emphasis on changes of use in certain circumstances to deliver more homes
- Potential disjuncture between calculating homes and jobs needed through new standard housing method
- Renewed emphasis on plan-making and decision-taking to enhance productivity
- Continued emphasis on reviewing land allocations to ensure the "effective use of land" – impact potential impact on longer-term local economic certainty?