

**BRIDGING NEWCASTLEGATESHEAD BOARD
FRIDAY, 21ST NOVEMBER 2008
MINUTES**

Present:

Jim Coulter	Chair
Councillor Bill Shepherd	Newcastle City Council
David Slater	Newcastle City Council (Part)
Councillor David Napier	Gateshead Council
Sheila Johnston	Gateshead Council
Tom Warburton	One NorthEast
Geraldine Wilcox	Independent
Steve Errington	Independent
Donald Urquhart	English Partnerships
Gev Pringle	Gateshead Strategic Partnership
George Curry	Newcastle New Deal for Communities
Charlie Hughes	Newcastle Partnership
Andrea Proudlock	Independent

Observers:

Fiona Gough	Government Office for the North East
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Officers in Attendance:

Anne Mulroy	BNG
Karen Anderson	BNG
Ian Mackintosh	BNG
Jonathan Dunk	BNG
John Sparkes	BNG
Linden Watson	Gateshead Council
Susan Moore	BNG (Minutes)

Action

1. APOLOGIES FOR ABSENCE

An apology for absence was received from Julie Jacques.

The Chair welcomed Charlie Hughes, Fiona Gough - Deputy Regional Director for the Environment Group at Government Office for the North East; Andrea Proudlock - to her first Board meeting and Phil Barnes (Nathaniel Lichfield and Partners) – Presentation.

2. DECLARATIONS OF INTEREST

Jim Coulter – Audit Commission: personal but non-prejudicial.
Andrea Proudlock: personal but non-prejudicial in relation to legal advice .
Cllr David Napier – will be a Board Member of CDC.
Steve Errington – Staithes.

3. **MINUTES OF 18 SEPTEMBER MEETING AND MATTERS ARISING PLUS ACTION NOTES**

- Item 5 Gateshead JV: Launch today at Baltic.
- The minutes were signed by the Chair as a correct record.
- Hard copies of a report to the Chairs and Directors of HMR Partnerships 'The Housing Market Renewal Programme in Perspective: *Maintaining momentum through difficult times*' by Professor Ian Cole CRESR Sheffield Hallam University were distributed to those present. The report is now in public domain.

4. **DIRECTOR'S REPORT**

4.1 **REGIONAL FUNDING ADVICE (RFA)**

- BNG is being involved and commenting on the initial draft. Arup to make further contact with us. A special meeting is being organised to which we will be invited.
- Tom Warburton advised that a report from Arup will be taken to a regional co-ordination group.
- Anne Mulroy advised that BNG will be attending a Regional Funding Advice session for Tyne and Wear.

4.2 **HOUSING MARKET INTELLIGENCE – THE MARKET AND OUR RESPONSE**

- District level information on house prices change over last year and month presented.
- Overall selling prices have fallen £5k during the last year.
- Annex provides indication of 70% drop of sales in Gateshead and 57% drop in Newcastle.
- Next time will look at Strategic level as well as District.
- Steve Errington questioned the volume of transactions and Karen responded with confidence at the moment as only District level. It was added that the level of first time buyers had increased but first time buyers were still struggling to get mortgages.

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- Credit Crunch Actions: Anne Mulroy referred those present to the Appraisal Panel Minutes previously circulated. She added some details to update on current negotiations.

Karen Anderson and Anne Mulroy will be visiting Tees Valley Pathfinder to discuss potential responses to the current market.

- A report is currently being prepared (on growth and renewal) for the HCA and CLG.
- Jim Coulter had attended a Pathfinder Chairs meeting last week which had raised with the HCA Chief Executive the need for more flexible models for some of the national home ownership product introduced by the Housing Corporation.

4.3 **PRIVATE FINANCE INITIATIVE (PFI) UPDATE**

- Progress has been made by Newcastle City Council and Your Homes Newcastle on the PFI expression of interest to update Byker Estate. Sir Bob Kerslake had visited Byker Estate to see issues first hand. It is anticipated an announcement would be made end of February.
- Iain Wright MP visiting Byker next week.

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- Anne Mulroy had met with Jim McIntyre, the new CDC Chief Executive, a further meeting and tour are planned.

4.5 **RESIDENTS' PANEL**

- Next stage is working with Social Regeneration Consultants (SRC) to ensure a transparent process – first meeting early March.
- Agreed we need to engage community interest and ensure they understand Terms of Reference.

4.6 **STRATEGIC REVIEWS**

- It was advised the Advisory Group scheduled for 2nd December 2008 at English Partnerships would be rescheduled to early February 2009.
- Housing Options Phase 2 work to proceed as planned and progress to be considered for each area as part of reviews. January Board to consider research.

4.7 **HOMES AND COMMUNITIES AGENCY**

- A Regional Consultation event was held on 30th October.
- Sheila Johnston, David Slater and Anne Mulroy met with Sir Bob Kerslake prior to the event and had expressed our points of view.
- A meeting and tour would take place with Pat Ritchie (Regional Director of HCA), next year.

4.8 **Meetings with HCA and Minister**

- The Chair reported on meetings held between the HMR Chairs' Group and Sir Bob Kerslake as well as Iain Wright MP, the Minister with HMR responsibilities.
- Professor Ian Cole had been commissioned to produce a report which was a stocktake on HMR policy following joint review by HMR Chairs and Directors earlier in the summer. The report demonstrated:
 - Wider market understanding and strategic linkages in the context of strong community engagement;
 - Models for sub regional working facilitating an approach to the HCA and the 'single conversation';
 - Independent funding acted as leverage and provided additionality of public and private investment;
 - Inspection and scrutiny framework confirmed positive outcomes;
 - Challenge now is to describe a new narrative: 'place', not 'project'.
- There is a strong emphasis on economy / housing connections and the relationship between HCA, RDAs and cross boundary working.

5. **PRESENTATION ON HOUSING THINK PIECES BY PHILIP BARNES, NATHANIEL LICHFIELD**

A presentation was given to the Board by Phil Barnes of Nathaniel Lichfield and Partners, as an overview of work he and colleagues were doing with One NorthEast, on Delivering Housing through a Recession.

- Tom Warburton advised of process of 'Thinkpieces' commissioned to produce debate. Report will be circulated and expecting Governments response next week for single integrational strategies and will start to ground spatial and investment strategies in the downturn economy.

- Karen to circulate the consultation document to Board members. Send comments to Karen Anderson by 12 December to enable her to respond by the deadline. All
- Chair and Director to sign-off response. JC/AM

Phil Barnes thanked those present for the opportunity to present to Board and left the meeting.

6. **AUDIT COMMISSION REPORTS**

- A copy of the final Market Renewal Performance Review of BNG was circulated to those present.
- On the 'Performing Strongly' result and achievement the Board congratulated the Director and staff team involved.
- An Action Plan has been produced. The Board requested an update on the efficiency plan at the next meeting and a substantive report on the Action Plan in 3 months time. IMac
- Karen Anderson was asked to discuss with Professor Glen Bramley the approach to measuring long term impact. KA
- Commitment to Equality and Diversity Statement to January Board. AM

7. **NEW GROWTH POINT SUBMISSION AND GOVERNANCE ARRANGEMENTS**

- The Growth Point summary and covering report has been circulated to Board members. The Chair and Director signed off the Programme of Development under delegated powers (as well as each Local Authority). Submitted 27 October.
- Updating Governance Arrangements to reflect changes required – Letter of confirmation needed from both Local Authorities. Report to January Board. SJ/DS
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- Fiona Gough thanked Board for submitting a clear and competent report.
- David Slater expressed his thanks to Karen Anderson for all her work.
- A Briefing Event to be co hosted late January by BNG Chair and Leaders of Newcastle City Council and Gateshead Council. KA
- Event planned for 'Renewal' and 'Growth' officers in January. KA

8. **STRATEGIC RISK REVIEW Q1 AND Q2**

- 8.1 21 strategic risks are identified on the Risk Register. 12 are classed as 'red' and 9 are 'amber'.
- 8.2 Four major risks remain on Risk Register:
- Inability to deliver the appropriate housing mix on sites – this has increased from likely to almost certain to happen and remains a potentially high impact due to the effect of the credit crunch.
 - Impact of mortgage availability etc – this risk has changed from likely to happen to almost certain and the impact has increased from high to extreme due to the effect of the credit crunch and the difficulties faced by Developers in selling properties.
 - Failure to deliver key projects – the likelihood of this risk has increased from moderate to likely due to the changing nature of the programme ie fewer, larger projects with more potential risks to delivery.
 - Failure to optimise Private Sector investment due to the lack of interest in new sites and slowing down of ongoing developments in relation to the impact of the credit crunch – the likelihood of this risk has increased from moderate to likely to happen.
 - A new risk has been added to the Register in relation to delivery of growth agenda – failure to integrate growth and renewal leading to programme delivery problems – this risk is currently classified as an amber risk with a moderate likelihood but a high impact.

- 8.2 Prospective Governance changes to be added into Risk Register by Ian Mackintosh. IMac
- 8.3 Full Risk Review to be brought to Board meeting in March. IMac
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9. **OPERATIONAL PLAN PERFORMANCE REPORT Q2**

Progress presented and discussed.

- Action 1.1 – Amber – still on track but work in progress.
- Page 5 Activity 4 – Delivery vehicles needs to be widened to include Gateshead JV. AM

- Appendix 1 – portions of money rather than activity – Ian Mackintosh to add in '£' sign.

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10. **FINANCE AND PROGRAMME UPDATE**

- An update on major projects with £0.5m still to spend was provided.
- Appendix 3 detailed key project milestones – continually expanded. Scenario planning and testing now built into programme.
- Cruddas Park - David Slater advised that a specific meeting would take place on 4th December.
- Projects now assessed for three years. This should allow Delivery Partners to smooth out cashflow forecast to reduce the volume of expenditure at the year end.
- Capital Receipts have not yet been built into Programme. It is anticipated the £1.8m will be received in 2008/09.

11. **INFORMATION ITEMS**

- Advisory Group: no meetings since last Board
- Project Appraisal Panel Meeting held 14th November 2008: Minutes previously circulated with the Board papers.

12. **ANY OTHER BUSINESS**

None.

13. **DATE AND TIME OF NEXT MEETING**

10.30am, Friday 23rd January 2009, Whickham Room, Gateshead Civic Centre.

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