

## LOW CARBON HOUSING: COVERING NOTE

This working proposal was created by the Low Carbon Workspace Working Group for consideration by the Clay Cross Town Deal board on 24<sup>th</sup> September. It provides a snapshot view of the status of the project, the current hypotheses / working assumptions and the current plan to deliver the completed business case to the Clay Cross Town Board in Q4 2021.

Please note that all elements of this document are potentially subject to change, should that be necessary, and will be iterated further as required during the course of the business case creation.

### Key Points to note:

The Board should draw its attention to:

- **Potential changes in scope:** the Working Group is recommending the following changes to the original Town Investment Plan scope at this stage:
  1. **Reallocation/profiling of costs:** £0.9 million of Towns Fund savings have indicatively been ascribed to this project, leaving £0.6 million indicatively allocated to this project. Opportunities to reallocate funds or secure funding from alternative sources will continue to be reviewed.
  2. **Outputs:** At the Town Investment Plan stage, the number of housing units to be supported was set at 100 (although not specifically allocated to any particular housing developments). This meant provision was made for approximately £15,000 per unit supported, based on the estimated cost premium associated with targeting net zero performance standards. The implication of the reduction in the allocation is that the level of TF grant for this project has been reduced to £6,000 per unit. This is below the level required to achieve net zero performance and the level of outputs may need to be reduced accordingly.
  3. **Delivery partners:** The proposals emerged following consultations with stakeholders across NEDDC (including leisure services operating Sharley Park), energy sector organisations (including Worcester Bosch) and potential delivery partners. High-level discussions took place in relation to a single site, with an expectation that the balance of any funding would be used to secure enhanced environmental outcomes across wider housing development. Proposals for the pilot housing scheme have evolved, with Nottingham Community Housing Association (NCHA) having secured an option on the land and now advancing a planning application. NCHA has expressed an interest in utilising TF to secure enhanced sustainability outcomes.
  4. **Sites:** Support for measures aimed at delivering low carbon housing in Clay Cross focusing on a pilot scheme at Market Street and creation of a pipeline of potential measures is being examined as part of the scope of support.

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- **Key working assumptions:** no decisions have yet been taken but the chosen focus of the Working Group will inevitably mean that some outputs becoming likelier than others:
  - The current focuses are:
    - Technology options to deliver against low carbon/net zero and implication for the number of units that can be supported.
    - Review of potential sites in addition to those indicated as part of the TIP submission
    - Provision of “starter homes” and “retirement apartments”
  - And, at this stage, the following are not being focused upon:
    - Retrofit of housing is excluded given the different funding streams available which prioritise this.

**Recommendation:**

**That the Clay Cross Town Deal Board:**

- **notes the current detail and proposals contained within the document;**
- **notes the caveats therein and the potential for change in future iterations;**
- **acknowledges the particular focuses that the Working Group has chosen, and;**
- **endorses the broad approach of the Working Group described in this paper and confirms their willingness to build the business case based on that approach at this stage.**

Should the approach be endorsed, the Working Group commits to returning with a further iteration to the next Town Deal board (date to be confirmed) which will primarily focus on providing more detail around (i) low carbon technology options, (ii) demand and viability assessment and (iii) confirmation of site locations/delivery partners. The Board is asked to minute, as part of this approval:

- any particular steer they wish the Working Group to pursue in advance of the next meeting, and;
- any specific detail they wish to see in the next iteration.

**Proposers & quality assurance**

The proposers of this document are the Working Group comprising:

- Jeremy Kenyon, Chair of the Working Group (joint lead and joint ultimate author of this document)
- Karl Apps, Lead Officer (joint lead and joint ultimate author of this document)
- Other members of the Low Carbon Working Group (outlined below)

This document has been reviewed and quality assured by Gill Callingham Director of Growth NEDDC, based on this early stage of the proposal development, deems this to be a reasonable and achievable proposal.

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**CLAY CROSS TOWNS FUND – BUSINESS CASE SCOPING PLAN**

1. Project name	<b>Low Carbon Housing</b>
2. Project aim	<p><b>Summary aim of overall project:</b> the delivery of new and highly sustainable housing to meet the needs of local communities while bringing derelict and underused land back into use.</p> <p><b>Summary aim of current stage:</b> to build a business case based on existing Green Book requirements which can be submitted to MHCLG for the release of up to £0.6 million of funding provisionally allocated to this initiative by 2025.</p>
3. Project description / initial considerations	<ul style="list-style-type: none"> <li>• The housing market in Clay Cross has experienced significant growth, with pipeline development schemes bringing forwards 1,200 dwellings in the town and a further 2,400 across the wider catchment;             <ul style="list-style-type: none"> <li>○ Clay Cross is increasingly viewed as a commuter town. In large part, this is based on relatively low property values, enabling first-time buyers and young families to access the housing market.</li> <li>○ Values remain significantly below the average for Derbyshire. Historically, this reflects a local housing offer characterised by ex-Council stock. These lower values impact capacity to delivery higher quality, more sustainable housing on opportunity sites;</li> <li>○ More starter homes and good quality rental apartments could be delivered in Clay Cross, which would contribute to meeting more local demand and supporting the replacement of ageing housing stock.</li> </ul> </li> <li>• The property market assessment highlights the need for a revitalised town centre to complement housing led development to the north of Clay Cross, alongside the challenges to delivery in an area where property values are low, and evidence of demand has been muted. While recent investment at Egstow Park represents a huge opportunity, without significant intervention to address market failures arising from the poor quality environment and limited evidence of demand, the local benefits may not be captured.</li> <li>• It should be noted that Clay Cross has a significant level of domestic emissions, with a relatively high proportion of local residents within this ex-coal mining community remaining dependent upon solid fuels for heating. There is a desire to explore new technologies, including hydrogen, as part of a response that will see Clay Cross to emerge as an exemplar community for clean growth adaption.</li> </ul>
4. Definitions	<ul style="list-style-type: none"> <li>• <b>Housing:</b> any new residence, with particular emphasis on typologies that meet identified need within the housing market.</li> <li>• <b>Low carbon:</b> housing performance standards at least exceeding national guidelines laid down in Part L of Building Regulations. Further definitional work is required to confirm the level by which these guidelines will be exceeded.</li> </ul>
5. TIP Stage Assumptions	<p>The TIP recorded the following assumptions on this initiative when submitted to MHCLG:</p> <ul style="list-style-type: none"> <li>• “Secure the delivery of 150 new homes, providing a range of housing types and tenancies that respond to the needs of communities while addressing the blight of derelict land” (p 36);</li> <li>• “Demonstrate significant reductions in the overall levels of emissions arising from homes, industry and transport, achieving a route map to a net</li> </ul>

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	<p>zero carbon position through ensuring that clean growth principles underpin investment” (p 36);</p> <ul style="list-style-type: none"> <li>• “Description: The delivery of new and highly sustainable housing to meet the needs of local communities while bringing derelict and underused land back into use” (p. 45)</li> <li>• “Rationale: * Promote the redevelopment of underused land assets across Clay Cross; Promote sustainable methods of construction consistent with the wider Energy Network Strategy; Deliver healthy, adaptable housing; Deliver a range of types and tenures to meet the needs of local communities” p. 53)</li> <li>• “Outputs: 3) * New homes; Enhanced townscape environment</li> <li>• “Outputs / indicators: * Land values; Improved perceptions of the place by residents * businesses and visitors” (p.53)</li> <li>• “Delivery programme: Business case development: Q1 – Q4 2021, Feasibility Concept design: Q2 2022, Planning: Q3 2022, Detailed design: Q4 -Q1 2022, Procurement: Q2-Q3 2023, Delivery and fit-out: Q4 2023 – Q3 2025” (p.66)</li> <li>• “Outputs: 100 homes” (p66)</li> <li>• “Construction phase outputs: “£16m expenditure, GVA 6.1m, 200 person years employment, 16 apprenticeships” (p66)</li> <li>• “Operational phase: £1.2m residential spend p.a.” (p66)</li> <li>• “Fiscal impact: £138k per annum” (p66)</li> </ul>						
6. Scope of Delivery	<p><b>Scope of overall project:</b> Overall 100 units will be delivered through this project, in addition to those which will form part of the mixed use Market Street / Bridge Street projects. A number of candidate sites have previously been identified. Housing delivery will focus on a number of sites in public ownership, including two sites in the town centre, namely land at Broadleys and land at Market Street. Both these sites are in the ownership of North East Derbyshire District Council, however there is scope to include the former Clay Cross Junior School building, which is vacant and in the ownership of Derbyshire County Council. It is expected that other sites will be confirmed through the town centre masterplanning process and an associated car parking strategy.</p> <p><b>Scope of current stage:</b> to deliver a green book standard business case (using the format attached in section 13) by end Q4 2021. The business case will be prepared based on available information in respect of projects identified within the Low Carbon housing programme. It is envisaged that the business case team will work with prospective delivery partners to advance proposals to an appropriate stage to inform the business case.<sup>1</sup></p> <p>The allocation of future capital funding will be based on an assessment of the viability of the scheme and funding need, based on information provided by delivery partners. The business case will cover the following elements:</p> <table border="1" data-bbox="475 1727 1474 1906"> <thead> <tr> <th>Section</th> <th>Description</th> <th>Evidence/source</th> </tr> </thead> <tbody> <tr> <td>Strategic case</td> <td> <ul style="list-style-type: none"> <li>• Case for change</li> <li>• Project stakeholders and details of consultation undertaken</li> <li>• Policy alignment</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• Town Investment Plan</li> <li>• Project proposals</li> <li>• Energy performance / emissions baselining</li> </ul> </td> </tr> </tbody> </table>	Section	Description	Evidence/source	Strategic case	<ul style="list-style-type: none"> <li>• Case for change</li> <li>• Project stakeholders and details of consultation undertaken</li> <li>• Policy alignment</li> </ul>	<ul style="list-style-type: none"> <li>• Town Investment Plan</li> <li>• Project proposals</li> <li>• Energy performance / emissions baselining</li> </ul>
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<sup>1</sup> [Guide to developing the Project Business Case \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

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		<ul style="list-style-type: none"> <li>Proposed investment and Theory of change</li> <li>Risks and dependencies</li> </ul>	<ul style="list-style-type: none"> <li>Consultation with key stakeholders</li> <li>Risk register</li> </ul>
	Economic case	<ul style="list-style-type: none"> <li>Option scoping</li> <li>Economic benefit assessment</li> <li>Economic costs</li> <li>Value for money</li> <li>Sensitivity analysis</li> </ul>	<ul style="list-style-type: none"> <li>Option scoping and appraisal framework</li> <li>Cost Benefit Analysis technical note</li> </ul>
	Financial case	<ul style="list-style-type: none"> <li>Project costs</li> <li>Funding and revenue</li> <li>Affordability analysis</li> <li>Financial risks and implications</li> </ul>	<ul style="list-style-type: none"> <li>Project cost plan</li> <li>Funding appraisal</li> <li>Match-funding commitments</li> </ul>
	Commercial case	<ul style="list-style-type: none"> <li>Status and approvals</li> <li>Procurement strategy</li> <li>Commercial delivery plan</li> </ul>	<ul style="list-style-type: none"> <li>Project delivery plan</li> </ul>
	Management case	<ul style="list-style-type: none"> <li>Project governance</li> <li>Assurance and compliance</li> <li>Programme management</li> <li>Risk management</li> <li>Stakeholder engagement</li> <li>Monitoring and evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Project organogram</li> <li>Subsidy control – legal opinion</li> <li>Programme/Gantt Chart</li> <li>Risk register</li> <li>Communications plan</li> <li>Monitoring and evaluation plan</li> </ul>
	Other supporting material	Provided by scheme promoters	<ul style="list-style-type: none"> <li>Project designs</li> <li>Site investigation report (desktop)</li> <li>Letters of support</li> </ul>

<p><b>7. Working Assumptions / Hypotheses</b></p>	<ul style="list-style-type: none"> <li><b>Number of potential sites:</b> no decisions have been made, although tow sites are referenced in the TIP. In light of changes to the allocation, the number would need to be reviewed. Site assessment work is on-going and will inform the site focus of the project.</li> <li><b>Delivery mechanism:</b> no mechanism has yet been agreed but the strong assumption is that a delivery partner(s) would be sought to deliver the low carbon housing units on agreed sites. It is assumed that they will provide match funding for, and will lead on, the usual construction of a commercially-viable, standalone set of housing units. The Town Deal would provide funding into that process to meet the mutually agreed low carbon definition. No mechanism has yet been agreed, though a review of comparable initiatives is underway. Indicative financial benchmarking was undertaken based on standard rates for values (based on the market report for Clay Cross).</li> <li><b>Locations:</b> no locations have been formally determined and a site review is on-going.</li> <li><b>Potential delivery partners:</b> no delivery partners have been selected and a formal procurement /partnership process will be required in order to select/confirm the partner. Initial discussions have been held in relation to key sites at the TIP stage (notably Market Street and Broadleys) and although these are continuing, no formal commitments have been offered.</li> <li><b>Deliverables:</b> the refurbishment/retrofit of existing housing is assumed to be out of scope at this stage. The initial assessment of potential outputs for was based on 15K per housing unit. This will need to be validated as</li> </ul>
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	<p>part of business case development and the implications of any reduced level of funding.</p> <ul style="list-style-type: none"> <li>• <b>Costs:</b> the overall financial contribution of the Clay Cross Town Deal to this project is currently assumed to still be up to £0.6 million and costs have been based on resulting rates. However it is recognised that funding could be reallocated from other projects to support up to £1.5 million (as outlined at the TIP stage).</li> <li>• <b>Overall viability:</b> should no private sector partner(s)/ Housing Associations be found as part of the initial design/ procurement stage of this project, then a public sector led initiative provides an alternative route. The key next checkpoint for assessing this is expected to be October/November.</li> <li>• <b>Monitoring and evaluation:</b> as an exemplar initiative, resource should be made available for effective monitoring, evaluation and the dissemination of best practice.</li> </ul>														
8. Key Dependencies	<ul style="list-style-type: none"> <li>• The identification of suitable public delivery partner(s) and private partner with the commercial interest in delivering similar objectives to those outlined in this document</li> <li>• Market demand for housing within/near Clay Cross</li> <li>• An agreed, consistent definition of ‘low carbon’ housing which aligns with the overall project objectives</li> <li>• Obtaining planning approvals</li> <li>• Aligning with wider NEDDC strategies.</li> </ul>														
9. Outputs	<p>The following outputs were identified in the TIP based on TF grant of £1.5 million:</p> <table border="1" data-bbox="475 1039 1466 1391"> <thead> <tr> <th data-bbox="475 1039 1216 1084">Indicator</th> <th data-bbox="1216 1039 1466 1084">Quantity</th> </tr> </thead> <tbody> <tr> <td colspan="2" data-bbox="475 1084 1466 1128"><b>Outputs</b></td> </tr> <tr> <td data-bbox="475 1128 1216 1207">Remediation and Delivery of quality residential or commercial space in key locations</td> <td data-bbox="1216 1128 1466 1207">2.5 ha</td> </tr> <tr> <td data-bbox="475 1207 1216 1254">New energy efficient housing</td> <td data-bbox="1216 1207 1466 1254">100</td> </tr> <tr> <td colspan="2" data-bbox="475 1254 1466 1299"><b>Outcomes</b></td> </tr> <tr> <td data-bbox="475 1299 1216 1346">Increased land values</td> <td data-bbox="1216 1299 1466 1346">TBC</td> </tr> <tr> <td data-bbox="475 1346 1216 1391">Energy / fuel cost savings</td> <td data-bbox="1216 1346 1466 1391">TBC</td> </tr> </tbody> </table> <p>It is anticipated that levels of output will be scaled to reflect the available resource. On a pro-rata basis, the £0.9m funding would support 40 homes. However, following the submission of the Town Investment Plan and the ‘in principle’ funding award, MHGLG now requires the following mandatory outputs to be collected/ reported annually:</p> <ul style="list-style-type: none"> <li>• Monies spent directly on project delivery (either local authority or implementation partners)</li> <li>• Co-funding committed (private and public) <i>Target of £11.4m</i></li> <li>• Co-funding spent on project delivery (private and public)</li> <li>• Number of temporary FT jobs supported during project implementation</li> <li>• Number of full-time equivalent (FTE) permanent jobs created through the projects</li> <li>• Number of full-time equivalent (FTE) permanent jobs <b>safeguarded</b> through the projects</li> </ul>	Indicator	Quantity	<b>Outputs</b>		Remediation and Delivery of quality residential or commercial space in key locations	2.5 ha	New energy efficient housing	100	<b>Outcomes</b>		Increased land values	TBC	Energy / fuel cost savings	TBC
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	<ul style="list-style-type: none"> <li>Number of residential units provided <i>Target is 75no. homes</i></li> </ul> <p>These will form an integral part of the final outputs, further detail of which will be provided at a subsequent iteration of this document.</p>																										
10. Costs	<p>The following high-level assumptions around costs have been made:</p> <table border="1" data-bbox="475 461 1474 674"> <thead> <tr> <th>(£million)</th> <th>2021/22</th> <th>2022/23</th> <th>2023/24</th> <th>2024/25</th> <th>2025/26</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Towns Fund</td> <td>-</td> <td>0.3</td> <td>0.3</td> <td>-</td> <td>-</td> <td>0.6</td> </tr> <tr> <td>Match/co-funding</td> <td>-</td> <td>2.0</td> <td>2.0</td> <td>1.8</td> <td>-</td> <td>5.8</td> </tr> </tbody> </table> <p>£0.9 million of Towns Fund savings have indicatively been ascribed to this project. On this basis, there is £0.6 million indicatively allocated to this project, assuming that the balance will be met through other funding sources.</p> <ul style="list-style-type: none"> <li><b>Business case stage costs:</b> A full cost plan will be provided to the Board in due course.</li> <li><b>Full project costs contribution from Clay Cross Town Deal:</b> the allocation of funding to this project has been reduced to £0.6 million, which will impact on the level of output that can be achieved.</li> <li><b>Match costs:</b> the TIP assumed match of £14.5 million (based on 100 housing units). Private sector providers will be sought and a more detailed assessment of the likelihood of match will be provided by November. Match will cover the full design / delivery / construction of commercially viable housing units. The contribution of the Town Deal will be limited to funding additional costs derived from the definition of 'low carbon' agreed between the Town Board and the public/private sector provider(s) supporting overall viability.</li> </ul>	(£million)	2021/22	2022/23	2023/24	2024/25	2025/26	Total	Towns Fund	-	0.3	0.3	-	-	0.6	Match/co-funding	-	2.0	2.0	1.8	-	5.8					
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11. Team Roles	<p>The business case team will primarily comprise the following:</p> <table border="1" data-bbox="475 1317 1474 1697"> <thead> <tr> <th>Partner</th> <th>Lead</th> <th>Role</th> </tr> </thead> <tbody> <tr> <td>AMION:</td> <td>Pete Alford/Kram Sadiq</td> <td>Coordinate business case, coordinate funding partners</td> </tr> <tr> <td>Thomas Lister:</td> <td>Rachel Lister</td> <td>Market assessment, liaison with development partners</td> </tr> <tr> <td>Edge:</td> <td>Geoff Tinsley</td> <td>Cost assessment</td> </tr> <tr> <td>Ramboll:</td> <td>Ed Kerr</td> <td>Strategic advice in relation to energy saving measures</td> </tr> <tr> <td>Nexus:</td> <td>Pete Tooher</td> <td>Partner engagement / coordination</td> </tr> </tbody> </table> <p>The wider working group, who will steer the project between reports to the Town Board, comprise the following:</p> <table border="1" data-bbox="475 1783 1474 1962"> <thead> <tr> <th>Partner</th> <th>Lead</th> <th>Role</th> </tr> </thead> <tbody> <tr> <td rowspan="2">NEDDC:</td> <td>Karl Apps</td> <td>Coordinate NEDDC inputs and lead engagement with delivery partners</td> </tr> <tr> <td>Maria Curran</td> <td>PMO</td> </tr> </tbody> </table>	Partner	Lead	Role	AMION:	Pete Alford/Kram Sadiq	Coordinate business case, coordinate funding partners	Thomas Lister:	Rachel Lister	Market assessment, liaison with development partners	Edge:	Geoff Tinsley	Cost assessment	Ramboll:	Ed Kerr	Strategic advice in relation to energy saving measures	Nexus:	Pete Tooher	Partner engagement / coordination	Partner	Lead	Role	NEDDC:	Karl Apps	Coordinate NEDDC inputs and lead engagement with delivery partners	Maria Curran	PMO
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	NEDDC	Tony Kimber	Interim Head of Service, Property and Estates
		Ed Owen	Low Carbon strategy
	NEDDC/ DCC	Cllr Kenyon, Cllr Dale, Cllr Cupit, Cllr Renwick	Chair; Strategic oversight and link to Town Board
	Worcester Bosch	Gary Golden; Bob Murdoch	Town Board Chair, energy sector stakeholder
	Coal Authority	Charlotte Adams	Energy sector stakeholder
	Cadent	Sally Brewis; Stuart Easterbrook	Energy sector stakeholder
	Midlands Energy Hub	Michael Gallagher	Energy sector stakeholder
	DCC	Denise Ludlum; Karen Lynam; Jane Cressey	
Roe Developments	Sarah Woodward	Coney Green site	

The overall owner of this project within the Working Group is Cllr Jeremy Kenyon (as Chair of the Working group) and Karl Apps (as the officer appointed to lead). Both are ultimately responsible for the output and practical achievability of the proposal.

Specialist inputs and guidance will be provided by other members of the Low Carbon Working Group as required.

## 12. Workplan

The current working assumptions around the timeline of the business case are the following:

Task	Date	Lead/role/responsibilities
Objectives and brief	July/Aug 21	<ul style="list-style-type: none"> <li>Agree clear objectives for the project with the Working Group – AMION/ NEDDC</li> </ul>
Market testing	Sept 21	<ul style="list-style-type: none"> <li>Review of potential sites – TL/NEDDC</li> <li>Engagement with site owners – TL/AMION</li> </ul>
Funding review	Sept 21	<ul style="list-style-type: none"> <li>Review of opportunities for match funding – AMION/Ramboll</li> </ul>
Preliminary project review and appraisal	Sept 21	<ul style="list-style-type: none"> <li>Review of strategic alignment – AMION / TL</li> <li>Initial appraisal of proposed projects – AMION / TL</li> </ul>
Option scoping	Sept – Oct 21	<ul style="list-style-type: none"> <li>Scoping and appraisal of strategic options – AMION / TL</li> <li>Identify options for detailed appraisal</li> </ul>
Support design development	Oct 21	<ul style="list-style-type: none"> <li>Design development progressed by site owner/developer</li> <li>Team provide independent advice and validation</li> </ul>
Draft Strategic Case	Sept 21	<ul style="list-style-type: none"> <li>Drafting - AMION</li> </ul>

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Project design pack	Oct – Nov 21	<ul style="list-style-type: none"> <li>Design pack and supporting information provided to business case team – project promoters</li> </ul>
Draft Economic Case	Nov 21	<ul style="list-style-type: none"> <li>Cost benefit analysis - AMION</li> </ul>
Draft Business Case	Nov – Dec 21	<ul style="list-style-type: none"> <li>Commercial Case – AMION/TL</li> <li>Financial Case – TL/Edge</li> <li>Management Case – AMION/NEDDC</li> </ul>
Secure HoT agreement with delivery partners	Dec 21	<ul style="list-style-type: none"> <li>Engagement with partners – NEDDC</li> <li>Review of HoT – TL/team</li> </ul>
Final Business Case	Dec 21	<ul style="list-style-type: none"> <li>Drafting – AMION to lead</li> </ul>
Business Case appraisal	Dec 21	<ul style="list-style-type: none"> <li>NEDDC</li> </ul>
Board Approval	Dec 21	<ul style="list-style-type: none"> <li>NEDDC</li> </ul>

The overall timeline of the project remains, for now, those outlined in the TIP pending further analysis:

- Business Case: up to Dec 2021
- Detailed design: Q1 – Q2 2022
- Procurement of delivery partner: Q3 2022
- Delivery and fit-out: Q4 2022 – Q1 2024

Significant further work is required to validate these dates in the coming phase.

### 13. Risk

Key risks:

Risk name	Description	Rating	Mitigations	Status
Environmental	Technical challenges associated with delivery of innovative solutions based on emerging technologies	High	<ul style="list-style-type: none"> <li>Develop a framework to guide investment decisions – economic vs environmental outputs</li> <li>Secure appropriate expert advice through due diligence</li> </ul>	Open
Programme	Market engagement - risk that delivery partners may be unable to commit to design development without funding certainty resulting in delays	High	<ul style="list-style-type: none"> <li>Follow up initial engagement with interested parties (including Roe) to establish interest and develop proposals</li> <li>NEDDC to review opportunities for direct delivery</li> </ul>	Open
Stakeholders	Difficulty identifying and securing agreement with potential delivery partners	Medium /High	<ul style="list-style-type: none"> <li>Initial engagement with potential delivery partners at Coney Green</li> <li>Continue to engage with partners to inform option scoping</li> <li>Consider call for projects</li> </ul>	Open
Financial	Level of TF funding insufficient and lack	High	<ul style="list-style-type: none"> <li>Work with delivery partners to scope potential interventions</li> </ul>	

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		of match funding opportunities		<ul style="list-style-type: none"> <li>Carry out a review of potential funding opportunities</li> </ul>	
	Compliance	Measures to address viability gap and support installation by delivery partners may not comply with subsidy control and constitute state aid	High	<ul style="list-style-type: none"> <li>Engagement with delivery partners</li> <li>Establish subsidy control/ state aid work package and seek legal advice and support</li> <li>NEDDC to review compliance and potential funding routes</li> </ul>	
14. Communication / consultation	<ul style="list-style-type: none"> <li><b>Communication assumption:</b> A high-level review has been undertaken of the project and it has been agreed that no immediate communications is necessary beyond the overall work being done by project as a whole. It is not expected that detailed communications will be needed prior to the submission of a business case. Further details will be provided at a subsequent iteration of this document. As will be the approach for all projects, there is a clear desire to consistently and regularly communicate the overall situation on the CXTD on a regular basis to residents – and this project will be expected to contribute this where required.</li> <li><b>Consultation assumption:</b> Given the level of intervention and envisaged partner led delivery route, it is expected that consultation will focus primarily on key partners and stakeholders. Public consultation will be limited to formal required processes (such as a planning application).</li> </ul>				
15. Assumed Business As Usual Status (BAU)	The BAU case anticipates regulatory changes that will increase the minimum energy efficiency standards for new housing. This will be examined as part of the review of technology solutions being proposed and the overall outcome sought from the project.				
16. Business Case stage deliverable	 Clay Cross Business Case Template.docx				

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