

MEMORANDUM OF UNDERSTANDING

between

Department for Levelling Up, Housing and Communities

and

South Kesteven District Council

1. Background

- 1.1. A number of design code pathfinders have previously been successfully supported by the Department for Levelling Up, Housing and Communities, and the Office for Place are seeking to further this by supporting a number of Local Authorities to become new design code pathfinders in 2024, building upon work they have begun on creating a local design code. The government committed to this programme earlier this year through an announcement of an expression of interest process.
- 1.2. The Office for Place was launched in July 2023, as a new arms-length public body to support in the creation and stewardship of more beautiful, sustainable, popular and healthy places. This includes helping local authorities, and the communities they represent, to set clearer quality asks for new development.
- 1.3. The new design code pathfinders will build upon the work already undertaken, by the department and the local authorities involved, and will focus on understanding the impact and effectiveness of adopted design codes (or equivalent in terms of setting clear, precise requirements) through the Development Management process. By reviewing design codes that have been in place and used to assess applications for a number of years, the Office for Place want to evaluate the impact that they have had on the quality of new development coming forward and the degree to which they are creating certainty for applicants. The Office for Place will work together with the pathfinders to expand and adapt their existing design code to improve how it is working, alongside updating it in line with the National Model Design Code.
- 1.4. All pathfinders will be expected to have a focus on de-risking pathways to development and produce a delivery tool or mechanism to support the implementation of their code.
- 1.5. The findings will inform new government policy, guidance and exemplar processes, as we move towards a new plan-making system and the requirement for all local planning authorities to produce a design code at the authority-wide scale.

2. Purpose of the MOU

- 2.1 This Memorandum of Understanding ('MOU') sets out the terms, principles and practices that will apply to the working relationship between the Department for Levelling Up, Housing and Communities ('DLUHC') and South Kesteven District Council ('the Council') (collectively 'the Parties') regarding the administration and delivery of the Design Code Pathfinders Fund.
- 2.2 This MoU is not legally binding, and no legal obligations or legal rights shall arise between the Parties from the provisions of the MOU. The Parties enter into the MOU intending to honour all their obligations.
- 2.3 This MoU is signed with all parties understanding that following set up as an Arm's Length Body, Office for Place may take on management of the programme, taking on DLUHC's responsibilities as set out in this document.

3. Purpose of funding

- 3.1 DLUHC will allocate funding of £80,000 to the council as part of the Design Code Pathfinder Fund, to enable them to progress work already started on setting clear quality asks through a local design code.
- 3.2 The 2024 design code pathfinder programme will focus on understanding the impact and effectiveness of adopted design codes (or equivalent in terms of setting clear, precise requirements) through the Development Management process. The goals of this funding are to:
- i. *Evaluate the implementation of existing design codes*
Continuing their work on evaluating the use of their existing design codes in practice to explore the impact codes are having on planning applications, determination processes, and decisions, alongside the impact of the codes on the quality of the places delivered, and testing the implementation of their updated design code to enhance this. Findings from this workstream will be used by the Office for Place as evidence base to inform the development of a series of metrics and KPIs to determine the impact of design codes more broadly.
 - ii. *Share Learning*
Continuing to note the progress of, gather feedback from and encourage shared learning between the design code pathfinders, other authorities and the sector more broadly to ensure we understand different approaches and potential challenges to, and opportunities from, the implementation stages of design coding.
 - iii. *Significantly update or expand the design code for adoption*
Responding to the findings identified through workstreams 1 & 2, working to adapt or expand their existing codes, to create strong examples of design codes which de-risk development by creating certainty for applicants and

support the development of popular, healthy, beautiful and sustainable places. Pathfinders will give a focus to implementation of their design code, developing a delivery tool or mechanism to de-risk paths to development. Throughout this process, pathfinders will share insight on the support package provided by Office for Place.

3.3 The programme will have two milestones – key outputs expected by March 2025 including a draft exemplar design code based on work currently underway, and continued engagement with the Office for Place to report on the effectiveness of the code at supporting decision making and delivery.

3.4 The Council agrees that the project will involve the specific engagement expectations and outputs as set out in the table below.

Goal	Programme engagement details	Indicative outputs
<p>Evaluate the implementation of existing design codes</p>	<ul style="list-style-type: none"> • All sessions will be mandatory and held virtually. The main point of contact provided in 15.2 below, and colleagues, where possible and appropriate, are expected to actively participate in the following activities throughout the programme. • Ad-hoc meetings may be scheduled at the request of either Office for Place or the pathfinder. <p>One-to-one support:</p> <ul style="list-style-type: none"> • Starting in March 2024, the Office for Place will schedule bi-monthly one-to-one sessions that can be programmed as desired to align with the pathfinders’ own timetables. • Over the first 2 months, these sessions will be held fortnightly to provide an opportunity for the pathfinder to update us on their progress with evaluating the success of their existing design code, to identify the benefits and challenges that they have been experiencing, and to discuss next steps in terms of updating their design code. • Pathfinders can use these sessions to highlight particular issues which they would like to explore with other pathfinders on the workstream or which may require action/support from the Office for Place. <p>Peer-to-peer sessions:</p> <ul style="list-style-type: none"> • Pathfinders will attend bi-monthly roundtables (on alternate months to one-to-one sessions) 	<ol style="list-style-type: none"> 1. Completed monitoring form(s) providing data on how codes are working in practice to de-risk development and improve design quality. This will include data tracking how design codes are working through the decision making process. 2. Completed case study example(s) of how design codes have been used in the decision-making process. 3. Completed feedback form(s) providing insight and data on developing metrics for measuring the effectiveness of design codes in de-risking development and

	<p>with the other pathfinders involved in the programme. These roundtables will last approximately 1 hour 15 minutes.</p> <ul style="list-style-type: none"> • The purpose of the roundtables is to provide teams with the opportunity to network and share experiences with other teams who are in the process of evaluating the success of their existing design code, and testing, adopting, implementing and/or monitoring their updated or expanded design codes. <p>As pathfinders will be at different stages of this process, it will provide an opportunity to learn from those who are more progressed and/or allow you to reflect (and act) on the experience of those who are at an earlier stage and may be approaching these matters differently.</p> <p>Throughout this workstream the pathfinders will be expected to share data and insight on the effectiveness of their design codes with the Office for Place.</p>	<p>improving design quality.</p> <ol style="list-style-type: none"> 4. Completed feedback forms providing insight and data on improving effectiveness of design codes in practice.
<p>Share learning</p>	<ul style="list-style-type: none"> • Pathfinders are asked to continue their engagements with us as they progress towards finalising, adopting, and implementing their updated design codes. • Pathfinders may also be asked to present at events being hosted by the Office for Place and key partners throughout the programme. This programme is still under development but it is likely that any events would take place in Q3 & Q4 of 24/25. In total, we would anticipate no more than 10 hours of engagements. We will remain in contact with all pathfinders beyond March 2025 to track progress with code implementation. • Pathfinders will be expected to prepare for, attend, and contribute to these sessions and events to share their own experience and learnings with other pathfinders and the sector more widely. • Progress updates may also be requested and may be limited to email correspondence, though virtual meetings can be scheduled between pathfinders and Office for Place if necessary. • We would also encourage all pathfinders to engage with the Planning Advisory Service Design Code Practitioners Network to share your experiences of developing codes as part of the Design Code Pathfinder Programme. 	<ol style="list-style-type: none"> 5. Record of no. presentations given & audience reached. 6. Recording(s) and/ or completed case studies example(s) to enable shared learning from other authorities. 7. Completed feedback forms providing evidence & insight on a range of thematic topics to inform the development of Office for Place tools and processes.

	<p>Pathfinders will continue to have access to a folder of existing good quality design codes and presentations developed during the previous pathfinder programme and any additional materials which are produced through to March 2025. The contents of this folder are only for use as part of the pathfinder programme; they are not to be edited or downloaded and are not to be shared outside of the programme.</p>	
<p>Significantly update or expand the design code for adoption</p>	<ul style="list-style-type: none"> • All sessions will be mandatory and held in person unless agreed otherwise. The main point of contact provided in 15.2 below, and colleagues, where possible and appropriate, are expected to actively participate in the following activities throughout the programme. • Ad-hoc virtual meetings may be scheduled at the request of either the Office for Place or the pathfinder. <p>In is expected that this workstream will consist of 3 x Design Code Review Sessions at key stages through the design coding process:</p> <ul style="list-style-type: none"> • These will be attended by the relevant pathfinders as well as members of the Office for Place team and other external experts. Design Code Review Sessions will last for approx. 2 hours. • The purpose of these Review Sessions is to support the pathfinders to create effective design codes. Pathfinders will receive design scrutiny and technical input at key stages of the design coding process. • The panels will draw on the expertise of professionals, including members of the Office for Place, and will allow the pathfinders to ask specific questions about these particular topics in relation to their existing design codes and where there is room for improvement. 	<ol style="list-style-type: none"> 8. An exemplar draft significantly updated or expanded Design Code for adoption, which can be shared with other authorities. 9. An exemplar draft delivery tool or mechanism to support implementation of the design code and de-risk paths to development. 10. Completed user feedback and evaluation form(s) on the support package provided.

3.5 The Council agrees to continue engaging with DLUHC as well as local stakeholders, to develop design codes that support the design and delivery of high-quality new homes and places and facilitate a more consistent and certain process for applicants. Pathfinders will need to refine and consolidate their design codes into concise, accessible, and usable documents, taking advantage of digital tools where possible to simplify and speed-up the applications process. Maintaining close working relationships with applicants and local communities will help pathfinders gauge how their updated code is being received, what

improvements can be made and to understand whether the code is leading to the high-quality outcomes they are intended to deliver.

- 3.6 The Council agrees that the project will introduce the certainty that is desired by applicants about what is acceptable when seeking planning permission. Pathfinders will take steps to ensure their updated design codes are speeding up decision-making, supported by local people and bringing forward high-quality outcomes more quickly. To achieve this, pathfinders are expected to engage with key stakeholders, developers, landowners and development management colleagues to understand and gather evidence of the impact their existing code is having on design proposals and the determination of applications. Pathfinders will document, monitor and feedback where the code and coding process can be improved. Sharing your learnings about how design codes can and are bringing about high-quality development outcomes at a faster pace will be invaluable to reinforcing the benefits of design codes, identifying best practice and supporting other local planning authorities to prepare their own local design codes.

4 Financial arrangements

- 4.1 The Secretary of State for Levelling Up, Housing and Communities has determined under Section 31 of the Local Government Act 2003 that a grant of £80,000 should be paid to South Kesteven District Council (Grant Determination Reference: [RDELxxx]).
- 4.2 The maximum amount of grant payable for the funding period between date of agreeing this MOU and 31/03/2024 is £80,000. DLUHC expects the Council to have completed the plans for the project and committed to spend the grant funding by the end of the financial year 2023/24.
- 4.3 The grant covers revenue expenditure relating to furthering the work you have commenced to evaluate and significantly update and expand your existing design code.
- 4.4 The funding will be paid in a lump sum and consists of:
- i. £80,000 revenue which should be used to evaluate and significantly update or expand an existing design code as set out in section 3.
- 4.5 The Council should endeavour to keep a record of expenditure.
- 4.6 We expect all signatory Local Authorities to maintain momentum on the development and implementation of their local design codes and continue the work they have progressed as part of the Design Code Pathfinders Programme.
- 4.7 Upon completion of this MOU, DLUHC will send the Council a grant determination letter which sets out the financial terms and conditions under section 31 grants.

5 Duration

- 5.1 This MOU applies until 03/2025. This covers both the funding period financial year 2023/24 and the evaluation period (financial year 2024/25).
- 5.2 This MOU will come into effect upon signature by the Parties. It may be extended by the written agreement of the Parties.

6 Monitoring and evaluation

- 6.1 DLUHC will provide grant funding subject to the Council hereby agreeing to full transparency open book working on all matters relating to the project, including project proposals, project expenditure, quarterly reporting and evaluation forms.
- 6.2 The Council agrees to keep a record of project expenditure
- 6.3 The Council agrees to collaborate with DLUHC over monitoring and evaluation requirements, which will involve reporting quarterly on project progress, milestones and any problems they may be facing and what support can be offered. All pathfinders will engage with ongoing monitoring as part of scheduled engagement events and ad-hoc meetings, with the aim of ensuring accountability and performance against the programme aims set out in Section 3 and the accompanying table above. Progress monitoring will be carried out by DLUHC, Office for Place or a key stakeholder. This will include sharing challenges and successes and key learning points as appropriate, so these can be tracked during the design code pathfinder programme.
- 6.4 The Council also agrees to complete an end of grant evaluation form in 03/2025 which will include overall project expenditure and overall progress. DLUHC reserves the right to quality assure data.
- 6.5 DLUHC may publish relevant data and use it to inform public statements.
- 6.6 DLUHC will ensure that any information published will be processed in accordance with the requirements of the data protection legislation.

7 Wider evaluation

- 7.1 Participating local authorities may be asked by DLUHC to participate in a wider programme evaluation to help DLUHC better understand whether the programme was able to achieve its stated aims. This will be for the purpose of understanding the impact of the Fund and the identification of any best practice or learning to inform future policy making.
- 7.2 The detail of the evaluation process is still being resolved but it is not expected to require pathfinders to provide their time above what is set out in Section 3 and accompanying table. The Council will be provided with more details in due course.

8 Assurance and risk management

- 8.1 The Council is expected to have the necessary governance and assurance arrangements in place and that all legal and other statutory obligations and consents will be adhered to, which may include, but not solely, state aid/subsidy control, equalities duties, procurement, health and safety and fraud.
- 8.2 Ownership of risk will be transferred to the Council. Councils will be responsible for mitigation of any risks that arise throughout the delivery of the Fund.
- 8.3 The Council will complete their own Fraud Risk Assessment to ensure the safe administration of grants and that appropriate measures are put in place to mitigate against the risk of both fraud and payment error.
- 8.4 The Council will inform DLUHC should there be any changes to their project delivery.
- 8.5 The Council will undertake corrective action if the quality of work does not meet expected standards.

9. Marketing and branding

- 9.1 The Council agrees that UK Government should be acknowledged in all marketing and promotional material as the funding source.
- 9.2 The Grant Recipient shall at all times during and following the end of the funding period:
 - 9.2.1 comply with requirements of the Branding Manual* in relation to the funded activities; and
 - 9.2.2 cease use of the Funded by UK Government logo on demand if directed to do so by the authority.

10. Procurement

- 10.1 The Council will be responsible for ensuring that any third-party partnership arrangements or procurement activities related to delivery of the Fund comply with Procurement Law and their own procurement procedures.
- 10.2 "Procurement Law" includes, but is not restricted to the Public Contracts Regulations 2015, Concession Contracts Regulations 2016, Defence Security Public Contracts Regulations 2011 and the Utilities and Contracts Regulations 2016 together with their amendments, updates and replacements from time to time.

11. Due Diligence

- 11.1 The Council will be responsible for undertaking due diligence checks on all third-party organisations, including community groups, suppliers and subcontractors,

receiving funding and/or involved in delivery of the design code pathfinder programme.

12. Resolution of Disputes

12.1 Any dispute that may arise as to the interpretation or application of this MOU will be settled by consultation between the Parties.

13. Legal Enforcement

13.1 This MOU is not legally enforceable. It describes the understanding between both Parties for the use of the Design Code Pathfinders Fund.

14. Amendment of this Memorandum of Understanding

14.1 The arrangements under this MOU will be kept under review by DLUHC and the Council and can be amended upon securing written agreement between both parties.

15. Pathfinder contact information

15.1 It is expected that each pathfinder will appoint a single main point of contact within the organisation, likely to be the person tasked with leading the day-to-day management of the programme. When the main point of contact is unable to participate, an alternative person should attend or participate in events who shall have an understanding of the pathfinder.

15.2 Please include the lead project manager’s name and contact details below:

Name: Richard Shaw
Role: Principal Design Officer
Email: Richard.shaw@southkesteven.gov.uk
Tel/mob: 01476 406470

15.3 The name and email/phone contact information of this contact will be used by DLUHC and shared, as appropriate, with other pathfinders and key stakeholders involved in the delivery and support of the programme, such as guest speakers and design code review panels. Please sign below to indicate that you give permission to share the above information.

Signature..... Date

15.4 We expect all pathfinders to have secured appropriate support to be part of the pathfinder programme from senior leaders and elected members.

16. Intellectual Property

16.1 The Grant Recipient grants to the Authority a non-exclusive irrevocable and royalty-free, sub-licensable, worldwide licence to use all the IPR Material for the purpose of supporting other projects.

Signed on behalf of South Kesteven District Council by:

Name: Karen Bradford

Date: 21.03.24

Duly authorised to sign for South Kesteven District Council (by Chief Executive / Section 151 Office)

Handwritten signature of Karen Bradford in cursive script.

Signed on behalf of DLUHC by:

Name:

Date:

Designation:

** Branding manual guidelines - funded by UK Government - published by the Cabinet Office & updated 7 December 2022 (CI 9.2) available at:*

<https://gcs.civilservice.gov.uk/guidance/marketing/branding-guidelines/>