

Executive

Homes & Communities Agency (HCA) Single Conversation – Local Investment Plan and Agreement

7 June 2010

Report of Strategic Director (Planning, Housing & Economy)

PURPOSE OF REPORT

To present the results of partnership work with the Homes & Communities Agency (HCA) on the Oxfordshire Local Investment Plan (LIP) and to recommend entering into a Local Investment Agreement (LIA) based on it.

This report is public

Recommendations

The Executive is recommended:

- (1) To note the partnership work recently undertaken on the HCA Single Conversation process and the resultant Local Investment Plan (LIP)
- (2) To agree that the Council enters into the proposed Oxfordshire Local Investment Agreement (LIA) (Draft at Appendix 1 to the Report).
- (3) To delegate responsibility for finalisation of the Local Investment Agreement (LIA) wording to the Chief Executive in consultation with the Leader of the Council.

Background Information

Introduction

- 1.1 The Government Homes & Communities Agency (HCA) is responsible for significant sources of funding for local work on built environment development schemes, particularly in respect of the National Affordable Housing Programme.
- 1.2 The HCA is currently piloting a new approach to its method of planning distribution of funding. This involves what has been termed the 'Single Conversation'. The intent is for HCA to work with local authorities to produce a comprehensive Local Investment Plan (LIP) detailing agreed priorities for government investment that can support local development and infrastructure schemes.
- 1.3 The LIP centres on a plan for funding streams directly controlled by the HCA and the local authorities. It draws links with the statutory land use planning

system and the Highway Authorities Local Transport Plan (LTP) and seeks to influence the use of developer funding contributions and affordable housing obligations in planning agreements. As the Single Conversation and LIP process is developed, the HCA's suggestion has been that a range of national government investment decisions (e.g. transport and health) can be influenced by the Single Conversation and the LIP.

- 1.4 In early 2009, Oxfordshire was invited to work with the HCA to pilot the Single Conversation. HCA had indicated that in two tier local government areas their work needed to be undertaken with a well-structured County/District partnership. It was agreed that the Oxfordshire Spatial Planning & Infrastructure Partnership (SPIP) could act collectively for the local authorities. SPIP is the relevant thematic partnership under the Oxfordshire Partnership. Chairmanship of SPIP is rotated between the local authorities and Cherwell is currently the lead council, with the Leader of the Council in the Chair.

Oxfordshire Local Investment Plan (LIP)

- 1.5 A LIP was agreed by SPIP in March 2010. It has now been submitted to HCA for their approval. The LIP is a lengthy and detailed document setting out information about priority development and infrastructure schemes across the County. A copy has been deposited in the Members' Room for reference.

Local Investment Agreement (LIA)

- 1.6 A LIA has now been prepared to commit the parties (HCA and the local authorities) to implementing the LIP. The draft agreement is at Appendix 1. The Agreement is designed to cross-reference the content of the LIP and to recognise the priorities it establishes.
- 1.7 The LIA is in the form of a 'memorandum of understanding'. It does not, therefore, bind the parties in formal legal terms. Nevertheless, it is an important statement of intent. The constituent local authorities of the Oxfordshire Partnership have taken the view that, by working together and committing to the LIA, all concerned will be best placed to secure good outcomes in respect of future Government funding allocations. This could be particularly important given the future economic climate and likely future public spending restraints.
- 1.8 Clearly the future of Government agencies and their funding mechanisms is uncertain under a new Government.. It is possible that the HCA and the Single Conversation process it has established will not continue in the future. Nevertheless, the LIP will remain a useful basis for multi-agency prioritisation of regeneration and infrastructure investment projects in the district and across district boundaries.

Key Issues for Consideration/Reasons for Decision and Options

2.1 The following options have been identified. The approach in the recommendations is believed to be the best way forward.

Option One Enter into the Local Investment Agreement with HCA and the other Oxfordshire local authorities

Option Two Decline to enter into the Local Investment Agreement

Consultations

There has been extensive consultation through the Spatial Planning & Infrastructure Partnership.

Implications

Financial: There are no direct financial implications of the recommended decision. The LIA is intended to be influential in attracting Government funding to support Cherwell's local investment priorities. In that respect, it has important financial implications.

Comments checked by Eric Meadows, Service Accountant, 01295 221552

Legal: The Agreement is a memorandum of understanding that conveys serious intent but is not binding.

Comments checked by Liz Howlett, Head of Legal & Democratic, 01295 221686

Risk Management: There is a risk to Cherwell's reputation and ability to influence future Government funding decisions if the Council does not participate in the Single Conversation process.

Comments checked by Rosemary Watts, Risk Management & Insurance Officer, 01295 221566

Wards Affected

All

Corporate Plan Themes

District of Opportunity

Executive Portfolio

Councillor Michael Gibbard
Portfolio Holder for Planning & Housing

Document Information

Appendix No	Title
Appendix 1	Draft Local Investment Agreement
Background Papers	
Oxfordshire Local Investment Plan March 2009	
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