

MAIDSTONE BOROUGH COUNCIL

CABINET MEMBER FOR REGENERATION

**REPORT OF ASSISTANT DIRECTOR OF REGENERATION AND
CULTURAL SERVICES**

Report prepared by Brian Morgan

Date Issued: 9 September 2010

- 1. Local Investment Plan (Single Conversation with Homes and Communities Agency (HCA))**
 - 1.1 Issue for Decision
 - 1.1.1 To agree the list of schemes and projects that the council should seek funding for, from the HCA, through the Government's Comprehensive Spending Review.
 - 1.2 Recommendation of the Assistant Director of Regeneration and Cultural Services
 - 1.2.1 That the schedule of sites and programmes set out at Appendix B be adopted for submission to the HCA.
 - 1.3 Reasons for Recommendation
 - 1.3.1 When the Homes and Communities Agency was established in December 2008, a new way of working was introduced referred to as the Single Conversation, (now called the Local Investment Plan). The purpose of the Local Investment Plan (LIP) is to provide a shared framework at a local level for the delivery of housing and economic growth, infrastructure, regeneration and community objectives for the relevant Local Authorities.
 - 1.3.2 The Local Investment Plan is the way in which the HCA intends to engage with its partners and this needs to be tailored as far as possible to local circumstances. The HCA have identified fifteen Local Investment Plan sub-regional areas across the south east region. There were three pilot areas developing a Local Investment Plan, Thames Gateway/North Kent, Oxfordshire, and the Partnership for Urban South Hampshire (PUSH) which have now been produced.
 - 1.3.3 The process involves producing a Local Investment Plan for each area which aims to take a holistic approach to identifying the delivery priorities for an area together with the different sources of funding that can be drawn in. The involvement and participation of

relevant stakeholders will be required during the preparation of these Local Investment Plans.

1.3.4 The Local Investment Plan is the way in which the HCA works to:-

- deliver local ambition and national and regional targets;
- achieve local vision through a shared investment agreement;
- agree and secure local delivery;
- achieve positive outcomes for people and places;
- achieve an integrated strategy for homes, jobs, infrastructure, etc;
- achieve joined up investment plan for HCA, RDA, LA and others;
- achieve clarity of delivery responsibilities.

1.3.5 The Local Investment Plan and Local Investment Agreement are the vehicles for the Local Authorities working with other key partners to determine the priorities for HCA and Local Authority investments and interventions to feed into the Government's Comprehensive Spending Review due to be announced in October.

1.3.6 Within West Kent, the participating Authorities are:

- Maidstone Borough Council;
- Sevenoaks District Council;
- Tonbridge and Malling Borough Council;
- Tunbridge Wells Borough Council;
- Kent County Council.

1.3.7 The Local Investment Plan process does not solely concentrate on the provision of affordable housing but looks at the delivery of sustainable communities and within this, the provision of transport and infrastructure, employment, education and the local economy, including training to increase the skills of the workforce, both today and in the future. Kent County Council is thus participating as strategic Authority in this two-tier area and in discharging its function as the Highways and Transport Authority, local education Authority, and a significant provider and commissioner of services in the communities across West Kent.

1.3.8 Local Authorities have a leading role in the development of the Local Investment Plan. The Local Investment Plan will set out:

- The agreed social, economic and other priorities for West Kent;
- The investment required for the area to deliver the agreed vision and objectives; and
- The outputs and outcomes that are expected from each partner's intervention.

- 1.3.9 The Local Investment Agreement would be drawn up following the Comprehensive Spending Review announcement.
- 1.3.10 The HCA currently invests across West Kent in the following areas:-
- National affordable housing programme
 - Property and regeneration
 - First time buyers' initiative
 - Kick start
 - New growth point funding
 - Gypsies and travellers
 - Housing and PFI
- 1.3.11 The level of investment into West Kent by the HCA is significant, but is expected to be significantly reduced in the Comprehensive Spending Review.

Work so far

- 1.3.12 The four Authorities have agreed a Shared Vision and Objectives which are set out at Appendix A.
- 1.3.13 In addition, each Authority has developed a prioritised list of sites and other schemes. Maidstone Borough Council's sites and schemes are set out at Appendix B.
- 1.3.14 In relation to the process, the current position is that each Authority has submitted a list of sites and programmes but still outstanding is the list of Kent County Council programmes which would be primarily related to infrastructure.
- 1.3.15 Based on an analysis of the provision of affordable housing for the period 2004 – 2010 the level of delivery by Districts as follows:-:-

	% of all Allocations	No. of Units
Maidstone	40	1,041
Sevenoaks	11	288
Tonbridge & Malling	35	902
Tunbridge Wells	14	365
	<u>100%</u>	<u>2,596</u>

- 1.3.16 The figures in 1.3.15 identifies past performance. However looking to the future, for the period 2011–2014, the four Authorities propose

to deliver 1,663 affordable units. Each Authority would deliver the following percentages:-

	%
Maidstone	40
Sevenoaks	19.7
Tonbridge & Malling	19.6
Tunbridge Wells	20.6

- 1.3.17 Following extensive discussions between the four Authorities, it is clear that it is not possible to, at this stage, submit a combined list of prioritised schemes and programmes for the four Authorities because of the basis of some of the prioritisation work that has been done and because of the information that is available in relation to some sites. It has therefore been suggested that as a way forward:
- each Authority would receive funding through this process;
 - a percentage split of funding could be an acceptable way forward; and
 - the percentage split could be based on past performance, need and deliverability of sites.
- 1.3.18 The actual figure remains to be determined at this stage but it is necessary to ensure that adequate monies are in the 'pot' following the disaggregating of the 'pot' on a percentage basis to ensure that those Authorities that deliver the most housing and other programmes, receive the appropriate amount of funding through the HCA. Clearly the overall level of funding will be reduced due to the Government's planned spending cut.
- 1.3.19 The Maidstone sites are set out in Appendix B and have been prioritised on the basis of provision for affordable housing and schemes that bring forward regeneration. The bid at this point is for the period 2011–2014. It is to this list of sites that the Cabinet Member's agreement is sought.
- 1.3.20 The timescale for submitting the site list is 22nd September, so that the HCA can include it in their bid to the Spending Review by Government. Other agencies and partners have been engaged in this process.
- 1.3.21 The timetable for the Local Investment Plan is very tight and it is the intention that, following submission, the list of prioritised sites should be further refined to enable the production of the Local Investment Agreement when the amount of money that is available is known.

1.4 Alternative Action and why not Recommended

- 1.4.3 In relation to the development of the Local Investment Plan, there would be a number of alternative actions that could be implemented. The council could take the decision not to participate in the Local Investment Plan process but this would carry risk associated with it as set out in 1.6.1. The council could submit an alternative list of sites and projects. However, the sites and projects that have been identified are those which are deliverable in the required timescale and therefore the most likely to attract funding. The final option would be for the council not to participate in this partnership, but again that carries risk.

1.5 Impact on Corporate Objectives

- 1.5.1 Obtaining funding for housing, economic development and regeneration projects assists the council in delivering schemes that go to the core of meeting its objectives.

1.6 Risk Management

- 1.6.1 By participating in the Local Investment Plan, the council, along with the other three Authorities, has the ability to maximise the funding from Government through the HCA for the communities in West Kent. Not to participate in this process would most likely reduce that level of funding. Additionally, the council could submit alternative schemes, but if those schemes are not deliverable within the period of 2011–2014, then the council would receive reduced funding.

1.7 Other Implications

1.7.3

1.	Financial	X
2.	Staffing	X
3.	Legal	
4.	Equality Impact Needs Assessment	
5.	Environmental/Sustainable Development	X
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	

9. Asset Management



- 1.7.2 Financial – The financial implications arising from this report relate directly to the council's success in obtaining funding for the sites detailed at Appendix B. Once funding is confirmed through the LIP process, consideration of the financial implications of individual schemes will be brought forward as the detailed schemes are submitted for approval by the Cabinet Member.
- 1.7.3 Staffing – there are no staffing consequences directly from the report, but quite clearly the development of the Local Investment Plan and the Local Investment Agreement uses considerable staff time.
- 1.7.4 Environmental/Sustainable Development – again the report has no direct consequence but if schemes are subsequently delivered, then there is an environmental and sustainable development consequence arising from those schemes.
- 1.8 Background Documents
- 1.8.1 DTZ report on the Single Conversation.
- 1.8.2 Working papers 1, 2 and 3.
- 1.8.3 Appendix A – Draft Vision and Objectives.
- 1.8.4 Appendix B – List of Maidstone Borough Council schemes and programmes for submission to the Secretary of State.

Is this a Key Decision?

Yes

☐

No

X

If yes, when did it appear in the Forward Plan? _____

Is this an Urgent Key Decision?

Yes

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No

X

Reason for Urgency

How to Comment

Should you have any comments on the issue that is being considered please contact either the relevant Officer or the Member of the Executive who will be taking the decision.

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