

To: City Executive Board

Date: 30th June 2010

Item No: 10

Report of: Head of City Development

Title of Report: Oxfordshire Local Investment Plan and Oxfordshire Local Investment Agreement

Summary and Recommendations

Purpose of report: The report provides an update of the Oxfordshire Local Investment Plan which was completed on 31st March 2010 and the Oxfordshire Local Investment Agreement, both of which directly affect Oxford.

Key decision: No

Executive lead member: Councillor Bob Price

Report Approved by:

Executive Director, City Regeneration: Mel Barrett

Head of Community Housing & Community Development: Graham Stratford

Head of Legal & Democratic Services: Jeremy Thomas

Policy Framework: The Oxfordshire Local Investment Plan is consistent with, and seeks to deliver, the objectives of Oxford City Council's Corporate Plan, the Oxford Community Strategy, the Regeneration Framework, and the emerging Oxford Core Strategy. In particular, it is key to the corporate priority of delivering more housing. The Oxfordshire Local Investment Agreement provides details for how the Oxfordshire Local Investment Plan will be implemented by the City Council and the Homes and Communities Agency (HCA).

Recommendations:

The City Executive Board is asked to:

NOTE the final Oxfordshire Local Investment Plan;

ENDORSE the current version of the Oxfordshire Local Investment Agreement; and

AUTHORISE the Executive Director of City Regeneration in consultation with the Leader of the Council to agree to changes necessary to finalise the Oxfordshire Local Investment Agreement.

Introduction

1. The 'Single Conversation' is the process through which local authorities across Oxfordshire, in collaboration with the Homes and Communities Agency (HCA), and other key partners, develop a Local Investment Plan (LIP) and a Local Investment Agreement (LIA).
2. The purpose of the Single Conversation is to provide a shared framework for the delivery of housing, economic growth, infrastructure, and regeneration. This shared framework will enable the HCA to plan investment more strategically across Oxfordshire. The Single Conversation process ensures that there is a joined up approach and a set of agreed objectives for Oxfordshire, with the alignment of investment decisions across the County, not only by the local authorities and the HCA, but also key infrastructure / service delivery agencies such as the PCT, the Local Education Authority, and the Highways Agency.
3. The Local Investment Plan (LIP) for Oxfordshire finalised at the end of March 2010 is the first formal document resulting from the Oxfordshire Single Conversation process.
4. The LIP sets out a shared vision for delivering housing, regeneration, economic growth and infrastructure across Oxfordshire. The LIP also identifies priority development and infrastructure schemes to be delivered in the short-term (2010-2015), and sets out a longer term development and infrastructure programme for the period 2010-2030.
5. The Local Investment Agreement (LIA) is the second formal document resulting from the Single Conversation process.
6. The LIA sets out the mechanisms to fund and deliver the schemes and priorities which have been agreed to in the LIP and will be used to cross reference with the LIP.
7. The LIA is in the form of a non-legally binding Memorandum of Understanding between the HCA and the Local Authorities in Oxfordshire, and is expected to be complete by the end of June 2010.

Our Approach

8. The City Council is represented at the SPIP Full Partnership by Councillor Bob Price and the Executive Director of City Regeneration, Mel Barrett. The officer working group of SPIP is attended by the Spatial and Economic Development Manager, Mark Jaggard.
9. The Executive Director of City Regeneration has established quarterly senior level liaison meetings with the HCA.

10. The Executive Director of City Regeneration also chairs the Strategic Housing Delivery Board (SHDB) which brings together all the relevant heads of Service involved in delivering the Council's agenda to increase the supply of housing in general, and affordable housing in particular.

Update on the Oxfordshire Local Investment Plan

11. The Oxfordshire Local Investment Plan was considered by the City Executive Board on 3rd March 2010.
12. The LIP was finalised on the 31st March 2010 and signed by all of the Leaders of the District Councils and the portfolio holder at the County Council. (The LIP Executive Summary is attached to this report at Appendix 2 and a summary of the Oxford schemes is outlined in Appendix 3).
13. The LIP is a living document and will be reviewed every 18 months to ensure it is kept up to date. The SPIP will also need to monitor and review the delivery of short-term housing and infrastructure plans in light of continuing market difficulties.
14. The LIP will be used to inform future work in the following areas as they relate to Oxford including; Local Transport Plan (LTP3) and the Oxfordshire Economic Strategy.
15. The SHDB will be responsible at an officer level for managing the process of bidding for HCA funding for the relevant projects identified in Oxford, and seeking to ensure that the various schemes come forward in a timely way.

The Local Investment Agreement

16. The LIA is an agreement regarding investments, grants and resources that the HCA and the Local Authorities in Oxford are to provide to deliver the housing, employment, regeneration and infrastructure schemes set out in the LIP.
17. The LIA outlines the funding that the HCA will commit to and what the City Council will be responsible for.
18. There is an expectation to align capital funds for Oxford with the priorities identified in the LIP. This should be straight forward, as the priorities in the LIP are consistent with both the Corporate Plan and the emerging Core Strategy.
19. The aim is to complete the LIA by the end of June 2010. The time table may slip pending changes resulting from the General Election. Further

modifications may be identified. The latest version of the LIA is attached as Appendix 1.

Level of risk

20. A risk assessment has been undertaken and the risk register is attached as Appendix 5. All risks have been mitigated to an acceptable level.
21. As part of the Local Investment Agreement, a risk assessment has been undertaken which is set out in Section 9.

Climate change / environmental impact

22. The priority schemes in Oxford identified in the LIP have been encouraged to minimise their carbon emissions in line with the Council's corporate priority of Tackling Climate Change. All developments over the threshold in Oxford will be required to meet the requirements of the Natural Resource Impact Analysis (NRIA). In addition, the assessment of schemes considers the potential for developments to go further; whether that is higher levels of the Code for Sustainable Homes or district wide low carbon heating schemes.

Equalities impact

23. There are no direct equality impact issues relating to the LIA. Individual major projects will be subject to project level Equality Impact Assessments.

Financial implications

24. It is anticipated that the City Council will seek to align its capital investments to deliver the priority schemes within Oxford.
25. The Local Investment Agreement details how the City Council will partner with the HCA to deliver the key projects identified in the Local Investment Plan. The LIA is subject to the amount of money that will be made available to the HCA, and will become clearer following the Comprehensive Spending Review (CSR).
26. As of 10th May 2010, the HCA has committed over **£17,000,000** for schemes in Oxford as shown in Appendix 4.
27. It should be noted that the level of HCA investment into Oxford and Oxfordshire may be impacted by the emergency budget on the 22nd June and the Comprehensive Spending Review scheduled for the autumn.

28. The City Council should be aware of the process in which funds will be repaid to the HCA. Specifically, if the HCA is moving from a process of providing housing grants to a process of providing loans with some sort of repayment. (LIA, Section 7.9)

Legal Implications

29. The Local Investment Agreement (LIA) is a non-contractually binding Memorandum of Understanding, with the exception of Section 12 General Provisions, between all of the Local Authorities in Oxfordshire and the HCA.
30. The majority of the provisions contained in the LIA are not intended to be legally binding. As such, this gives the Local Authorities in Oxfordshire flexibility to agree a way forward, without giving formal commitments. There are no clauses within the Local Investment Agreement which prevent any party from exercising their legal functions.
31. The LIA will not create a binding commitment as the Council will have the opportunity to consider and approve individual schemes in the light of financial implications etc., however it should be recognised that in the event that the Council decided not to bring forward a scheme identified in the LIP following an offer of funding from the HCA then this would potentially lead to difficulty in the Council's relationship with the HCA.

Recommendation

32. The City Executive Board is asked to:

NOTE the final Oxfordshire Local Investment Plan;

ENDORSE the current version of the Oxfordshire Local Investment Agreement; and

AUTHORISE the Executive Director of City Regeneration in consultation with the Leader of the Council to agree to changes necessary to finalise the Oxfordshire Local Investment Agreement

Name and contact details of author:

Mark Jaggard, T: 01865 252161 E: mjaggard@oxford.gov.uk

List of background papers:

none

Version number: 1

Appendices:

Appendix 1: Local Investment Agreement

- Appendix 2: Oxfordshire Local Investment Plan: Executive Summary
- Appendix 3: Oxfordshire Local Investment Plan: Oxford Priority Scheme Details
- Appendix 4: HCA Committed Expenditure as of 10 May 2010
- Appendix 5: Risk Register

Local Investment Agreement

(Attached)

Oxfordshire Local Investment Plan: Executive Summary

(Attached)

Oxfordshire Local Investment Plan: Oxford Priority Scheme Details

The following schemes have been identified as key projects which are deliverable (in part) within the first five years within Oxford. These schemes are part of the Countywide Development Programme 2010–15 and outlined in further detail in Appendix 5 of the Local Investment Plan.

Housing, Employment and Regeneration Schemes:

- Barton (including regeneration of Barton and Northway)
- Oxford West End Renaissance project (including Transform Oxford)
- Small / medium housing sites (including windfalls)
- Central Oxfordshire (no specific location(s))
- Northern Gateway (mixed use employment led development)
- Blackbird Leys and Greater Leys regeneration
- Homelessness Projects (inc Old Fire Station)
- Regeneration projects (Rose Hill and Wood Farm)
- New Council House Building programme
- Extra Care Housing (County wide)
- Gypsies, travellers and travelling show people (County wide)

Infrastructure Schemes:

- Access to Oxford
- Oxford Railway Station Improvements
- Chiltern Railway / Evergreen 3 project (East-West rail)
- Secondary schools (BSF) programme (2 schools - Cheney and Iffley Mead)
- Primary schools provision to support growth (Barton, Blackbird Leys, West End)
- Libraries (Westgate)
- Emergency Services (Northern Gateway)

The schemes outlined above could deliver the following housing and affordable housing numbers for Oxford over the next five years. These figures do need to be taken with caution, as they are dependent upon a number of external factors which we do not have control of.

Scheme	Total Homes	Homes 2010-2015	Affordable Homes 2010-2015
Barton (including regeneration of Barton and Northway)	1,000	500	250
Oxford West End Renaissance project	830	830	415
Small / medium housing sites (including windfalls)	2,722	2,722	1,094
Northern Gateway (mixed use employment led development)	200	200	100
Blackbird Leys and Greater Leys regeneration	500	500	250
New Council House Building programme	58	58	58
TOTAL	5,310	4,810	2,167

Appendix 4

HCA Committed Expenditure in Oxford as of 10 May 2010

Site Description	HCA Funding Programme	Paid to Date	SoS Date	SoS Amount	Completion Date	Final Payment Amount	Number of Units
Littlemore, Oxford	NAHP		25/06/2010	£673,000	16/05/2011	£673,000	16
Scholars Place, Littlemore HBD	NAHP		N/A	N/A	30/09/2010	£213,705	6
Rose Hill Ph 2 - 3	NAHP		N/A	N/A	01/06/2011	£312,000	39
Windmill House, Oxford	NAHP		N/A	N/A	01/07/2010	£775,000	30
Beenhams, Littlemore	NAHP		N/A	N/A	01/05/2010	£756,000	21
Slade Green, Headington	NAHP		N/A	N/A	01/10/2010	£1,764,369	73
Salesian Gardens, Crescent Road	NAHP		N/A	N/A	01/07/2010	£235,200	9
Lambourn Road - LA New Build	NAHP	£2,129,775	01.03.2010		01/02/2011	£709,925	38
Cardinal House - LA New Build	NAHP	£930,000	01.03.2010		01/02/2011	£310,000	20
Barton Land	P & R	£218,242.83	TBC	£81,757	TBC	TBC	TBC
Oxford City Wide Regeneration	P & R		TBC	TBC	TBC	TBC	450
Oxford Growth Point Funding	Growth Point Funding	£3,218,308	N/A	N/A	N/A	£1,474,446	N/A
Homelessness Projects	Places for Change	£2,697,252	N/A	N/A	N/A	£382,393	N/A
Total Expenditure						Total Units	
£17,554,372.83						702	

Risk Register

(Attached)