



Report to Cabinet

Subject: Nottingham Housing Market Area Local Investment Plan

Date: 7 October 2010

Author: Head of Strategy and Performance

1. Purpose of the Report

- To secure Cabinet agreement for the Nottingham Housing Market Area Local Investment Plan

2. Background

As reported to Cabinet in June 2010, officers from across the Housing Market Area¹ (HMA) have been working closely with the Homes and Communities Agency (HCA) to draft a Local Investment Plan².

Local Investment Plans (LIPs) are 10-15 year frameworks which set out priority projects and initiatives for HCA investment. Whilst the primary focus of HCA investment is housing related, LIPs also take into account the supporting investment for housing related regeneration, transport and economic development.

The LIP in effect therefore represents a high level housing-based regeneration programme for the area in question. It is of considerable strategic significance.

¹ The Housing Market Area includes the authorities of Nottingham City, Gedling, Broxtowe, Rushcliffe, Erewash and the southern part of Ashfield. Officers from all these authorities are represented, along with officers from Nottinghamshire and Derbyshire County Councils and from Greater Nottingham Growth Point.

² The Cabinet report used the terminology "Single Conversation", which was at the time the title given to the HCA's main business process.

For the East Midlands, the HCA require LIPs to be prepared at the Housing Market Area geography. This is consistent with the approach to the Aligned Core Strategies - the contents of which have strong synergies with the issues addressed in the LIP. The HCA require LIPs and accompanying Local Investment Agreements (see below) to be in place by March 2011. However, the LIP will be regarded as a 'living document' and will be subject to review to reflect changing local circumstances, new opportunities, funding availability and market conditions.

Whilst LIPs set out investment aspirations and may be approved by both Local Authorities and the HCA they are not formal funding agreements. Rather they provide an understanding of the key priorities and an agreed framework to guide and direct future resources.

3. Proposal

The proposed Local Investment Plan for the Nottingham HMA is attached for members' consideration at **Appendix A**.

The plan draws together the key housing and regeneration priorities for the HMA set out within the following documents:

- Housing Strategies
- Sustainable Community Strategies
- Draft Aligned Core Strategies
- Local Transport Plans
- Emerging Economic Assessments

Importantly the LIP identifies initiatives and projects where future HCA investment may be needed to secure successful delivery. Its activities are set out over 3, 5 and 10 years periods within the four strategic themes listed below:

- Housing Supply – Improving the supply of housing across the HMA including affordable housing and supporting infrastructure
- Housing Quality – Improving the quality of both public and private sector housing
- Inclusion – Ensuring the housing needs of the most vulnerable communities are met
- Regeneration – Creating attractive neighbourhoods and town centres

The plan includes site specific projects and five ongoing 'block' programmes relating to affordable housing, decent homes (public and private), energy efficiency and aids and adaptations. The block programmes seek to provide flexibility to support councils' ongoing investments in core housing activities where specific sites are not yet identified.

The LIP has been prepared in the context of considerable uncertainty regarding the future role of and investment available from the HCA and complementary funding sources. There is, for example, considerable uncertainty over whether housing-related funds previously outside the HCA's remit (such as Regional Housing Board funding) will be brought into the LIP.

For Gedling, these are significant as they could include funding for mainstream housing activity such as Private Sector Aids and Adaptations, Disabled Facilities Grants and wider private sector Decent Homes work, and funding for Gedling Homes' improvement programme. The LIP seeks to reserve the authorities' position on these issues by provisionally including them, while making clear our preference for them to be dealt with outside the LIP process and for previous commitments to be honoured.

A further consequence of this uncertainty is that investment priorities will need to be reviewed on a regular basis (at least annually). The LIP makes this clear and includes reference to a range of supporting projects which (depending on the availability of other funding streams) may need to be revisited in future LIPs.

Gedling's Priority Issues are reflected in the document. They include investment for Gedling Colliery Access Road; for Arnold Town Centre regeneration and block funding to provide for new affordable housing; improved energy efficiency; decent homes in the public and private sector; and Aids and Adaptations (with the proviso about whether or not the latter two might better be considered outside the LIP as outlined above).

4. Governance Issues

The LIP has been developed through an officer steering group made up from officers from all of the partner authorities and from the HCA.

There has also been close consultation with planning, housing and regeneration colleagues across the HMA with external support for drafting and facilitation. Officers have also liaised with their Local Strategic Partnerships and with Registered Providers (Housing Associations), building on the extensive consultation which has already taken place on partners' existing strategies.

I have briefed the Portfolio Holder for Strategic Planning on progress, and the issue has been reported to Cabinet as outlined above.

Responsibility for formal agreement of the Plan rests with the Executives of the relevant local authorities and each Council will take the Plan through its Cabinet or appropriate executive decision making process in line with the timetable below.

The Joint Planning and Advisory Board (JPAB) endorsed the Plan at its meeting on 22 September 2010, reflecting links with the Aligned Core Strategies.

Sign off by the HCA is scheduled to take place early November.

Table 1 Local Investment Plan – Key Activities Timetable

Activity	Target Date
Endorsement of LIP by JPAB	22nd September 2010
LA Cabinet Approvals	5 th October-20 th October
Submission of LIP to HCA	20 th October 2010
HCA Sign Off final LIP	1 st November 2010
Post CSR Review and Refinement	November – December 2010
Preparation of Local Investment Agreements	January – March 2011
LIP Review	Annually or as required

Progress updates are also being provided to the Core City Board. As the structure and function of the Local Enterprise Partnership becomes clearer reporting arrangements and integration with other structures such as the LEP and Core City Board may be reviewed.

5. Resource Implications

The LIP has potentially significant resource implications for the Council's housing related work. This is especially so if previously separate funding streams for mainstream housing-related investment are brought within its scope.

The LIP has been prepared at a time of huge uncertainty about the scale and scope of future funding. The HCA are unable to give clarification on this until after the results of the Comprehensive Spending Review. Partners have been encouraged to be aspirational at this stage and the LIP very much reflects that.

The total investment requested will therefore inevitably be in excess of the resources available in the short-term. The partner authorities will need to review, refine and prioritise against available resources, once the extent of available resource is known. Just because a project has been provisionally assessed as a high priority for early delivery at this stage does not mean its funding has been secured.

Clarity on the level of investment likely to be available for years 1-3 of the plan (from the HCA and other funding streams) is unlikely to emerge until sometime after the Government's Comprehensive Spending Review. Ongoing dialogue will

therefore take place between the Authorities and the HCA to refine priorities for investment during Winter/Spring 2011.

In parallel, the LIP will inform the development of individual Local Investment Agreements between the HCA and each Council which will set out in more detail the projects and priorities with potential for further development.

6. Recommendation

Cabinet is **recommended** to approve the Nottingham HMA Local Investment Plan.