

CAMBRIDGESHIRE HORIZONS

Agenda Item No: 11

Investment Package Update

To: **Cambridgeshire Horizons Board**

Date: **1ST July 2010**

From: **Chief Executive**

Purpose: **For Steer (FS)**

To update Board members on progress with Investment Package areas of work, including the Community Infrastructure Levy and Single Conversation.

Recommendation: **The Board is invited to note the contents of this report and comment.**

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1. INTRODUCTION

- 1.1 This paper provides an update on projects to support funding for strategic infrastructure, specifically the Single Conversation with the Homes and Communities Agency and the Community Infrastructure Levy & related work.

2. THE SINGLE CONVERSATION AND LOCAL INVESTMENT PLAN

- 2.1 At the March Board meeting, it was reported that work had begun on the Local Investment Plan (LIP), which will inform the Single Conversation with the Homes and Communities Agency. It has been agreed by the Local Authorities to produce a joint Cambridgeshire LIP, co-ordinated by Cambridgeshire Horizons and supported by the Sub-regional Housing Board. The latest draft of the LIP, which has benefitted from input by Local Authorities, is attached as an appendix to this report, for information.

- 2.2 In order to populate the LIP, a letter has been dispatched to the Chief Executive of each Local Authority in Cambridgeshire asking for information on priorities for investment. Attached to this is a pro forma to be completed, with explanatory note, and a timetable for the Local Investment Plan process. This includes the following milestones for completion of the LIP:

- Information on Local Authority priorities will be needed by Friday 20th August, so that the draft plan can be populated;
- On 29th September a consultation draft of the plan will be discussed by the Cambridgeshire Horizons Board;
- Between September and December, the consultation draft will go through Local Authority cabinets (or equivalent group) for comment and approval;
- The plan will then be brought back to the Cambridgeshire Horizons Board on the 8th December for approval of a final draft, incorporating all the changes proposed during Local Authority member processes;
- Once locally agreed, the plan can proceed through Homes and Communities Agency internal peer review processes, expected to conclude in March 2011.

- 2.3 The collation of up-to-date and accurate information from each District is essential for the LIP to fulfill its key purpose of feeding into the Comprehensive Spending Review process. Local Authorities will be supported through the process of information collation, with Cambridgeshire Horizons and the HCA offering support and assistance if required or desired.

3. THE COMMUNITY INFRASTRUCTURE LEVY AND TAX INCREMENT FINANCE

- 3.1 Following the transposition into law of the Community Infrastructure Levy (CIL) regulations on 6th April, a Pilot Group has been established to progress the implementation of CIL. This group includes the two Local Planning Authorities ready to proceed with CIL, Huntingdonshire and East Cambridgeshire, in addition to Cambridgeshire County Council and Cambridgeshire Horizons. The group has met and agreed actions to be progressed, including:
- The variations in development viability between uses to be investigated, for example retail and industrial;
 - Huntingdonshire and East Cambridgeshire District Councils are concluding work on their Local Investment Frameworks, a key piece of evidence for CIL charging;
 - An approach to large strategic sites will need to be carefully considered;
 - Interim governance of the strategic CIL fund is a key issue, and options for this are to be produced for discussion.
- 3.2 Progress on these actions will be reported back at the next pilot group meeting, to be held in mid-July.
- 3.3 The coalition government have yet to make a policy announcement on the Community Infrastructure Levy. From manifesto and coalition documents, it seems likely that it will proceed in a very similar form, perhaps with an emphasis on keeping an element of funds within the neighbourhood. The locally-led nature of the charge accords with the decentralisation and localism message that the government is promoting. A recent conference on the future of development contributions, attended by Horizons, confirmed that this is the path that the government is expected to take with CIL.
- 3.4 Tax Increment Finance (TIF) also speaks to the prospect of greater local freedom to raise finance for infrastructure investment. Horizons will continue to promote the TIF bid submitted for the area around Cambridge Station, in partnership with Cambridge City Council and Cambridgeshire County Council. The June 22nd Budget document did not specifically mention TIF, however the announcements from the department of Communities and Local Government regarding decentralisation offer some encouragement in this respect.