

Single Conversation

Recommendation

1. That the Joint Committee considers the Single Conversation and provides its views.

Background

2. The Single Conversation is supporting the following outcomes for the West of England:
 - The preparation of an Integrated Delivery and Investment Plan for the sub-region, identified in the MAA, in support of the Authorities' priorities
 - Provision of strategic infrastructure to support their plans for development of communities, housing and employment
 - Delivery of affordable and supported housing
 - The identification and exploitation of sources of investment including maximising the use of public assets; negotiating developer contributions; securing grant from HCA and RDA; using cash-flow support such as the Regional Infrastructure report; using anticipated increases in non-domestic rate to finance infrastructure (Accelerated Development Zones); and, the Government's awaited proposals for Community Infrastructure Levy.
3. These workstreams are building on a variety of proposals previously considered by the Partnership including:
 - The RFA2 submission to the region
 - The successful RFA2 major transport schemes proposal
 - The emerging or published Council Core Strategies and Local Development Frameworks
 - The MAA.
4. Overall, the Conversation is designed to focus on:
 - Core priorities; supporting the delivery of programmes and projects
 - Joining-up the contributions of strategic delivery partners
 - Integrating actions and investment by public and private sector partners
 - 'Pooling' key skills and experience

- Establishing strategic relationships with potential investors and developers
- Preparing business and investment proposals and plans
- Securing agreement on the co-financing of investment needs
- Agreeing development and delivery capacity and vehicles.

Identification of Priority Investment

5. Following workshops with the Homes and Communities Agency (HCA) and the Regional Development Agency (RDA), and officer discussions, the authorities have been identifying priority development proposals which are only viable with public investment in infrastructure in order to deliver:

5.1 Sustainable places in priority areas

5.2 Economic prosperity and opportunities

- Land assembly
- Technical studies
- Social economic and environmental infrastructure
- Affordable housing

5.3 Housing for everyone

- Building new affordable homes
- Kick-starting the housing market
- Supporting vulnerable people
- Investing in private sector rented renewal.

The proposals are supported through a draft West of England Strategic Case for Investment.

6. At this stage the preparatory work is focused on the period 2010/11 - 2020/21 on the basis that the proposals for:
- Years 1 - 3 are 'firm'
 - Years 4 - 5 are 'soft'
 - Years 6 - 10 are 'indicative'.

Basis of selection of priorities for investment

7. The authorities are selecting priority areas for investment based on their Core Strategy work and the need for public intervention.
8. Some of the priority areas selected are small and represent a tactical response to supporting the economic upturn; others are strategic proposals designed to support major developments.
9. Each authority has a draft narrative to describe the selection of priority locations and themes.

Single Conversation negotiations and pursuing MAA objectives

10. Work by the Authorities to further specify these proposals is continuing. In November a meeting with the HCA and RDA established:
 - A joint understanding of the sub-region's strategic ambitions and case for investment
 - A joint understanding of the investment themes and potential location of development which requires public investment, and its scale and phasing, in the period 2010/11 – 2020/21.
11. Further work is now taking place to firm up priorities for investment particularly for the first 3 years by addressing:
 - Strategic West of England and Core Strategy Priorities
 - Deliverability and phasing
 - Overall scale and nature of public investment
 - Future resourcing and preparation of specific studies to complement the draft Roger Tym Assessment, especially the viability of locations and the estimates of public investment required.
12. Specific outcomes from recent meetings emphasised the following further actions:
 - By the sub region:
 - Further developing the strategic business case for investment, highlighting the distinctive contributions of the individual priorities.
 - Further evidencing the ambitions and place-based outcomes investment will deliver.
 - Gauging further the viability of those priorities where the Agencies questioned whether the ambition or investment levels proposed were realistic.
 - Jointly by the sub region and the Agencies:
 - Agree the method and resources for determining the nature and level of investment required to support priorities and the outcomes they will deliver
 - Building market and economic intelligence to confirm demand for developments.
 - By the Agencies:
 - Provide further responses to the priorities identified in negotiations with the sub region.
13. As well as further specifying the proposals, work remains to be done to pursue MAA objectives:

- To adopt a Joint Sub-Regional Development Trajectory in the Plan based on 5-year tranches that demonstrates a rolling, deliverable supply of housing. This will include all development to 2020/21 proposed by the authorities, whether or not it requires public investment.

(Such sequencing and phasing of development will ensure best use of infrastructure, the delivery of mixed and sustainable communities and market recovery. This will provide confidence to developers and discourage inappropriate development).

- To prepare a Joint Supplementary Planning Document to the Regional Spatial Strategy (subject to the publication of the Regional Spatial Strategy) to include it within the planning framework as a matter for consideration.

Continuing negotiations

14. The rounds of negotiation in December will further develop the Delivery and Investment Plan. The Environment Agency, Highways Agency and Registered Social Landlords (RSLs) will be joining the negotiations. A report will be made to the Partnership Board in January.
15. Increasingly the focus will be on estimating the viability of priority locations through further examination of the investment required and market and economic intelligence; this will involve engaging with developers in conjunction with HCA and RDA.
16. Estimates of the overall scale of investment required, and the level and availability of public investment will determine the pace and phasing of development in the short and medium term. As well as developer contributions, public assets and investment and cash flow support, consideration will need to be given to any opportunities to pursue the proposed Accelerated Development Zones (ADZs) and Community Infrastructure Levy (CIL).

Final Delivery and Investment Plan

17. The Delivery and Investment Plan will contain the:
 - Ambitions of the West of England and the strategic case for investment, including market and economic intelligence and outputs and outcomes
 - Well-evidenced place-based proposals and priority themes setting out explicit locations, with the phasing of the output of housing (intermediate and supported) and jobs, including those not requiring public intervention
 - Indicative levels, sources and planning of investment.
18. This will ensure the West of England is well positioned to make the case for investment, to secure the objectives and ambitions set out in Core Strategies and the MAA, on timescales, market conditions and available investment will support.

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