

Chesham Renaissance Community Interest Company

An introduction to the company, its objects and work

Purpose

1. The purposes of this introduction to the company are to describe:
 - a) the circumstances which led to the Chesham Society's 'Vision for Chesham';
 - b) the nature of the Vision for Chesham
 - c) the decision to form a Community Interest Company;
 - d) the characteristics and regulation of Community Interest Companies;
and
 - e) the work which has been done so far and commissioned

The circumstances

1. A government requirement imposed on any local authority to build a substantial number of homes will always place pressure on the organisation's resources. One of the predictable results is the danger that an easy solution will be sought and in a way, this is understandable. It seems likely that Chiltern and South Bucks District Councils will be asked to provide over 7,000 new homes. One of sites being considered for 900 of these is on the outskirts of the Chesham Town Council boundary which would mean releasing a significant portion of the green belt land to accommodate them.
2. If this is the case then it is clearly an easy and very attractive solution to developers and local authorities. It could be made to work but no doubt against much local opposition, and is technically and in terms of delivery a relatively easy way of providing the required residential accommodation. Its adverse impact on the existing infrastructure is a real and ever-present problem in Chesham. It is an adequate solution but not an innovative solution. The outcome of the enterprise would be sufficient but not thoughtful. It would deliver the government's requirement but not to the benefit of the town or its economy, and it would ignore the plight of the urban core of the town and its physical and socio-economic condition.
3. The formation of the Chesham Renaissance Community Interest Company (Chesham Renaissance) has been inspired by the Chesham Society's 'Vision for Chesham' to embrace newer residential accommodation, not in the Green Belt periphery of the town but within the town itself. It accepts the increase in population density, and welcomes capital investment and long term inward investment which will result from this. It accepts that developer levies in various forms may be insufficient to provide the income needed for this perhaps counterintuitive and ambitious plan.

4. The market failure which has been identified, and with which central and local government is all too familiar, is the general opposition to infrastructure, and housing development more generally, and for it to be located anywhere. The over eager emphasis sometimes on shareholder returns by those who deliver such developments exacerbates the problem. In this case the position of Chesham Renaissance is to welcome it in return for substantial investment in developing the town centre and the horizontal and vertical infrastructure necessary, which is why this enterprise will need both private and public investment.
5. In addition, the focus cannot be entirely on additional residential accommodation. There is already a thriving industrial business sector in Chesham. It is an attractive place for people and new businesses to locate because of its geographic location in the South East and closeness to London, the West Coast Main Line at Watford, the Chiltern Railways connections at Great Missenden and Little Chalfont, and the point of termination in the town of the TfL Metropolitan Line, and airport connections.
6. There are three circumstances which require the commercial element to receive attention sufficient to do justice to its importance. First, there is already a need to update or create new business premises or locate commercial enterprises out of the town in different accommodation forms to meet the needs of new conventional and higher technology businesses with adequate access. Second, the imposition of higher density residential accommodation in and around the urban core of the town will gradually require the re location of those industries currently located in this area. Residential accommodation will gradually displace commercial use. Last, space must be found for SMEs in and around the town centre.
7. In simple micro economic terms, Chesham Renaissance is aware of the fragility of the current perilous state of some of the smaller commercial enterprises located in and around the town centre and the retail offering which is available. The published census data illustrate all too clearly the root of the problem with insufficient disposable income to sustain a growing, vibrant and demand led retail offering.
8. Chesham Renaissance's proposal promises to make good many of the poor planning decisions made for the town for the last 50 years or more. But so far reaching is the proposal that it is likely to create the reaction that it is over ambitious, the technical obstacles are too daunting and the management and delivery far too taxing. This is not Chesham Renaissance's view. Instead it supports the notion that Chesham can become a template for good town planning, which some may judge as an unachievable aspiration.
9. Chesham Renaissance is also encouraged by the Core Planning Principles contained in the National Planning Policy Framework (NPPF) at paragraph 17. It intends to apply the 12 core land use planning principles

for both plan making and decision making. Similarly, it subscribes to the delivery of sustainable development as set out at paragraphs 18 to 41 of the NPPF so that Chesham can:

- a) build a strong competitive economy;
 - b) ensure that the vitality of the town is restored and enhanced; and
 - c) promote sustainable transport
10. Paragraph 23 of the NPPF relates to the vitality of town centres and reflects the planning policy need identified by Chesham Renaissance.

The nature of the vision for Chesham

11. The Chesham Society's 'Vision for Chesham', now being delivered by Chesham Renaissance, is a programme of residential and commercial development, assisted by leisure and health care and which is that:
- a) Chesham will be an attractive gateway to the Chilterns
 - b) the centre will be home to a substantial increase of sustainable residential accommodation and the educational, commercial and retail functions to support the increased number of residents. Infrastructure provision and the public domain more generally will have advanced alongside this growth;
 - c) the physical working and living environment will have changed to become a significant outwardly focused town resulting in substantial inward investment of capital and revenue;
 - d) Chesham will become a town of substance and leading in sustainable innovative design and planning and considered as an exemplar in making better use of public and private assets;
 - e) it will have built commercial success by developing its gateway position to the Chilterns AONB as a leisure and tourist centre;
 - f) it will attract mature organisations and start-ups and become a centre for a contemporary approach to the arts, film and other creative and related industries that utilise new and developing technologies, and have a thriving leisure and tourist economy; and
 - g) it will be welcoming to those who wish to use the town as a base for working in London and the surrounding area
12. Chesham Renaissance's aim for Chesham based on the Society's Vision is that the centre will be home to a substantial increase in housing, and its density will increase with a corresponding increase in population together with the retail and other necessities to support it. Land must also be found

adjacent to the town to accommodate enhanced commercial development.

13. The alternative is to have isolated and remote hilltop settlements surrounding the decaying original core of the town located in the bottom of the valley. Its physical working and living environment must change from a rather tired legacy of its largely industrial manufacturing past to become a significant outward focused town. It must be welcoming to new businesses and new residents resulting in substantial inward investment of capital and revenue. This inward capital investment must go towards re providing some of its public and private end of life assets and its ageing and deficient infrastructure provision which must be expanded to accommodate substantial commercial and residential growth.
14. The approach to its urban design and town planning must change from a rather bland inefficient notion of what is regarded as conventional to become a town of substance and leading in innovative design and planning and considered as an exemplar in making better use of public and private assets. The public open spaces and the public domain more generally must be upgraded or re provided in contrast to the current state where the rate of decay exceeds the rate of repair and renewal.
15. A direct consequence of achieving these aims is that it will attract information based organisations and become a centre for arts, culture and creative industries and have a thriving evening economy. It will be welcoming to those who wish to use the town as a base for working in London and the surrounding area. The counter intuitive consequence of this Vision is to embrace more new housing and the consequent increase in population, capital investment and long term inward investment in both residential and commercial development.

The decision

16. This work can only be viable if it is managed as one programme covering all infrastructure, both new and upgraded, and new housing, commercial and leisure facilities. A piecemeal approach working under normal planning procedures will result in some property developers 'cherry picking' the high return parts of the scheme to the disadvantage of others.
17. The Chesham Society has concluded that it is too small, lacks the resources and it is beyond its scope to deliver the programme described here. Accordingly, the Special Purpose Vehicle which the Society has concluded is best suited in the circumstances to deliver this programme on behalf of the community is a Community Interest Company. In this case it will be a standalone company entirely separate from the Society.

The characteristics of Community Interest Companies

18. Community Interest Companies (CICs) were first established in the UK in 2005. Since then they have grown considerably, both in number and in the diversity of the activities which they undertake. The CIC legal structure supports a wide range of activities which range from very small local projects to very large health service related provisions. They apply to all industry sectors and are in every area of the UK
19. CICs are limited companies which operate to provide a benefit to the community they serve. They are not strictly 'not for profit', and CICs can, and do, deliver returns to investors. However, the purpose of CIC is primarily one of community benefit rather than private profit. Whilst a financial return to investors are permitted this must be balanced and reasonable to encourage investment in the social enterprise sector whilst ensuring true community benefit is always at the core of any CIC.
20. For some CICs this is delivered through the provision of a service to a specific community. In others, it is an activity that generates profits which are used to support a specific purpose where all profits generated are used to benefit the community. Each CIC is required to submit on a yearly basis a report detailing the activities undertaken and how these have benefitted the community.
21. The principal legislation relating to CICs is:
 - The Companies Act 2006, subordinate legislation made under that Act, and related legislation, such as, the Insolvency Act 1986. (the Companies Legislation);
 - The Companies (Audit, Investigations and Community Enterprise) Act 2004 Part 2 and Schedules 3 to 7 (the CAICE Act); and
 - The Community Interest Company Regulations 2005. (the CIC Regulations 2005)
22. CICs are a valuable addition to community based organisations and particularly suitable for those which wish to work within the relative freedom of the familiar limited company framework without either the private profit motive or charity status. They are more flexible than some other legal forms and there are a variety of capital structures available to meet the needs of members and the organisation.
23. The principle of Asset Lock is a fundamental feature of CICs. It is designed to ensure that the assets of the CIC, including any profits or other surpluses generated by its activities, are used for the benefit of the community.
24. Central and local government and charities are using CICs to innovate their services, whilst a growing number of private sector companies are converting to them as well. The range of industries and markets that CICs are forming is as varied as the economy itself; the majority currently within traditional Third Sector activity areas such as health and social care,

education and community services, but with an ever-increasing number trading in traditional private sector activities such as property, financial and other professional services.

The initial work

25. Initial work but Chesham Renaissance has begun and this includes:

- a) forming a Board of Directors of Chesham Renaissance with responsibility for directing the company, obtaining private sector funding, procuring services, managing service providers and delivering the Objects of the Company. The Directors are:

Andy Garnett;
Andrew Ketteringham
Tony Molesworth (Chairman)
Ray Payne
Roger Smith

- b) identifying 15 or more development sites within the town centre as likely to be suitable for residential development and one, at the Water Meadow Car Park, has been studied in some detail to test the methodology used and the likely impediments and commercial outcome;
- c) identifying the need for industrial premises outside the town centre;
- d) undertaking preliminary work to develop a logical framework for delivering Chesham Renaissance CIC's objects.
- e) drafting The Memorandum and Articles of Association for converting the Chesham Interim Limited to Chesham Renaissance:
- f) identifying six Member Organisations from the private sector, known as Early Adopters to invest in the formation of the Chesham Renaissance and in the preparation of a Masterplan;
- g) appointing legal, accounting and other advisors;
- h) commissioning a Tenure Inventory;
- i) preparing a Masterplan brief;
- j) commissioning Allies and Morrison to prepare a Masterplan in two stages, stage 1 of which has been published;
- k) commissioning a highway engineering study; and
- l) commissioning and implementing a company web site

26. The principal service providers to the Board are:

Accountancy:	C E Hill & Co Ltd
Bank:	Barclays Bank
Legal:	IBB Law
Highway engineering:	Phil Jones Associates
Master planning:	Allies and Morrison LLP
Website design:	Dovedale Design Limited

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