REPORT TO THE EXECUTIVE

DATE 8th December 2009
PORTFOLIO Regeneration
REPORT AUTHOR James Warnock, Weavers’ Triangle Project Manager
TEL NO (01254) 477207
EMAIL jwarnock@burnley.gov.uk

WEAVERS’ TRIANGLE REGENERATION: PROGRAMME BUDGET

PURPOSE

1. To seek the approval of Executive to the Budget for the period to 2014/15 for the Weavers’ Triangle regeneration programme.

2. To seek agreement that Executive recommends to full Council that the Budget is consolidated into the Capital Programme.

RECOMMENDATION

3. That the Executive approves the Budget as set out in Appendix 1 to this Report.

4. That the Executive approves releasing the scheme in the 2009/10 capital programme, and approves the revision of the budget to £777,500 as set out in Appendix 1 to this report.

REASONS FOR RECOMMENDATION

5. To ensure compliance with the Council’s Standing Orders and financial procedures; and to allow release of the funding for approved works on an annual, rather than irregular and ad-hoc basis.

6. To allow delivery of the regeneration programme in the context of an agreed budget and timetable.

SUMMARY OF KEY POINTS

7. The Weavers’ Triangle regeneration programme comprises a number of separate but related projects, and is funded from a mix of sources – the Council’s own Capital Programme, and external funding from the North West Development Agency, the Heritage Lottery Fund, and English Heritage. The Executive has in the past given its approval to the securing of this funding on a case-by-case basis; but has not until now had the opportunity
to examine a complete programme budget.

8. In brief, the Budget covers the following:

- A relatively small amount of pre-approval activity funded by the North West Development Agency – this took place in 2008/09;
- The acquisition of properties in the Sandygate area – this was completed at the end of last financial year;
- A programme of urgent repair works, ongoing maintenance, and holding costs for the acquired properties – the repair work is under way, and the properties (some of which remain occupied) are under ongoing management;
- A programme of improvements to public realm – this is yet to start;
- Future redevelopment, led by the private sector, of the acquired properties in and around Sandygate, and of the British Waterways-owned site at Finsley Wharf – these are yet to start, and additional funding will be sought from NWDA at the appropriate time;
- A small budget, within the wider Townscape Heritage Initiative programme, for education and training activity;
- Management costs for the regeneration programme as a whole, and specifically for the THI programme.

9. The Budget shows a sum of £1,199,250 as ‘not secured’. This relates to some specific projects which will require additional funding from the North West Development Agency if they are to be delivered. These projects – public realm improvements, and private sector-led redevelopment schemes in the Sandygate area and at Finsley Wharf – are not yet at a stage where application for funding can be made; but NWDA are aware that they will be submitted in due course. They are included in the Budget because the funding will be required to provide the necessary 50% match for grant secured in principle from the Heritage Lottery Fund. No expenditure will be incurred or committed on these projects until all of the necessary external funding is secured.

10. The main funders of the regeneration programme have their own requirements in respect of monitoring and reporting. There is a contractual requirement to present NWDA with a work plan in advance of each financial year; and HLF have to give prior approval to individual projects which they fund, as well as requiring annual progress reports. It is therefore proposed that, in January each year, a comprehensive progress report, and work plan (and budget statement) for the following year, is submitted for Executive approval and for onward submission, either as a whole or broken down into its constituent parts, to meet the funders’ requirements.

11. In addition, there will be cases where HLF grant is to be paid to third parties; these cases will have their own eligibility criteria. Current management arrangements are that applications for grants of this kind are examined by the Weavers’ Triangle Working Group prior to onward submission, with an appropriate recommendation, to the Executive – and then to HLF for approval if agreed.

**FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

12. The total budget for the Weavers’ Triangle programme amounts to £9,453,248, of which £7,425,491 is capital and £2,027,757 is revenue. The sum of £1,199,250 (capital) remains
to be secured – this relates to individual schemes yet to be submitted to the North West Development Agency for appraisal. The balance (all of the revenue and £6,226,241 of the capital) has been secured; its sources are shown in the budget table at Appendix 1. The Council’s own direct contribution of £600,000 from its Capital Programme was agreed in September 2006 (Minute No. 52, 5th September 2006).

13. If the Executive approves this Report, Council will be asked to consolidate the sums set out above into the Capital Programme.

14. If the budget for the lifetime of the Weavers’ Triangle regeneration programme is approved, Executive will be asked to release funding from the capital programme on an annual basis, for projects which will be set out in an annual Forward Plan.

15. For the current financial year, the capital budget requirement is £777,500, of which the following has already been released by the Executive:
   - Neptune House repairs - £65,000 on 28th April;
   - Victoria Mill repairs Phase 1a - £325,000 on 18th August;
   - Victoria Mill repairs Phase 1b, Slaters Terrace repairs, Sandygate Mill repairs - £335,500 on 10th November.

POLICY IMPLICATIONS

16. The regeneration of the Weavers’ Triangle is a strategic priority of the Council, as set out in the Weavers’ Triangle Masterplan and subsequent bid for Heritage Lottery Funding to support heritage-led initiatives. The area has been identified as a priority in terms of its’ role in the wider economic regeneration of Burnley for which substantial support is sought from the NWDA and other sources. The regeneration programme is explicitly referenced and supported in the Lancashire Economic Strategy and Action Plan, and in the NWDA’s Strategic Investment Programme.

DETAILS OF CONSULTATION

17. Nick Aves, Director of Resources
18. Mike Cook, Director of Regeneration and Housing
19. Sue Graham, Head of Planning and Environment
20. Farida Ahmed, Head of Property Consultancy
21. Kate Ingram, Head of Economic Regeneration and Business Support
22. Lindsey Cowburn, Finance Unit

BACKGROUND PAPERS

23. Background papers are held in Economic Regeneration and Business Support Unit.
FURTHER INFORMATION

PLEASE CONTACT: James Warnock, Weavers’ Triangle Project Manager; ext. 2530
ALSO: Stevan Snaith, Accountancy Services; ext. 2213