

Item 5

AREA 3 FORUM

12th November 2008

Report of the Assistant Chief Executive

Sedgefield Borough Local Improvement Programme

Update on Project Activity

This report provides the Area Forum with an update on project activity as part of Sedgefield Borough Council's Local Improvement Programme (LIP).

The purpose of the LIP Programme is to improve community assets and support community engagement in the regeneration of local areas. As part of this, Local Communities can propose projects against set criteria agreed by Sedgefield Borough Council. Through this Programme resources will be released to improve sites and improve the usability of community facilities and buildings across the Borough.

The Area 3 Forum has been allocated £532,000 of LIP capital resources between 2006 and 2009. The Area Forum may recall that Area 3 was oversubscribed by £116,501 following the cut off date of 31st July 2008. Cabinet has now considered the project applications received from the Area 3 Forum locality and details of their decisions is outlined in this report.

PRIORITISATION PROCESS

In 2005 Cabinet agreed a Housing Land Capital Receipts strategy that outlined a range of project proposals and established the Local Improvement Programme. To be eligible for consideration under this strategy all projects need to meet the Government 'regeneration' definition as outlined below.

Regeneration –

*“any project for the carrying out of works or activities on any land where –
(a) the land, or a building on the land, is vacant, unused, under-used, ineffectively used, contaminated or derelict; and
(b) the works or activities are carried out in order to secure that the land or the building will be brought into effective use.”*

This definition is the starting point for consideration of all LIP projects. Projects that don't meet this definition have been discouraged from applying.

Criteria

When assessing LIP project requests the following criteria has formed the basis to the project appraisal.

Project Criteria

- Social Impact and additional outcomes against priorities in the community strategy
- Clear identified need
- Clear consultation

- Links to other regeneration activity
- Deliverability of the scheme within LIP timeframe
- Value for Money
- Leverage of match funding where possible
- Achievable match funding strategy has been identified
- Principal of fair-share across communities within Area Forums
- Opportunity to phase the project to reduce the funding needed to implement the scheme without affecting the outcomes
- Strategic fit with Council plans, strategies and aspirations

Given the budget pressure and the need to ensure that LIP money is targeted at projects that will have clear community outcomes, there has been the need to sort projects into 3 main categories;

- Priority Projects
- Reserve Projects
- Non-Priority Projects for Rejection

It is recognised that some of the projects identified for approval still need confirmation of some technical issues such as match funding confirmation or planning permission considerations.

One Area Forum suggested a standardised reduction of grant based on the percentage of the oversubscription of all bids. This has been considered by the Capital Programme Team, however, it is recognised that some projects have already scaled back their ambitions to meet a reduced financial allocation. With other projects a reduction in grant allocation would lead to an increased risk of failing to deliver within the timeframe available. All projects have therefore been assessed on an individual basis.

Reserve Projects

Where an excess of eligible project requests have been received within an Area Forum locality it is proposed that a reserve list of projects be considered.

The identification of reserve projects is strongly linked to the risk analysis and contingency planning that has been carried out through project appraisal.

Non-Priority Projects

A number of projects have been submitted that whilst meeting the core LIP 'regeneration' definition as detailed above; and whilst hitting some of the key LIP criteria, haven't demonstrated or evidenced significant outcomes or impact when assessed against other project opportunities.

This list also includes projects where the timescale for project delivery is unclear or where timescales clearly exceeds the ability for Sedgefield Borough Council to progress the individual project request within its lifespan. Other considerations have included the respective 'buy in' to the project from the local community, support for the project from the respective management committee and also the match funding strategy identified linked to successful

project delivery. The Capital Programme Team have committed to work with these projects to develop bids for other funding where appropriate.

RESOURCES

The LIP budget was allocated on an Area Forum basis based on the number of households within each Forum area. The budget for LIP is fixed and can not be increased to meet the oversubscription of schemes.

Match Funding – The ability of projects to lever in additional match funding is a central consideration for all LIP projects. However, match funding decisions are outside Sedgfield Borough Council control and can therefore skew project timescales. Given the need to make progress within a tight timescale prior to Local Government Reorganisation, a deadline of the turn of the year has been set to receive clarification from projects that are dependent on external match funding decisions. The programme will be reviewed at this stage to assess progress and any risks to project delivery.

The Capital Programme Team considers that we should make every effort to give projects the time to secure match funding but we also recognise that if the funding isn't secured in time, or decisions result in no match funding being allocated to these projects then we will have to re-look at the priority project list and consider additional reserve schemes where appropriate.

The Current Position Within Area 3 Forum:

LIP Approvals

Trimdon MUGA	£58,325
Trimdon Centre Fees	£12,774
Sedgfield Parish Hall Phase 1	£37,000
Ceddesfeld Hall Technical Study	£1,762
Fishburn Memorial Playing Field	£58,900
Fishburn Recreation Development Tech Study	£11,280
Trimdon Community College MUGA Tech Study	£7,640
Trimdon Community College MUGA	£45,000
Sedgfield Parish Hall Phase 2	£80,000
Total	£312,681

Approvals 23rd October 2008

Ceddesfeld Hall	£103,000
Sedgfield Cricket Club	£29,820
Trimdon Grange Play Area	£70,000
	£202,820

Reserve Projects

Trimdon Community Centre	£90,000
Sedgfield Squash Club	£33,000

Non-Priority Projects for Rejection

Fishburn Recreation Ground	£TBC
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Recommendation from the Strategy and Regeneration Section:

That the Area Forum notes the information provided on the current position of the Local Improvement programme within Area 3.