

Item 4

KEY DECISION

REPORT TO CABINET

27 October 2005

Report of Head of Strategy and Regeneration

Portfolio: Regeneration.

REGENERATION SERVICES CAPITAL PROGRAMME 2005/06

1 SUMMARY

- 1.1 The Cabinet in February agreed a target spending figure for the Regeneration Services Capital Programme of £400,000. With a number of expenditure commitments carried forward from 2004/05 valued at £494,300 the planned total budget for 2005/06 is £894,300.
- 1.2 This report seeks approval for key areas of activity to be undertaken in line with the Cabinet's agreed Statement of Key Issues and Priorities for the Regeneration Service as detailed in the Corporate Plan and the Corporate Capital Strategy. It also takes account of the Council's approved Local Neighbourhood Renewal Strategy and Community Strategy.
- 1.3 Under the planned Programme investment is prioritised towards supporting the improvement of Spennymoor town centre, environmental and social conditions in identified neighbourhoods facing the greatest levels of disadvantage and the maintenance of an attractive supply of land and premises suitable for accommodating start up business, small and medium sized enterprises and inward employment generating investment projects.
- 1.4 In bringing the Programme forward many of the schemes will be undertaken in partnership with other organisations or by utilising the Council's resources alongside externally secured funding.

2 RECOMMENDATIONS

- 2.1 That the Cabinet:
 1. Approves the strategy set out in the report to govern the implementation of the Regeneration Services Capital Programme 2005/06.

3. **PROPOSED PROGRAMME 2005/06**

3.1 In the preparation of the Programme account has been taken of the Cabinet's agreed Statement of Key Issues and Priorities for the Regeneration Service as detailed in the Corporate Plan and the Corporate Capital Strategy. Account has also been taken of the Council's approved Local Neighbourhood Renewal Strategy and Community Strategy. Accordingly it is proposed that the Service's capital resources should be directed towards enhancing the economic, environmental, physical and social well being of the Borough with priority focused on:

- a) Supporting the improvement of Spennymoor town centre as a major centre and a focus for economic activity, service provision and community facilities.
- b) Improvement of those neighbourhoods and communities facing the greatest levels of disadvantage in line with the Borough's Community Strategy, Local Neighbourhood Renewal Strategy and the Index of Deprivation 2004. (i.e. the Western Area of Newton Aycliffe, Shildon, the Coalfield Communities of West Cornforth and the Trimdons, and the older housing areas within Ferryhill and Chilton).
- c) The maintenance of the supply of land and premises suitable to accommodate business development projects ranging from business start ups through to company expansions and inward investment projects.
- d) Safeguarding the built and natural environment of the Borough's towns, villages and supporting opportunities to improve access to, and the management and enhancement of countryside sites and other open land areas, in terms of biodiversity and landscape quality.

3.2 In line with the above priority actions a schedule of proposed schemes with indicative budgets is detailed at Appendix 1.

Town Centres Improvements

3.3 In accordance with the report on the Spennymoor Town Centre Improvement Programme agreed by Cabinet in December 2003, further works will be advanced as part of the One North East funded County Durham Economic Development Partnership's Major Centres Renaissance Programme. Through the Sub Regional Partnership One North East have approved the Council's major centre proposals for Spennymoor with a grant of almost £2.2m. This is subject to a number of conditions regarding the submission of detailed costed proposals for works planned in the latter part of the programme, but will support a total expenditure package for the Town Centre of £1,381,050 in 2005/06, as part of an overall five year programme of £3,415,850. The Council's contribution is of £130,000 in 2005/06 along with support from Durham County Council (£90,000) and Spennymoor Town Council (£50,000) will principally support the One NorthEast funding offer of £1,010,711.

3.4 The purpose of the programme is to help improve the vitality, viability and competitiveness of Spennymoor town centre as a location of commercial activity, economic investment and community life. This accords with the Council's corporate strategy – Improving Towns Villages and the Countryside and as set out in the

Newton Aycliffe and Spennymoor Town Centres Study Action Plan. The planned works will comprise:

- a) Implementation of a further phase of public realm comprising improvements to the Eastern Gateway to facilitate pedestrian movements in and around the town centre and following discussions with the New owners of Festival Walk, providing enhanced links between the main retail units and the Festival Walk development. This will follow on from the 2004/05 phase three scheme to improve the appearance of the western gateway into the town centre and the High Street. A series of Gateway and public arts features will also be incorporated into the remaining phases of works during 2005/06. These planned works were detailed in the December 2003 Cabinet Report (at Annex 2).
- b) Public realm works associated with the improvement of the Festival Walk development and adjacent areas including access arrangements; and completion of the design stages for the improvement of the eastern gateway into the town centre.
- c) The revitalisation and re-launch of the Shop Improvement Grant Scheme has generated a great deal of interest a number of applications are currently being progressed following the relaunch of the scheme last year. The main focus of the scheme will be on improving the appearance of certain key buildings as well as building groups within the centre that have a particular impact on the street scene.

3.5 Complementing these actions will be other planned investments associated with the extension of Spennymoor Leisure Centre (approx £1.6m) and the Primary Care Trust's LIFT Project (approx £3.4m). Close working arrangements will also be maintained with the Spennymoor Town Centre Forum and the new owners of the Festival Walk development in the advancement of specific schemes forming part of the overall programme.

3.6 A small fund has also been introduced to support environmental enhancement works in other centres. It is planned to afford initial priority to the appearance of Council owned car-parking areas in Newton Aycliffe along Greenwell Road and Church Row Ferryhill..

Area Neighbourhood Renewal

3.7 Under this theme attention is to be focused on actions to improve environmental and social conditions in the Borough's most disadvantaged neighbourhoods. This reflects activity prioritised within the Borough's two current SRB Programmes (Spennymoor and Newton Aycliffe; and Ferryhill, Chilton and the adjacent coalfield communities respectively), and the Borough's Local Neighbourhood Renewal Strategy. The major schemes for 2004/05 include:

3.8 **Ferryhill** – As approved by Cabinet in December 2003, a continuation of the implementation of environmental improvement schemes to support neighbourhood renewal in the Dean Bank and Ferryhill Station areas. The planned schemes will assist to sustain these areas as viable residential neighbourhoods. The works will be supported with Neighbourhood Renewal Fund and SRB grant assistance. Specific planned works include:

- a) Continuation of the Environmental Routeway Improvement scheme for the Dean Bank Area concentrated along Merrington Road.
- b) Continuation of works in the vicinity of the former Praxis Clothing Factory site to the rear of Haigh Terrace to support the improvement of the area to complement the development of the Ferryhill and Chilton Sure Start Programme Family Centre and to increase the attractiveness for housing development of the former Praxis Factory site in accordance with the approved Planning and Regeneration Statement for the site.
- c) Further works as part of the Ferryhill Station Routeway scheme. Key actions will works to the proposed cleared housing sites at Chapel Row and the 'Rows Area' to the rear. Implementation of this environmental improvement scheme will be dependant on the outcome of a Compulsory Puchase Order Inquiry into the acquisition by the Council of a number privately owned houses.

3.9 **Chilton** - The Chilton Partnership is currently working with the Council and Durham County Council to develop an environmental improvement routeway scheme along the A167 within the village with the support of SRB6 resources and the County Council's Urban Renaissance Programme. The development of this scheme follows on from the start of work on the new Chilton Bypass. Consultation events around the routeway scheme are planned for this summer with implementation over a three year period from early 2005. It is anticipated that a small contribution from the Council to initiate works will be required in 2005/06 alongside the SRB6 contribution.

3.10 **Newton Aycliffe** – preparation of proposals to assist in implementing the outcomes from the West Ward Area Community Appraisal and Masterplan study to assist the Council in the active implementation of the agreed Neighbourhood Management initiative for the area. This will comprise the implementation of an environmental strategy to improve the residential environment and public realm areas of West Ward. Suggested proposals from the Study include the improvement of the setting of properties, removal of garage blocks, and the improvement of the pedestrian network.

3.11 **Trimdon** – An evaluation of further works to facilitate the improvement of the Church Street Shopping Area in Trimdon Village in connection with the recent provision of a new retail unit and replacement library.

Community Initiatives

3.12 Actions under this measure are intended to secure a partnership-based approach to achieve local community environmental improvements promoted by local community partnerships, town and parish councils as well as groups such as resident associations. Funding within the initiative would be available for local groups to access so as to match fund with locally raised resources and other sources such as the lottery funds and to support improvements to Council owned land.

- 3.13 It is planned that an initial budget provision would be maintained in subsequent years at a level able to support a limited number of individual schemes in any one year. Key criteria for a scheme being advanced would be its contribution towards the key objectives for the Regeneration Services Portfolio and evidence of local community engagement. The Council's Area Forums would be actively engaged in consultations on potential schemes in their locality. A further report on the operation of the scheme will be presented in November

Countryside Management

- 3.14 Initiatives are to be directed towards enhancing the environmental quality and access to the Borough's urban fringe and countryside areas. Planned proposals for 2005/06 include a Whitworth Park Landscape Improvements scheme as part of the English Nature funded Mineral Valleys Project. Under this regional scheme the Council has been awarded funds to implement various improvements within the Whitworth Park area to the west of Spennymoor. Planned improvements include landscape works, surfacing of public footpath routes and the improvement of bridleways so as to enable improved access to this historic landscape area and the installation of interpretation panels. The initiative is expected to extend over two financial years and English Nature's contribution will be around 70% of the total scheme costs of approximately £80,000, with the Council contributing £25,000. The majority of the expenditure will however fall into 2005/06
- 3.15 A further scheme has been developed to provide a Local Nature Reserve at Ferryhill Carrs. This scheme aims to enhance access into the site and will include the construction of new pathways to link into existing routes and measures to ease maintenance arrangements across the site. The total cost of the scheme is identified as £80,000, with an application for Aggregates Levy Sustainability Fund seeking to provide 75% of the scheme costs.

Other Items

- 3.16 Provision is also made in the planned programme for a **Conservation Area Improvement** scheme at West Cornforth, the promotion of schemes linked to **Sustainable Transport** in the Borough's Main Centres in connection with the County Durham Local Transport Plan (e.g. cycling, safe routes to schools, environmental improvement measures in areas with intrusive levels of traffic), implementation of the **Local Plan** and to support **ICT connectivity** to maximise the potential of the proposed ICT County Durham Broadband Network for community access.

Economic Development Schemes

- 3.17 Activity in respect to Economic Development will be targeted towards the following schemes:

a) Aycliffe Industrial Park

A proposal is being advanced to address as a priority under the County Durham Economic Development Single Programme the improvement of the operational and environmental conditions of the County's key employment location.

Aycliffe Industrial Estate has been identified through the County Durham Sites & Premises Study and by the County Durham Economic Partnership as a key location for such attention and a scheme of around £1,510,000 for the period to up to March 2008 has been developed using Single Programme assistance alongside private sector contributions. The principal aim is to ensure that Aycliffe

Industrial Park remains a key employment location, providing the environment needed for modern business to grow and develop.

Improvements works will include signage, environmental / landscaping improvements, entrance features, public art, and building enhancements. The Economic Development section is also working with a private property company to support the demolition of the derelict former Hoesch Woodhead building, which will release a 2.025Ha site for redevelopment. The envisaged net contribution from the Council will be £400,000 over this three-year period, including £134,000 allocated from the 2005/6 budget.

b) Heighington Lane West

Cabinet in February 2003 agreed the commitment of £100,000 of expenditure towards the planned infrastructure works for the Heighington Lane West site, with an initial £50,000 being met from the 2002/03 Programme and a further £50,000 falling into 2004/05. The purpose of the scheme is to sub divide the site into 3-4 large development plots. The planned works will include the construction of a spur road, improvements to site drainage, the re-routing of public footpaths, development of site services, ecological works to safeguard local habitats and a comprehensive landscaping scheme.

Due to delays in the completion of an Ecology Study the SBC contribution of £50,000 was carried forward in to the 2005/6 financial year, along with £30,000 to fund the Ecology Study.

The scheme will also benefit from contributions from Durham County Council as well as the Single Programme and ERDF.

c) Green Lane Industrial Estate, Spennymoor

Arising from the contraction of the Black and Decker plant on the Green Lane Industrial Estate it was recognised that there was a need to undertake a study to consider the future strategic employment use of the site and it's positioning as one of the three major sites in the Borough alongside Aycliffe Industrial Park and NetPark. The Cabinet in February 2003 agreed to the joint commissioning of the Study with One NorthEast, and Durham County Council. The Development Options Study is now completed and includes a number of recommendations on how the site's land and premises offer as well as its highway connections and environmental appearance should be improved to fulfil its planned role as a strategic employment site.

For 2004/05 an initial scheme was envisaged of £180,000 funded through the Council and Durham County Council as joint owners and with Single Programme support to commence some of the estate improvement works recommended by the Study centred around improvements to signage; street lighting; footpaths and landscaping. The Council's contribution was to be £55,000.

Due to delays in securing Single Programme funding, this scheme will take place during 2005/6. The SBC contribution of £55, 000 has been carried forward to support its implementation.

In the medium to longer-term the Study also made ambitious proposals for the development of new, high quality light industrial and office buildings, in order to secure the long-term future of the site and strongly contribute to the wider economic regeneration of Spennymoor.

d) **Hackworth Industrial Estate**

A number of comments from companies on the Estate have been received regarding the environmental conditions. The Council's ownership interest is predominately associated with the landscaped amenity areas as opposed to industrial premises. A survey of the estate to ascertain the potential scope to undertake a scheme to improve environmental conditions and security arrangements is proposed in view of the concerns of companies and the fact that the initial works in establishing the Estate were undertaken some ten to twelve years ago and require some remedial attention.

It is envisaged that SBC will contribute £25,000 to support external environmental improvements to a significant former railway building on the estate, benefiting both existing tenants of the building and the wider business community. Consideration will also be given to the establishment of a Commercial Areas Improvement Grant Scheme for Hackworth Industrial Estate.

e) **Business Park Signage**

The scheme to be implemented during the 2005/6 financial year is designed to update and improve the content of the signage across the Borough's business parks in which SBC as units to let. The estimated cost of the scheme is £30,000.

f) **NetPark**

Netpark - a contribution of £30,000 towards the demolition costs of the Gables building and the North West Lodge arising from the Council's joint acquisition of the site with Durham County Council as agreed by Cabinet in March 2004.

g) **General Site Servicing**

Enable SBC to undertake improvements to the smaller industrial estates as required. Works could include signage as well as environmental and security improvements. Estimated spend during 2005/6 is £35,000.

4 **CONSULTATIONS**

4.1 In compiling the planned capital programme there has been no direct public consultation.

4.2 The Programme does however reflect activities to implement a number of Council approved strategies and policies that have been subject to some previous level of public consultation. Many of the project elements listed that are to be delivered utilising external sources of matched funding have been developed in the various regeneration partnerships in operation across the Borough.

5. **FINANCIAL IMPLICATIONS**

5.1 The planned expenditure for the programme is in accordance with the capital programme expenditure targets set for the Regeneration Services Capital

Programme by Council in February 2004 and the carry forward of resources from 2004/05 agreed with the Director of Resources.

- 5.2 The ability to attract external finance to support the Council's policy objectives and individual projects continues to be a significant factor. Attention will remain on maximising available resources by working in partnership with others and from other external sources.

6. **OTHER MATERIAL CONSIDERATIONS**

- 6.1 The proposals and planned actions outlined within this Report fit within the Council's approved Key Policy Framework. In particular, they support the delivery of the Council's four Key Aims to create a healthy, prosperous and attractive Borough with strong neighbourhoods, and accords with the Council's approved Local Neighbourhood Strategy and Community Strategy.
- 6.2 In the delivery of the programme due account will be given to factors of risk management, sustainability and social inclusion.

7. **OVERVIEW AND SCRUTINY IMPLICATIONS**

- 7.1 The Regeneration Services capital programme will be subject to the normal Overview and Scrutiny Arrangements.

8. **APPENDICES**

- 8.1 Appendix 1 – Regeneration Services Capital Programme 2005/06.

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Wards: All wards in the Borough.

Key Decision Validation: Will involve expenditure of over £100,000 per year and significantly impact on more than two wards in the Borough.

Background Papers:

Spennymoor Town Centre Programme, Report to Cabinet, December 2003
Budget Framework 2004/05, Report to Council, February 2004.

Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Councils Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Councils S.151 Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Appendix 1

REGENERATION SERVICES CAPITAL PROGRAMME - 2004/05

Regeneration

Scheme	Carry Forward from 2004/05	2005/06 Resources	Total
<i>Town Centre Improvements</i>			
Spennymoor Public Realm Works	110,000	0	110,000
Spennymoor Shop Improvements	20,000	0	20,000
Other Town Centre Works	20,000	0	20,000
Sub Total	150,000	0	150,000
<i>Area Neighbourhood Renewal</i>			
Ferryhill			
Dean Bank Routeway	55,000	0	55,000
Haigh Street Improvements	0	20,000	20,000
Ferryhill Station Env Improvements	20,000	0	20,000
Chilton			
Chilton A176 Improvements	15,000	200,000	215,000
Newton Aycliffe			
Western Area Newton Aycliffe	50,000	0	50,000
Rural East			
Church Road Area, Trimdon	50,000	10,000	60,000
Community Initiatives			
Local Community Initiative Fund	100,000	0	100,000
Sub Total	290,000	230,000	520,000
<i>Countryside Management</i>			
	19,300		
Whitworth Park Minerals Valley Project		0	19,300
Ferryhill Carrs		20,000	20,000
Other Schemes		20,000	20,000
Sub Total	19,300	40,000	59,300
<i>Other Schemes</i>			
LTP Related Schemes	20,000	20,000	40,000
Cornforth Conservation Area	5,000	30,000	35,000
Sedgefield Conservation – Hardwick Arms	0	25,000	25,000
Other Schemes		25,000	25,000
Sub Total	25,000	100,000	125,000
<i>Contingency Items/Other Schemes</i>			
Town Centre Car Parks	10,000	10,000	20,000
Other Schemes		20,000	20,000
Sub Total	10,000	30,000	40,000
TOTAL REGENERATION	494,300	400,000	894,300

Regeneration - Economic Development

Economic Development			
Scheme	Carry Forward from 2004/5	2005/6 Resources	Total
Employment Sites Improvements			
Heighington Lane West	80,000		80,000
Aycliffe Industrial Park Site Improvements Programme		134,000	134,000
Hackworth Park	25,000		25,000
Green Lane Industrial Estate	53,800		53,800
NetPark		30,000	30,000
Business Park Signage		30,000	30,000
Sub Total	158,800	194,000	352,800
Other Works			
Chilton Compounds access road retention		1,000	1,000
General Site Servicing and other Works		5,000	5,000
Sub Total		6,000	6,000
TOTAL ECONOMIC DEVELOPMENT	158,800	200,000	358,800

Summary			
Regeneration	400,000	494,300	894,300
Regeneration - Economic Development	200,000	158,800	358,800
Programme Total	600,000	653,100	1,253,100

08/08/2005

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