

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Housing, Environmental and Economic Development

Housing, Environment and Economic Development Committee: 8 June 2011

Subject: Regeneration Fund Proposals

1. Purpose

- 1.1** The purpose of this report is to set out proposals for the use of the regeneration fund identified and agreed as part of the Council's budget in February 2011.

2. Background

- 2.1** As part of the budget considerations in February 2011, the Administration acknowledged the impact that the current financial climate was having on reduction in investment with capital funding generally having been reduced by 23% and a 50% reduction in regeneration funding by the Scottish Government.
- 2.2** Regeneration remains a key policy for the Council and this has been recently reinforced in the determination of key priorities for 2011/12. The Council is keen to ensure that the momentum gained in communities who have shown a real appetite for change in their environment is supported and as a consequence it was proposed to create a £1million regeneration investment fund from reserves.
- 2.3** The aspiration is that the resource is spent in a manner that achieves best outcomes for both communities and the Council in the long term and should tackle some of the real problems within communities, ensuring no delay in masterplanning frameworks. The resource was also intended to look at where it could stimulate and fund projects such as site clearance, preparation etc.
- 2.4** The Executive Director of Housing, Environmental and Economic Development was requested to prepare a report as soon as practicable for Housing, Environment and Economic Development Committee on how the fund would best operate. This report sets out proposals for the fund and how it might be used over financial year 2011/12.

3. Main Issues

Parameters for use of the Fund

- 3.1** While it is not critical that all of the money is used in financial year 2011/12 it is acknowledged that it is important that the impact of the money begins to be seen in the current financial year. Following discussions with Corporate Finance it has been confirmed that the money can be used as follows:

- Revenue projects;
- Capital through the CFCR mechanism; and
- Loan funds for communities.

- 3.2** The money cannot be used to fund activity in relation to the Housing Revenue Account as Councils cannot plan to use general fund resources to fund Housing Revenue Account expenditure. The only exception to this position would be in circumstances where the Housing Revenue Account (after taking account of any HRA reserve) ran into an overall deficit position and only in those circumstances the General Fund would be required to make good that deficit. Essentially, this means that the money cannot be used to undertake demolitions, site clearances etc of any land or assets sitting within the Housing Revenue Account.

- 3.3** Options for use of the funds have been explored by a multi disciplinary working group comprising officers from across the Council. For the purposes of the fund regeneration was defined as “social, economic and physical action to help people in neighbourhoods experiencing multiple deprivation, reverse and the decline and create sustainable communities”.

The options identified broadly fell in to three categories:

- Environmental works;
- Site improvement/infrastructure works; and
- Community/social options.

Environmental Projects - £400,000

- 3.4** It is well documented that poor physical environment, particularly in housing areas can act as a limiting factor in terms of community development, engagement and involvement. It is therefore proposed that a proportion of the fund could be used to facilitate environmental works in areas where regeneration has already begun or in areas that would benefit from such investment.

Well designed green spaces and play sites within housing areas can help to underpin the vitality and sustainability of an area. These can help to build a sense of community and create civic pride whilst encouraging healthy living, active lifestyles and improved social and family interaction. It is therefore proposed that a proportion of the regeneration fund is allocated to projects that will:

- Facilitate major improvement to strategic play sites within West Dunbartonshire - with the regeneration fund being used as leverage for match funding from the environment trust/lottery.
- Upgrading of gap sites within housing estates including the removal of redundant play areas.
- Repair and upgrading of paths and stairways within housing areas to improve perceptions of the area.
- Landscaping improvement in key access routes to West Dunbartonshire as a mechanism of promoting West Dunbartonshire as an area for investment.

Site Improvement/Infrastructure Works - £400,000

- 3.5** This stream of funding would be used as a mechanism to effect the demolition/clearance of sites held within the general services account that could facilitate regeneration within an area. In addition, it is proposed that this stream of funding also support investment in public transport initiatives in partnership with SPT supporting our priority of encouraging tourism and complimenting some of the work undertaken by the National Park. As well as these issues a proportion of this stream of funding would be utilised to augment existing roads funding to undertaken comprehensive road improvements and upgrading through Old Kilpatrick on the A814 improving access to industrial units.

Community/Social Options - £100,000

- 3.6** The decision of the Council in February made it clear that a proportion of the funding should support the continuing masterplanning in the ten priority regeneration areas. While this is housing led much of the land within these areas is held within the general services account and as a consequence it is proposed that a proportion of the funding is set aside to support the continuation of masterplan development. In addition, the Council is engaging positively with communities to explore options around transfer of community facilities to community ownership. It is therefore proposed that a proportion of the funding is set aside to provide a mechanism for supporting those groups in gaining proper advice etc.
- 3.7** It is suggested that the balance of the funding £100,000 is set aside as a contingency to support specific projects as they develop.

4. People Implications

- 4.1** Officers from across the Council will be involved in developing these projects in consultation with partners and communities where relevant. This will be delivered from within existing resources.

5. Financial Implications

- 5.1** Corporate Finance have clearly articulated the scope for use of the fund and this is set out in paragraphs 3.1 and 3.2. It is critical therefore that in directing this funding this takes place within these parameters in order that proper accounting practice is complied with.
- 5.2** The proposals above are primarily capital projects however some will have revenue implications e.g. environmental works however it is considered that the revenue implications of these can be contained within existing budgets.
- 5.3** Where possible and practicable the regeneration fund will be used as a mechanism for leverage for additional funding and this will be particularly relevant in proposals for upgrade of play areas and environmental improvements through engagement with the Environmental Trust/lottery funding and also SPT in relation to public transport improvements. As a consequence, it is anticipated that the £1million regeneration fund should deliver investment to a value beyond that determined by the Council.

6. Risk Analysis

- 6.1** It is essential that the use of the fund is contained to activity within the scope of the general fund to ensure compliance with the Accounting Code of Practice.
- 6.2** Every effort will be made through partner agencies to optimise additional funding to augment projects. At this stage no such funding has been secured and this may impact on the breadth of projects that can be progressed.

7. Equalities, Health and Human Rights Impact Assessment (EIA)

- 7.1** No significant issues were identified in a screening for potential equality impact of this policy. The equalities impact of individual programmes will be considered as the programmes are developed.

8. Conclusions and Recommendations

- 8.1** The commitment to establish a regeneration fund from reserves re-affirmed the Councils position to ensure that the momentum gained within communities who have shown a real appetite for changing their environment is supported and acknowledges the critical role that the Council has to play in supporting investment and regeneration given the current financial climate.
- 8.2** The proposals outlined above are intended to ensure that best outcomes for both the Council and communities are achieved through utilising this money effectively to deal with issues of importance for communities, encourage community participation, where possible support jobs and training opportunities and improve West Dunbartonshire as a place to live, work and visit.

8.3 It is recommended that the committee:

(i) note the parameters within which the regeneration fund can be utilised;

(ii) note the opportunities to use the regeneration fund as leverage for additional investment; and

(iii) approve the proposals for 3 strands of funding:

- Environmental works - £400,000;
- Site improvement/infrastructure works - £400,000; and
- Community/social options - £100,000

with a contingency sum of £100,000 which can be used flexibly across the 3 strands as necessary.

(iv) delegate authority to the Executive Director of Housing, Environmental and Economic Development to progress projects within these parameters as set out in paragraphs 3.4 - 3.6 based on relative priorities across West Dunbartonshire.

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Date: 1 June 2011

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Appendix: None

Background Papers: None

Wards Affected: All