

NORTH WEST COALFIELD COMMUNITIES REGENERATION PROGRAMME

EXECUTIVE MEMBER: Cllr H Wormstrup
LEAD OFFICER: Mike Tichford
REPORT AUTHOR: Brian Kirkbride/Julian Smith

Summary: To seek Members approval to bankroll key projects within the Coalfield Programme and to agree financial support for Environment Cumbria to ensure delivery of projects within the programme.

Recommendation:	<p>That Members agree the following:</p> <ol style="list-style-type: none"> 1. To bankroll all Quarter 4 payments for 2005/06 for all Coalfield Programme projects to ensure compliance with North West Development Agency audit requirements. 2. To bankroll Moresby Parks Back-lanes project to a maximum value of £46,000 in 2006/07 subject to agreement with Wigan Borough Council that it will be repaid to Copeland in quarter 1 of 2007/08. 3. To agree financial support at the levels indicated below for Environment Cumbria for use in the development and implementation of the following projects in 2005/06. These are to be funded through the current balance of £20,833 from approved Groundwork contribution. <p style="text-align: right;">£</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Lowca Off-road Footpath</td> <td style="text-align: right;">2,000</td> </tr> <tr> <td style="padding-right: 20px;">Parton Car Park</td> <td style="text-align: right;">500</td> </tr> <tr> <td style="padding-right: 20px;">Birks Road Pay Area</td> <td style="text-align: right;">500</td> </tr> </table> <p>and to commit in principle to further financial support for Environment Cumbria in 2006/07, subject to satisfactory performance on the above projects.</p>	Lowca Off-road Footpath	2,000	Parton Car Park	500	Birks Road Pay Area	500
Lowca Off-road Footpath	2,000						
Parton Car Park	500						
Birks Road Pay Area	500						

Impact on Delivering Corporate Objectives The programme supports environmental schemes that contribute towards Quality of Life and Social Inclusion.

Impact on other Statutory Objectives None

Financial and Human Resource Implications: By bankrolling the project the Council forgoes the opportunity to invest the funds and so there is a small cash flow implication in bankrolling £166,000 from balances. The expected bankrolling period is for a maximum period of 12 months.

Project and Risk Management The project has been subject to risk assessment as part of the NWDA appraisal process prior to approval and inclusion in the North West Coalfield Communities Programme.

Key Decision Status

- **Financial:** Yes
- **Ward:** None

Other Ward Implications: None

1. INTRODUCTION

- 1.1 The Coalfields Communities Regeneration Programme is a regional NWDA funded programme supporting project activity in a number of eligible Boroughs throughout the north-west region. The programme is being co-ordinated at a regional level by Wigan Council. In Copeland the programme is a major contributor to a number of projects, delivering outputs and outcomes focussed on Employment, Business Support and Training; Environmental Improvements associated with former mining communities; and Healthy Lifestyles.
- 1.2 The programme commenced in 2004/05 and is set to run until September 2007/08, when all project expenditure is expected to be defrayed. The Council is acting as the Accountable Body for the Coalfields funding and is the delivery agent for two projects (Whitehaven Gateway project which is a part of the Environment Programme and the Clean and Green Team). The Council is also providing an advisory and supporting role on a number of other projects in the programme.

2. BANKROLLING OF ALL QUARTER 4 PROJECT PAYMENTS

- 2.1 In order to comply with NWDA end-of-year audit requirements (ie defrayment of expenditure before the year end) the Council has been instructed to pay out the value of all Quarter 4 claims to individual projects before the year end and in advance of receipt of the Coalfield grant. These costs will be re-couped on receipt of payment of the Quarter 4 claim, which on past experience is around 3 months in arrears. The financial burden carried by the Council is therefore for a limited period only.
- 2.2 The Quarter 4 claims are submitted in early March and therefore have to be based on defrayed expenditure up to the claim date plus an estimate of expenditure up to the year end. Any adjustment required between claimed expenditure and actual expenditure are made on submission of the Quarter 1 claims for the following year. The following projects and estimated amounts will make up the Quarter 4 claim:
- Clean and Green Team - £5,536
 - InBiz)
 - Social Enterprise in North Copeland (SENC)) £9,494
 - Haig Mining Museum)
 - Copeland Stadium - £100,000 (based on revised application)
 - Environmental projects (Moresby Back-lanes; Lowca footpath; Parton Car Park; Birks Road Play Area - £7,380

3. BANKROLLING OF MORESBY PARKS BACKLANES

- 3.1 Progress on this project has been slow due to the protracted legal processes associated with the instigation of the Streetworks Act and also due to additional fundraising to ensure sufficient resources are in place to ensure delivery based on estimated project costs. This has now been achieved with the securing of £30K of ERDF funding.
- 3.2 The project is now moving forward and detailed implementation programme is in place. Tenders were received on 6 January and the lowest figure has been confirmed as being within

the budget estimate prepared for fundraising purposes. We are awaiting formal notification on the appointment of contractors from County Highways, who are acting as the contract managers. A start date for the contract is scheduled for 16 March but this is subject to all other stages of the project progressing smoothly. eg further statutory consultation associated with the Streetworks Act legislation.

- 3.3 Because of the tight timescales for achieving spend on this project between now and the end of March there is a significant risk associated with committing to the required spend target that would enable the 46K Coalfields grant to be claimed. If a commitment is made to achieving a certain level of spend and this target is not met, funding will be lost to the project. A target spend of £46,000 for the 2005/06 financial year has therefore been agreed with Wigan and County Council. We are therefore seeking approval for the Council to bankroll the project up to a maximum of £ 46,000 in 2006/07
- 3.4 The balance of the Coalfields programme funding can be carried forward, but rather than being available in 2006/07 it will be the 2007/08 financial year before the funding can be drawn down. The Claim will therefore be made in Quarter 1 of that year. The requirement to wait a year before a claim can be made is due to NWDA budget constraints in 2006/07.
- 3.5 The £54K of Coalfield funding already allocated for 2006/07 year will be spent to profile and claimed at the earliest opportunity following provision of evidence of defrayment of expenditure.
- 3.6 As the County Council is acting as client on this project an initial enquiry was made as to whether the County might be better positioned and willing to assume the bankrolling of the project. However a view was taken that this would not be acceptable.
- 3.7 It should be noted that by agreeing to bankrolling the project an opportunity to generate interest income will be lost.

4. SUPPORT FOR ENVIRONMENT CUMBRIA

- 4.1 As previously reported, progress has been significantly delayed on the Coalfield Environmental programme due to the sudden liquidation of Groundwork West Cumbria on the 1 June 2005, who were acting as the lead delivery body for a number of individual projects. However, this situation is slowly being rectified with the delivery of these projects being taken on by a new enterprise "Environment Cumbria". This approach has been endorsed by Council Officers.
- 4.2 Environment Cumbria came into being following the demise of Groundwork West Cumbria in June 2005 when three members of the Groundwork Landscape Team (each qualified Landscape Architects) decided to set up a Landscape Consultancy with a view to continuing to deliver community-focussed environmental improvement schemes. This was made possible through the backing of Groundwork Blackburn, who are providing financial and administrative support to Environment Cumbria. The staff at EC have recently been offered a 6 month extension to their contracts with Groundwork Blackburn ie to the end of June 2006. Environment Cumbria is currently operating as a Social Enterprise as part of Groundwork Blackburn's Social Enterprise set up, but aim to become established as a Social Enterprise in their own right once they are on a sound financial footing.
- 4.3 A sum of £20,000, earmarked as Groundwork's core funding for 2005/06, remains in the Council's budget. The recommendation of this report is for this funding to be used to support Environment Cumbria in the delivery of the projects within the Coalfields programme. As the funding is identified as revenue, the recommendation is for it to be utilised to meet Environment Cumbria's staff costs on the projects. (eg. design, contract management, site supervision, client and community liaison, fundraising)
- 4.4 In addition, approval is sought to carry forward any unallocated funds from the aforementioned £20K into 2006/07, with a view to utilising this sum to support Environment Cumbria's future

involvement in projects that help to deliver agreed environmental schemes that meet Council priorities.

The benefits of providing this support are:

- To utilise an immediately available mechanism for delivery of the existing Coalfield environmental project programme
- To support for staff made redundant through the demise of Groundwork
- To make a contribution to the viability of a locally based Social Enterprise
- To help establish a mechanism for locally based service provision to partially fill the gap left by the demise of Groundwork which could be of long-term benefit to the Council.

5.0 PROJECT UPDATE

i) Lowca Off-Road Footpath

A tendering process has taken place and a contractor has been appointed to undertake the work.

The Landfill Tax funding previously allocated to Groundwork has successfully been transferred to Environment Cumbria. However the project is waiting for confirmation of funding from a further source before work can commence in February 2005 with completion by the end of March.

ii) Parton Car Park

The engineering works (car park construction and surfacing) were completed prior to the demise of Groundwork West Cumbria (contractors costs met by the Parish Council). The soft landscaping remains to be completed and is scheduled for commencement during February 2005 with completion by the end of March.

iii) Birks Road Play Area

The fall-out due to the demise of Groundwork West Cumbria has created a funding gap regarding this project which is proving difficult to resolve. However, the CWMET Landfill Tax funding previously allocated to Groundwork has now successfully been transferred to Environment Cumbria.

Implementation of the project is dependent on the results of a Ground Investigation study that has been requested by the Council's Environmental Health department. Because of this it is highly unlikely that this scheme will be delivered during the current year a fee totalling a maximum of £500 is required in the short term to enable Environment Cumbria to commission and manage ground investigation study and to continue to advise and support the residents group.

6.0 CONCLUSION

- 6.1 That Members agree to support recommendations detailed in order to support delivery of the Coalfield Programme in 2005/06.

List of Appendices

None

List of Background Documents: None

List of Consultees: Corporate Team, Cllr H Wormstrup, Cllr G Blackwell, Paul Robson, Catherine Nicholson