

Appendix 1

CONFIDENTIAL

West Cumbria Delivery Team

A Prospectus

This Prospectus will address the operational issues of the West Cumbria Delivery Team (WCDT) raised at the last officer meeting of the key partners in October 2006. Detailed operational and recruitment arrangements will be rightly determined through West Lakes Renaissance (WLR) processes and procedures in consultation with the Local Authorities.

Progress

Prospectus

Following the partner meeting in October, officers were charged with preparing a more detailed prospectus outlining:

1. How the West Cumbria Delivery Team (WCDT) will actually operate and what it will consist of in reality.
2. What form of governance arrangements will be put in place.
3. What the work programme will look like.
4. The roles and responsibilities of the partners.

This prospectus will address these issues in turn. It will then require formal sign off from partners with a view to making the West Cumbria Delivery Team operational from 1st April 2007.

1. WCDT Structure and Role

The WCDT will be a delivery arm of West Lakes Renaissance (the Urban Regeneration Company for West Cumbria) operating across the administrative areas of Allerdale and Copeland Borough Councils (outside of the National Park). The key role of the WCDT is **delivery** of projects that are both in the WLR Business Plan and others that are externally funded. The projects to be delivered will form part of a SLA with local authority partners.

The underlying premise of the proposal is that the existing Workington Regeneration Team (WAR - excluding the Community Teams and Workington/Maryport Town Centre Managers) forms the core of the WCDT. The current WAR Regeneration Team and Admin Support/Financial Management Teams, currently employed by ABC, but funded by North West Development Agency (NWDA) and WLR should be transferred to WLR

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(under TUPE conditions), probably by January 2007. Additional regeneration delivery/programme officers are to be brought into the team through:

- secondment from local authorities,
- relocation within West Lakes Renaissance, and
- by recruitment.

The team will have one overall manager, reporting to the Chief Executive of WLR.

The team could initially consist of:

Table 1

Existing Roles	Proposed Designation Contract
Workington Regeneration Manager	New WLR post – HMR/Deliver Team Manager
Regeneration Manager	Regeneration Delivery Manager
Programme Manager	Programme Manager
Project Manager	Project Manager Maryport
Administrator (Maryport)	Administrator
Administrator (Workington)	Administrator
WLR Whitehaven Project Manager	Whitehaven Project Manager
	Whitehaven Project Managers x 2
Existing Copeland planning and project manager posts (1FTE)	Seconded to team. No cost to WLR.
Business Support Officer – Whitehaven (currently 0.5 FTE LABGI funded)	Whitehaven Business Support Officer – TBC
	Coalfields Project Manager (2008 – 2011) - TBC
Allerdale BC Urban Initiatives Officer	Seconded to team. No cost to WLR.

The shape and size of the team will depend on current workload requirements and the capacity to deliver. Table 1 shows what is considered the minimum

requirement to deliver the size of programme identified in Appendix 2. It may be necessary to recruit additional specialist staff.

2. Governance Arrangements

The underlying position is that inserting additional layers of governance, or duplication of existing arrangements, is not effective, efficient or necessary options. However, the concern of Copeland BC and the County Council to have robust management arrangements in place is recognised and supported. The primary governance arrangements will be that the team will work only to the agreed set of projects, bound by Service Level Agreements (SLA), with an annual delivery plan signed off by all partners and formally agreed by the WLR Board. Partner (ABC, CBC, CCC) approval of the delivery plan, and overall programme outlined here, will be through the:

- West Cumbria Strategic Partnership (LSP) - Chief Executives Group or Partnership Board
- West Cumbria Strategic Forum
- Local Authority Committees and Neighbourhood Forums as necessary
- Local Town Partnerships where in existence.

The use of existing mechanisms, with quarterly reporting on the agreed programme, will ensure local partners are kept informed of WCDT activity and are able to monitor the equitable spread of resources. Exceptional issues may need WLR Board, accountable body (CCC) and local partner intervention as necessary but this will be rare. Figure 1 is a broad outline of the Governance arrangements.

3. Work Programme

The WCDT work programme currently consists of projects in a range of agreed and developing programmes funded by the North West Regional Development Agency. The current best estimate of projects and their value are set out in Appendix 2. They will form the basis of the short to medium term programme.

4. Roles and Responsibilities

It is imperative that the roles and responsibilities of the various players are defined at the start of any project delivery phase. It is proposed that this will be through the mechanism of a **Project Management Agreement (PMA)**. The generic issues such as risk management, financial arrangements, outputs and reporting will be included in a **Service Level Agreement (SLA)** for each programme area.

Key issues to be covered by PMA and SLA will include:

- Allocation of risk - who carries the financial risk, is it transferable to the funding body (i.e. away from the accountable body?)

- Definition of client, project manager, and accountable body for each project
- Defining who carries overspend risks and can these be underwritten
- Resolution of VAT issues

Appendix 1 defines the various roles and responsibilities and Figure 2 identifies an outline Project Management process.

5. Risk Management

SLAs and PMAs will address a number of risk management issues.

- Financial risks e.g. cost over runs, will require a joint approach between funder, client and accountable body to resolve them.
- Individual project risks should be identified in the PMA's and reported.
- Risks associated with the detailed arrangements connected with the recruitment and transfer of staff should be identified and mitigated by full consultation with the individuals concerned.
- Potential risks associated with adverse publicity, communications between partners and reporting processes proposals need to be addressed in a risk assessment as appropriate. Performance management of the team will mitigate risks.

6 Next Steps

The three Local Authorities and West Lakes Renaissance will formally consider the outline arrangements in this Prospectus. The recruitment of the Delivery Team Manager will need to be completed as soon as possible - WLR are preparing the Job Description and this will be circulated for comment prior to it being finalised. The Manager will put in hand a detailed operational plan to pull together the team in time for a formal start of 1st April 2007.

DAVID MARTIN
HEAD OF REGENERATION, ABC

MICHAEL TICHFORD
HEAD OF REGENERATION, CBC

8 NOVEMBER 2006

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Appendix 1

Generic Roles and Responsibilities

1. Accountable Body

Takes responsibility for the legal and financial management of grants.

- 1.1 Establishing effective appraisal and approval systems.
- 1.2 Overseeing contract management.
- 1.3 Ongoing monitoring.
- 1.4 Financial accountability and effective financial management systems.
- 1.5 Submission of programme claims.
- 1.6 Maintain a financial audit trail.
- 1.7 Submit audited accounts.
- 1.8 Manage cash flow.
- 1.9 Liaison with Audit Commission.

2. Client Role

Responsibility for the overall management of the project particularly liaison with the funder and project manager and, crucially, financial management of the project.

2.1 Client Management

- 2.2 Agree a programme of schemes with the funder
- 2.3 Develop the project with the involvement of all parties, particularly the project manager and design consultant in order to agree a funding application.
- 2.4 Bid for funding and negotiate same.
- 2.5 Accept offer of funding.
- 2.6 Meet regularly with funder, project manager and designer to monitor progress.
- 2.7 Attend individual progress meetings.
- 2.8 Oversee project management.
- 2.9 Negotiate and agree changes to projects and deal with unforeseen matters.
- 2.10 Manage risks and keep project in budget.
- 2.11 Authorise payments.
- 2.12 CDM regulations.
- 2.13 Planning Supervisor role.

2.14 Financial Management

- 2.15 Set up financial systems, databases, spreadsheets etc.
- 2.16 Deal with invoices and record same.
- 2.17 Monitor budgets.

- 2.18 Make project claims to funder including monitoring statements.
- 2.19 Deal with final accounts.
- 2.20 Receive payments.
- 2.21 Agree VAT issues if appropriate.
- 2.22 AUDIT.

3.0 Project Management

Contribute to the development of a project and manage the delivery of the project on the ground.

- 3.1 Work with the client to develop the project.
- 3.2 Negotiation and agreement of terms with land owners.
- 3.3 Negotiation with planning authority leading to the grant of a planning consent.
- 3.4 Negotiation and agreement of terms for the design and supervision of the project.
- 3.5 Preparation of briefs for studies and other feasibility work and control of subsequent contracts.
- 3.6 Preparation of estimates.
- 3.7 Control of contracts on a day to day basis. Decision making on individual items and attendance at site meetings.
- 3.8 Recommend payment of invoices to client.
- 3.9 Monitoring outputs and reporting as necessary.

4.0 West Lakes Renaissance as Funder

- 4.1 Work with the client and accountable body to ensure the project progresses in a satisfactory manner.
- 4.2 Ensure there is a clear distinction between funder and project delivery roles.
- 4.3 Consider justified requests for additional funding for project cost over runs, subject to budget availability and individual project circumstances.

5.0 Cumbria County Council

The West Lakes Renaissance business plan contains a number of projects for which the local authorities will act as client. This will permit maximum benefit to be realised from public funding. For those projects in the West Cumbria Area the WCDT will perform a full project management role. In this scenario where a local authority makes the funding applications for individual projects an administration fee to cover its costs may be included.

Appendix 2

Agreed Work Programme

PROVISION, DRAFT LIST OF PHYSICAL REGENERATION PROJECTS

Project	Indicative WLR Funding (£000's)	Indicative Total Funding (£000's)	Indicative Timescale	Suggested Client
1. Allerdale				
Employment Sites	2,100	?	2006-2008	Various
Derwent Howe Environmental Imp.	3,400	3,400	2006-2010	CCC?
Workington Transport Interchange	2,000	3,000	2006-2008	CCC
Cloflocks Stadium Development	2,000	22,000	2007-2009	ABC
Public Realm	4,400	8,300	2007-2008	CCC/ABC
Workington Site Acquisitions	1,200	1,200	2007-2008	WLR/ABC
Harrington Harbour	750	2,700	2007-2010	ABC?
Port of Workington	5,200	12,500	2006-2010	CCC
Workington Traffic Management	2,000	?	?	CCC
BIP Site, Maryport	700	1,500	2006-2008	CCC
Maryport Harbour Reconfiguration	2,000	2,300	2008-2011	CCC
Ellen Corridor Improvements	650	1,300	2009-2011	CCC
Maryport Marina Development	825	1,700	2006-2008	CCC
Maryport Station Improvements	450	1,000	2007-2009	CCC
Maryport Harbour Bridge	700	800	2006-2007	CCC
Destination Maryport	0	3,000	2006-2008	ABC
2. Copeland (see note 1)				
Whitehaven				
Whitehaven 'Sea Change' projects – hotel, public realm etc.	TBC	TBC	2006-2016	CBC
Whitehaven Transport Interchange	1,100	1,100	2006-2008	CCC
Whitehaven Coach Park	550	?	2008-2009	CCC
Pow Beck Corridor	2,200	3,200	2006-2008	CBC
Employment Sites	2,100	?	2006-2008	Various
Public Realm	?	?	2007-2012	CBC
Egremont MTI projects:	2,788	4,650	2006-2009	Various
<ul style="list-style-type: none"> • Florence Mine • Resource Centre • Building improvements • Folk Archive • Tourism Infrastructure • Public Art development • Town centre remodelling/public realm 				

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Millom MTI projects: <ul style="list-style-type: none"> • Eco Tourism development • Haverigg Community Centre • RAF Museum • Palladium regeneration • Town centre Masterplan • Haverigg Beach Improvement Scheme • Millom Gateway improvements 	1,500	3,000	2006-2009	Various
Cleator Moor Regeneration	2,815	5,500	2006-2009	Various
Haig Colliery Mining Museum	500		2006-2007	CBC/CCC
Coalfields Community (currently Copeland only)	0	1,000	2008-2011	CBC
3. Others				
Project Ability	895	?	2006-2008	?
WCSF Capital Projects	550	?	2006-2008	Various
Housing Market Renewal	3,100		2006-2009	RSL's
TOTAL	46,473	83,150		

1. The Table is drawn from Appendix 1 of the draft WLR/CCC SLA, the Step ForWARD Programme, WLR Business Plan, MTI and other plans. It is not complete, most evidently at this point in identifying the appropriate client for projects based in Copeland. However it is and should be iterative and it will evolve as demands change over time.
2. It covers hard end capital projects and **excludes** capital 'grant-giving-to-the private sector' projects e.g. Manufacturing expansion grants, Maryport Accommodation Programme.

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Appendix 3

Team Outline Budget – Indicative only

Costs & Funding for West Cumbria Delivery Team

Costs @ 2007/2008	£
Salaries (1)	330,000
On costs @ 22%	72,600
Other Employee Costs (2)	10,500
Rent	16,000
Rates, heat, light	12,000
Telecoms	6,000
Office Consumables	12,000
Travel	15,000
Miscellaneous costs (non project)	8,000
Total	482,100

Figure 1

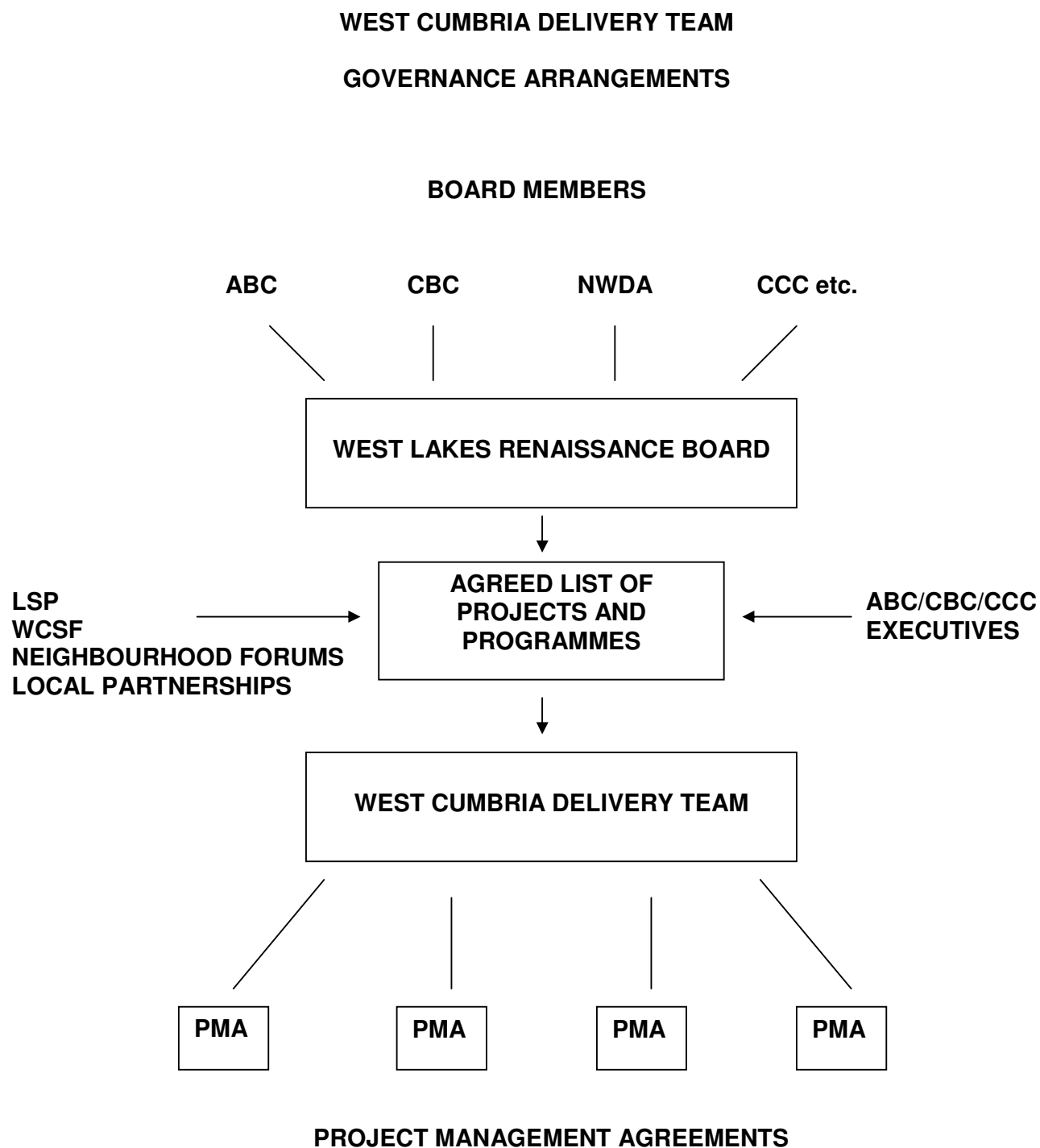


Figure 2

