

Report to

Cabinet Member (Urban Regeneration and Regional Planning) 3rd March 2005

Joint Report of

Director of City Development & Director of Finance & ICT

Title

Canley Regeneration Scheme – Update on Financial Implications

1 Purpose of the Report

1.1 This report provides an update on the financial aspects of the Canley Regeneration project.

2 Recommendations

Cabinet Member is recommended to: -

- 2.1 Note the financing arrangements of the Canley regeneration scheme.
- 2.2 Refer this report to Scrutiny Co-ordination Committee for consideration.

3 Information/Background

- 3.1 In November 2004 Cabinet approved the progression of the Canley Regeneration Project, based on a housing led option. The approval gave permission to proceed with the project, confirming that the provision of the one-stop shop and the new Midland Sports Centre should be included in the top priorities of the scheme. The remaining investment priorities for the area would be considered as part of the project plan and delivered depending on the amount of funding available. All capital receipts generated in the area were approved to be ringfenced to the Canley project in addition to a contribution from the Council's capital programme of £1m.
- 3.2 Following the "call-in" of the Cabinet report, Scrutiny Co-ordination Committee requested further details on the financing of the project. This report clarifies the proposed financing arrangements for the project.
- 3.3 The projected costs and receipts for the project are set out overleaf.

	2004/05 & prior £000s	2005/06 £000s	2006/07 £000s	2007/08 £000s	2008/09 £000s	2009/10 £000s	Total £000s
<u>Expenditure</u>							
Charter School	783	4,133	250				5,166
Feasibility & planning	151	144	10				305
Replacement pitches			385	195	20		600
Midland Sports Centre Cont.		250	650	100			1,000
One Stop Shop		100	1,400	950	50		2,500
Decontamination of Park		50	920	30			1,000
Brookstray			20	220	10		250
Mitigation works		25	280	175	20		500
Green Space Improvements		38	180	200	182	20	620
Total Expenditure	934	4,740	4,095	1,870	282	20	11,941
<u>Funding</u>							
Corporate Capital Allocation	151	849					1,000
Education Grant	783	2,708					3,491
Network Rail		500					500
Housing receipts			2,250			2,750	5,000
Infil Housing			750	600			1,350
LIFT				600			600
Total Funding	934	4,057	3,000	1,200	0	2,750	11,941
Net Expenditure	0	683	1,095	670	282	(2,730)	0

- 3.4 The cost and timing estimates of expenditure and receipts are at an early stage. The current estimates show that some spend will need to be incurred in advance of receipts for the project being generated. This is not unusual and is often the case for some schemes such as the rebuild of a school where surplus land is released for housing to fund the project.
- 3.5 The Capital Programme approved by Council on 22 February has included this spend and income profile. This means that any timing differences, as highlighted in the cashflow above, will be managed corporately as part of the overall management of the capital programme. It is not envisaged that there will be a need to fund the timing difference on any projects by using prudential borrowing.
- 3.6 As individual projects within this programme come on stream they will be evaluated and monitored, in relation to the forecast cashflow, to ensure that the timing differences referred to above are minimised and effectively managed. This will ensure that overall value for money is obtained for the Council.
- 3.7 Any changes will be built into the council's capital programme and treasury management forecasts and reported to members in the regular budget monitoring reports.

4 Proposal and Other Option(s) to be Considered

- 4.1 It is proposed that the Cabinet member notes the content of this report.

4.2 Further reports will be presented with approvals for specific aspects of the project as the scheme progresses.

5 Other specific implications

5.1

	Implications (See below)	No Implications
Area Co-ordination		✓
Best Value	✓	
Children and Young People		✓
Comparable Benchmark Data		✓
Corporate Parenting		✓
Coventry Community Plan		✓
Crime and Disorder		✓
Equal Opportunities		✓
Finance	✓	
Health and Safety		✓
Human Resources		✓
Human Rights Act		✓
Impact on Partner Organisations		✓
Information and Communications Technology		✓
Legal Implications		✓
Property Implications		✓
Race Equality Scheme		✓
Risk Management	✓	
Sustainable Development		✓
Trade Union Consultation		✓
Voluntary Sector – The Coventry Compact		✓

6 Best Value

6.1 The project will be managed in accordance with the principles of best value.

7 Financial Implications

7.1 The financial implications are outlined in section 3 of the report.

8 Risk Management

- 8.1 The Project Team have produced a register of the perceivable risks to the implementation of the various elements of the Canley Regeneration Project. This risks surrounding the costs and income related to the project have been included within the register and will be monitored on a regular basis.

9 Monitoring

- 9.1 The Project will be managed by the Project Champions Team in City Development Directorate, supported by the Canley Regeneration Project Board. The monitoring process will include regular progress meetings, quality assessments and sign off. The project is to be run in a manner compliant with the corporate Project Management Toolkit.

List of background papers

Proper officer: Director of City Development

Author:

Telephone 2641

Tim Jones, City Development

(Any enquiries should be directed to the above)

Other contributors:

Diane Jones, FICT, Ext 3781

Paul Jennings, FICT , Ext 3753

Mark Smith, Legal & Democratic Services, Ext 3037

Jayne Elrick, Legal & Democratic Services, Ext 3016

Jon Venn, Human Resources, Ext 1125

Carl Pearson, City Development, Ext 2010

Papers open to Public Inspection

Description of paper

Location

None