

Taunton Deane Borough Council

Executive - 16 March 2011

Project Taunton and Growth Point funding 2011/2012

Report of the Strategic Director

(This matter is the responsibility of Executive Councillor Cavill)

1. Executive Summary

This paper sets out the proposals for the allocation of Growth Point funding for 2011/2012. Taunton Deane is one of the partners responsible for the Growth Point funding allocation. The allocations mentioned in this paper have been discussed and approved by the Project Taunton Advisory Board made up of the other partners, and also by the Council's Project Taunton Member Steering Group.

2. Background

- 2.1 Project Taunton was originally funded by contributions from three partners, Somerset County Council, Taunton Deane Borough Council and the South West Regional Development Agency. Since 2007 further funding has come from the South West Regional Development Agency for capital costs of property and land purchases, the Homes and Community Agency for a further property purchase, some funding from Taunton Deane towards the capital investment in Somerset Square but the bulk of funding has come from the Growth Points fund of Central Government. The team have been very successful at bidding to this fund and considerable amounts of revenue and capital funding have been received. However this funding stream is now at an end.
- 2.2 Budgets and spending plans have been agreed year on year with the Advisory Board and via the formal political mechanisms of Taunton Deane Borough Council. The revenue funding has been spent on project costs including salaries. The capital funding has been spent on delivery of projects. The final payment of Growth Points funding has now been received and the future delivery requirements of Project Taunton now need to be considered.

3. Budget Strategy for 2011/2012

The detailed revenue and capital budgets are found in the Delivery Team spending plans attached.

- 3.1 Revenue funding: There is £327,900 left in the revenue budget. This is just sufficient to support the Delivery Team for a further year. The budget has been streamlined where possible (for example, marketing will now be allocated to a specific project and thus can become a capital project cost). This leaves a slim contingency of £33,700. There is also a possibility that staff time spent on delivering specific capital projects can be allocated to capital. This is still under consideration.
- 3.2 Capital funding: Capital funding has come from a number of sources over the past few years though the largest contributor has been the Department for Communities and Local Government with the Growth Points programme. Other sources include the South West Regional Development Agency, the Homes and Communities Agency, Somerset County Council and Taunton Deane Borough Council itself. The total of what has been spent, plus what has been committed on current projects totals £7,092,000 leaving a balance of unallocated funding of £516,459. This is over and above any projects that have already been agreed. £230,000 of this has been allocated to additional projects. These are projects which have not had funding allocated to them but which are, in the team's view, those which ensure that the town centre has all the physical links in place to make it "work". Funding has been estimated against these projects but these will need refining as projects are developed.
- 3.3 This leaves an estimated balance of £286,459 that remains unallocated. It will be possible for this to be rolled forward. Potentially some could be used to capitalise some of the Delivery Team salary costs but it is important that a healthy contingency is retained for unforeseen items of expenditure.
- 3.4 The Council's Executive (4 April 2007) agreed that when the land at the Coal Orchard was sold to Somerset County Cricket Club the amount remaining from the capital receipt once Somerset Square was completed should be transferred to Project Taunton for the delivery of other schemes. In a report to the Executive (19 September 2007) this amount was identified as £100,000. However, it has come to light that in reality the £100,000 was never allocated to Project Taunton budgets and went into the general capital programme.
- 3.5 The totals mentioned in this report assume that this £100,000 is found from other budgets within Taunton Deane and re-allocated to Project

Taunton. This could come from either a capital receipt coming in to the Council or from another source such as Housing and Planning Delivery Grant. This issue has been considered by Taunton Deane's Member Project Taunton Steering Group who agreed in principle that they wish to see the funding returned to the Project Taunton budget as per the original decision, but want advice from the Financial Services Manager as to the best option for achieving this. The advice is outlined in the following paragraphs.

4. Finance Comments

- 4.1 A considerable amount of time has been spent verifying the true position relating to the balance of Growth Points Capital and Revenue funding and it is confirmed that there are sufficient funds to cover both the Capital and Revenue Budgets attached, subject to the £100,000 mentioned above being returned to the Project Taunton budget. There are sufficient funds left unallocated within the Housing and Planning Delivery Grant (HPDG) to transfer this amount into a capital funding reserve set aside for Project Taunton capital schemes.
- 4.2 This would leave a balance of approximately £380,000 left unallocated in HPDG. Also, an allocation of HPDG capital exists of £215,000 which is likely not to be required. This will be a subject of a report to Scrutiny later this month. Transferring £100,000 of HPDG would give certainty to the Project Taunton budget for planning purposes rather than having to wait for a capital receipt to come in at some time in the future.

5. Legal Comments

- 5.1 The legal issues are dealt with on a project by project basis with the full involvement of Taunton Deane's Legal Team.

6. Links to Corporate Aims

- 6.1 These projects link to the Regeneration Corporate Aim.

7. Environmental and Community Safety Implications

- 7.1 These issues are picked up through the planning process and dealt with at this stage on a project by project basis.

8. Equalities Impact

- 8.1 This report raises no equalities issues. However, these are considered on a project by project basis.

9. Risk Management

- 9.1 This report raises no particular risk management issues though risk management is an integral part of each project.

10. Partnership Implications

- 10.1 The Growth Point funding is granted to the place of Taunton rather than the Borough Council. The Project Taunton Advisory Board, comprised of all key partners, oversees the use of this funding. They have given their approval to the revenue and capital budgets attached.

11. Recommendations

- 11.1 The Executive is recommended to agree:-
- (a) The revenue and capital spending plans for the use of Growth Point funding in 2011/2012; and
 - (b) That £100,000 is added to the Project Taunton Capital Programme Expenditure Budget for 2010/2011 and the associated funding for this is transferred to a Project Taunton Capital Reserve from Housing and Planning Delivery Grant.

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Project Taunton Revenue						
<i>Ref.</i>	<i>Item</i>	<i>Income 10/11</i>	<i>Expected Expenditure 10/11</i>		<i>Income 11/12</i>	<i>Expected Expenditure 11/12</i>
	<i>Growth Points</i>	300,698				
	<i>09/10 underspend</i>	273,286				
	<i>10/11 underspend</i>				302,000	
	<i>GP Interest 09/10</i>	26,580				
	<i>* GP Interest 10/11</i>				25,900	
	<i>Additional income</i>	6,984				
1	Salaries & on costs		213,000			213,000
2	Office Costs		14,000			14,200
3	Furniture & IT		5,000			5,000
4	Project Costs		69,000			19,500
5	Other inc rent		4,200			42,500
	Total	607,548	305,200		327,900	294,200
					Contingency	33,700

N.B

* Interest prediction

2011/2012 Expenditure is broken down as follows:

- 1 Salaries & On Costs** - Salaries, Car leasing, Pensions and NI
- 2 Office costs** - Stationery & print, Publications, Subscriptions, Hospitality, External room bookings, Office insurance, Shared office costs
- 3 Furniture & IT** - Office machinery, IT hardware, Office furniture, IT software, ICT consultancy
- 4 Project Costs** - Website, Marketing, Scout Centre, COACH, Sponsorship, UKHO, Rail Tickets
- 5 Other** - Rent & Utilities, Petty cash, Misc unplanned

Capital Budget

1 All project income to date from all sources	17,308,403.00
All project expenditure to 31/03/10	9,750,569.00
Capital balance as at 01/04/10	7,557,834.00
Plus VAT to be reclaimed	50,625.00
Total available balance	7,608,459.00

Projects either delivered or with committed funding:

Existing projects	Total Planned Expenditure
2 Longrun Meadow	625,260.00
3 Firepool	1,217,240.00
4 Castle Green	2,665,000.00
5 Retail	275,000.00
6 NIDR	1,000,000.00
7 Somerset Square	36,500.00
8 Urban Growth	850,000.00
9 Bridge Street Link & Goodland Gardens	300,000.00
10 Charging Points	33,000.00
11 Eco Towns various studies	90,000.00
	7,092,000.00

Budget for future projects:

Additional Projects	Total Estimated Expenditure
12 Coal Orchard	20,000.00
13 High Street	150,000.00
14 Network/Bus station masterplanning	25,000.00
15 YMCA	5,000.00
16 Signage	25,000.00
17 Car parking Strategy	5,000.00
	230,000.00

18 Final Balance	286,459.00
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- 1 This total comprises funding from a variety of sources including Growth Points, SWRDA, HCA, SCC, TDBC, etc
- 2 All works to install 3 new bridge crossings to Longrun Meadow, foot and cycle paths, planting, oak barn, green cathedral, etc
- 3 Acquisition of 92 & 94 Priory Bridge Road , CPO costs and cost of delivering new public realm
- 4 Fees and construction costs
- 5 Fees and contingency to repay £125K to development partner under certain agreed circumstances (unlikely to be required)
- 6 Contribution to cost of new road to secure £3.5M of HCA funding for 108 affordable dwellings. Road completed and dwellings under construction
- 7 Completion works and public art installation
- 8 Contract with Urban Initiatives to carry out strategic masterplanning and support TDBC through Core Strategy
- 9 Improved footpath link from Brewhouse to North Street, works to Town Bridge, at grade crossing of North Street and creation of new public 'park' to rear of Debenhams and new level crossing of Mill Stream
- 10 Installation of electric vehicle charging points at Cambria Farm Park and Ride
- 11 Studies required by the 'Eco Town' bid, including refresh of the Taunton Protocol and work to assess impact on viability of enhanced levels of sustainability
- 12 Initial masterplanning of proposals for the Coal Orchard area adjoining the Brewhouse
- 13 Development of detailed plan and works to enhance the High Street
- 14 Initial masterplanning of rail and bus station areas with a view to assessing enhancement/development options. Jointly funded with First Group.
- 15 Initial works to explore options for relocating YMCA into new town centre premises
- 16 Work to deliver a 'legible' town strategy with new signage for town centre
- 17
- 18 A. This balance excludes the payments received and/or due from Midas Homes in respect of flood storage capacity and the corresponding RIF loan repayment (1300k)
 B. This balance excludes potential income if 64 Priory Bridge Road were to be sold (surplus to operational requirements and not now needed in connection with the Firepool Scheme). Estimated proceeds of sale £165K
 C. This balance excludes potential additional income from the 'sale' of remaining flood storage capacity at Longrun Farm (negotiations ongoing)