

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cabinet	
MEETING/ DECISION DATE:	11 June 2014	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2667
TITLE:	Community Regeneration Capital Programme 2014-15	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: None		

1 THE ISSUE

1.1 Within the Council Budget approved at Full Council on 18 February 2014 capital funds were provisionally allocated for a number of Community Regeneration projects. In order to bring forward these projects it is necessary to draw down the provisionally allocated capital funding for:

- River Corridor Fund: £340k;
- Digital B&NES: £350k; and
- Midsomer Norton Business Centre: £125k.

2 RECOMMENDATION

2.1 It is recommended that Cabinet:

- (i) Approve the following provisional items for inclusion within the 14/15 capital programme:
 - River Corridor Fund: £340k;
 - Digital B&NES: £350k; and
 - Midsomer Norton Business Centre: £125k.
- (ii) Delegate authority to draw down the funds to the Strategic Director for Place in consultation with the Cabinet Member for Sustainable Development.

3 RESOURCE IMPLICATIONS

- 3.1 Within the Council Budget approved at Full Council 18 February 2014 capital funds were provisionally allocated to the above items.
- 3.2 The £340k River Corridor Fund is financed through Corporately Supported Borrowing and will comprise a series of small projects. Some of these may involve the creation of new assets and thus require revenue maintenance in future years. It will be ensured, as each project element is drawn down that the responsibility for this maintenance lies outside the Council.
- 3.3 Officer resources in managing and delivering these pieces of work will be covered through existing revenue allocations made through the Council's annual service and resource planning process.
- 3.4 The £350k Digital B&NES provisional budget is financed through £50k Corporately Supported Borrowing and there is potential to lever in grant funding in future in relation to this project, however it will require capital contingency funding of £300k until any future grant funding is confirmed. It is not anticipated that there will be any revenue consequences of this project.
- 3.5 The £125k Midsomer Norton Business Centre budget is financed through Corporately Supported Borrowing. There are not anticipated to be any revenue implications of the completed centre to the Council as the centre will be run as a stand-alone entity.
- 3.6 The first element of work on both the Digital B&NES and the Midsomer Norton Business Centre will be to develop the proposals and undertake feasibility work where technical expertise does not exist within the Council. There is a risk, if the projects do not go ahead, that this initial spend will revert to revenue. This risk will be borne by the service and if the reversion arises, the service will reprioritise revenue budgets to manage the charge.
- 3.7 Funding will be provided for Capital purposes only and Officers will ensure that all funding accords with the Local Government Capital Regulations and the Council Constitution including procurement rules.
- 3.8 No Revenue budget provisions exist for these projects and therefore the Council will not accept any revenue liabilities arising from any grant funded or supported project.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The draft Core Strategy highlights the need to create nearly 7,000 jobs in Bath, the majority of which will be in the Bath City Riverside Enterprise Area. When delivered this jobs growth (combined with 1,600 new jobs in Keynsham) will generate an additional £400m of GVA per year to the economy.
- 4.2 The proposals will promote job creation and a sustainable economy for the future of B&NES residents, thereby promoting a number of corporate objectives and promoting equality, sustainability and enhancing both the quality of life and the quality of the environment as set out below.

5 THE REPORT

5.1 This report seeks approval to draw down three Community Regeneration provisional capital programme allocations as below.

Digital B&NES

5.2 Business surveys have indicated that access to superfast broadband and digital information is a key issue for companies when deciding on locations for business expansion or relocation. To this end officers have been progressing three main strands of work :

- Implementing a Wireless Connectivity network to enable Wi-Fi and 3G/4G coverage across the centres of Bath, Keynsham, Midsomer Norton & Radstock;
- Facilitating ultra-fast broadband to key sites in the Bath City Riverside Enterprise Area through the commercialisation of the Council's duct network as part of a £5m LEP WofE project; and
- Enabling access to the WofE R&D Mesh for academia and high-tech businesses as part of a £15m LEP WofE project.

5.3 Delivery of the Wireless and Ultra-fast Broadband networks would potentially be through revenue earning contracts with wholesale providers which could underpin further capital investment by the Council in future years.

5.4 In addition access to broadband is vitally important for rural areas both in relation to the expansion of homeworking and allowing residents access to online services and information. The Council is a partner in the Connecting Devon & Somerset (CD&S) rural broadband project which aims to connect 95% of properties across Devon, Somerset, North Somerset & B&NES by 2016. Roll out has commenced in B&NES.

5.5 The Council now has an opportunity to bid, as part of the Connecting Devon & Somerset programme for a share of an additional Government infrastructure fund of £250m to provide Superfast Broadband to 100% of premises by 2020. The CD&S Partners will need to provide match funding for any additional monies.

5.6 It is proposed that the Digital B&NES funding is drawn down to provide :

- £200K of match funding for additional Government broadband infrastructure funds; and
- £150K of resources to support on-going work on the Wireless, Ultrafast Broadband and R&D Mesh projects.

River Corridor Fund

5.7 B&NES has recognised the importance of the River Avon in its draft Core Strategy and Green Infrastructure Strategy. It has worked closely with a range of stakeholders to ensure that the City makes the most of its economic, environmental, cultural and social value.

- 5.8 A River Corridor Scrutiny Day took place in May 2012, building on the work of the River Corridor Group. The PDS Panel Recommendation was accepted by the Cabinet, the rationale being:

“This Administration is keen to ensure that any future developments near or related to the River will not “turn their back” on the river, but see the river as the excellent asset it is, and enhance the river frontage for public access”

- 5.9 In addition on 16 January 2014 Full Council accepted a motion to set up the Strategic River Group chaired by the Cabinet Member for Sustainable Development (which has met twice, in March and April 2014):

“Under the leadership and guidance of the Council’s Strategic Director for Place to urgently form a Round Table Working Group from the top level decision makers of the Canal & River Trust, the Environment Agency, Wessex Water, The River Regeneration Trust, and Senior Officers from this Council to discuss the river on a wider basis including flooding issues and proposed flood mitigation projects and other aspects such as usage.”

- 5.10 The Council will consult with the Strategic River Group on the development of a River Strategy and associated framework of projects which will link with the emerging Enterprise Area Masterplan, Core Strategy and Placemaking Plan

Midsomer Norton Business Centre

- 5.13 The Midsomer Norton Business centre fulfils an important role in the economy of the local area, providing 5,000 sq ft of managed accommodation and meeting facilities for local businesses to access and utilise. Since its creation in 1993, the business centre has enjoyed over 90% occupancy and housed between 16-20 local businesses consistently during that period.
- 5.14 Following the termination of the Business Link contract by Central Government, the Centre has struggled to cover its own running costs and cross-subsidisation from Business West is no longer possible. As a result, BANES has been subsidising the running of the Business Centre.
- 5.15 The situation is not sustainable and so a solution to address this issue is therefore required in order to ensure that the Business Centre can viably operate as a stand-alone entity (without BANES subsidy) and continue to support the business community of Midsomer Norton and the wider Somer valley area.
- 5.16 In order to secure a solution for the long term future of the Midsomer Norton Business Centre, the Economic Development and Regeneration teams will undertake an initial review of options which would enable the continued operation of the business centre without the requirement for ongoing subsidy.

6 RATIONALE

- 6.1 The recommendations reflect the Council’s corporate Vision and Objectives through promoting lively and active communities, and unique places with beautiful surroundings.
- 6.2 The recommendation has been determined via thorough consultation through the Core Strategy process, Economic Strategy review, emerging Enterprise Area Masterplan, emerging Placemaking Plan and discussion with Members and key

stakeholders. Robust governance and partnership working is in place for the three funds through respectively: Connecting Devon and Somerset/Local Enterprise Partnership; the Strategic River Group; and B&NES/Business West/Somer Valley Community Partnership.

7 OTHER OPTIONS CONSIDERED

7.1 The allocated funding could have been taken as a saving or reallocated to other projects. However this option was discounted due to corporate priorities, economic and regeneration imperatives, and existing Council resolutions as set out above.

8 CONSULTATION

8.1 Consultation has been carried out through the Core Strategy process, Economic Strategy review, emerging Enterprise Area Masterplan, emerging Placemaking Plan and discussion with key stakeholders and local members.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

9.2 The report author and Lead Cabinet member have fully reviewed the risk assessment related to the issue and recommendations, in compliance with the Council's decision making risk management guidance.

9.3 The Community Regeneration Division maintains a risk register, updated and reported regularly to Corporate standards, which captures and seeks to mitigate all project and operational risks.

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Contact person	Tim Hewitt, Regeneration Team Leader, 01225 477552
Background papers	<p>Council Budget and Council Tax meeting minutes, 18 February 2014</p> <p>Bath and North East Somerset Council River Corridor Report (Scrutiny Inquiry Day) - Economic & Community Development Panel report</p> <p>Flood Motion to Full Council, 16 January 2014</p>
Please contact the report author if you need to access this report in an alternative format	