

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting22nd February 2007

1. Title of Item/Report

Regeneration Projects Funding Arrangements

2. Record of the Decision

As part of the budget process, consideration was given to an update on the current position with regard to the Council's major regeneration projects, including details of the progress made and a proposal to seek flexibility in the utilisation of capital funds allocated through Council budgets for the schemes over the medium term.

A number of the key regeneration schemes were progressing well and were producing opportunities for partnership working with the public and private sectors with both English Partnerships and One Northeast keen to play an increasing role in these schemes. A report on Billingham was presented to Cabinet in December 2006, which agreed the sale of the Town Centre. Thornaby Town Centre redevelopment has started on site, planning consent has been granted for a new foodstore in Stockton and site assembly has started for the Southern Gateway with the purchases of Archon and Riverside House. At Mandale, phases 1 and 1A were nearing completion and masterplanning had started on phase II. Site clearance had been completed for phase I at Parkfield and the development agreement for Hardwick was due to be considered by Cabinet on the 15th March 2007.

On North Shore, the development agreement with AMEC and Urban Splash had been signed. The University was close to agreeing Heads of Terms for their expansion site on North Shore and at the Cabinet meeting on the 13th July 2006 meeting agreement had been given to the Council project managing the construction of the footbridge as a consequence of the Council's track record in major construction projects.

Both English Partnerships and One Northeast were actively involved in promoting regeneration in the Borough and were keen to investigate ways of increasing their involvement. Help had been offered by both agencies that would influence the agenda for quality of design and to explore greater public private partnership working. In particular, to expedite delivery of schemes on site it was proposed to allow flexible

utilisation of Council, English Partnerships and One Northeast capital allocations between schemes. It was noted that this would not impact upon the Council agreed capital allocation but would simply ensure that overall sums could be drawn down when necessary across the respective schemes.

Such flexibility would bring many advantages to all funding parties. It would enable, for example, partners to maximise opportunities for site acquisition. It also enabled each funding partner to commit to a medium term capital allocation. English Partnerships and One Northeast were the major funders of the footbridge together with the European Regional Development Fund (ERDF). In particular, it was proposed to utilise the Council's capital as a contribution towards the North Shore Footbridge contract, thus ensuring the tight construction timetable was adhered to. English Partnerships and One Northeast would then contribute to funding elements of the Stockton Middlesbrough Initiative and housing regeneration schemes in future years. A re-profiling of the Council's Capital Programme for 2006-2009 would be required to receive the funds available.

RECOMMENDED to Council that within the overall capital funding allocations for major regeneration schemes and any income allocated for reinvestment in regeneration schemes, authority to manage the use of the capital funds be delegated to the Corporate Director for Development and Neighbourhood Services, in consultation with the Cabinet Member for Regeneration and Transport.

3. Reasons for the Decision

To facilitate the delivery of the regeneration projects stated in the report.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

None

7. Date and Time by which Call In must be executed

Not applicable

Proper Officer
23 February 2007