

Local Development Framework Panel
23rd June 2010
Growth Area Funding – Proposals for Expenditure

Agenda Item 6

Portfolio Area: Enterprise and Culture
Report Presented by: Paul Munson, Head of District Development

Background Papers: Growth Area Funding Guidance; Chelmsford and Braintree Growth Area Funding Programme of Development; Correspondence from CLG
Corporate Implications: Please refer to table at end of report
Options:

1. To agree the proposals for expenditure as set out in the report
2. To agree alternative proposals for expenditure

Risks: Failure to agree proposals will put the delivery of projects at risk
Proposals for expenditure should support the delivery of housing and employment as set out in the Programme of Development otherwise there is a risk that the funding may be reclaimed

Executive Summary

The priorities for the expenditure of Growth Area Funding were agreed at the LDF Panel meeting on 3rd February 2010.
Since then progress has been made on a number of projects which now require specific approval for expenditure. In particular an opportunity has arisen to purchase land which will help to secure the regeneration of one of the key sites proposed in the Core Strategy and it is proposed that Growth Area funding should be made available for this. Funding is also proposed to improve part of Station Road, Witham to enable the provision of a second exit from Witham Station Car Park

Decision

1. To recommend to Council the proposals for the expenditure of Growth Area funding as set out in this report and as follows:
 - purchase of land for regeneration of Core Strategy site for employment and housing - £800,000
 - improvement of Station Road, Witham to adoptable standard - £40,000

GROWTH AREA FUNDING – PROPOSALS FOR EXPENDITURE

1. The priorities for the expenditure of Growth Area funding were agreed at the LDF Panel meeting on 3rd February 2010. It was also agreed that any remaining Growth Area Funding should be used to support the delivery of growth and regeneration areas identified in the Draft Core Strategy and the delivery of affordable housing. Specific proposals for expenditure would be subject to the normal approval process.
2. Chelmsford and Braintree Councils were jointly awarded Growth Area Funding (GAF) to support the delivery of new housing and employment and associated infrastructure in December 2007. The award of funding was based on a joint Programme of Development that was submitted to Government in October 2007 with the funding being made available in annual instalments between 2008 and 2011. The total funding available to the two Councils for the period 2008 to 2011 is approximately £11m, of which Braintree's share is approximately £4.3m. Since the election the Government has announced that the allocation for 2010/11 would not be confirmed until after the budget and that any expenditure made against the 2010/11 allocation would therefore be at risk.
3. The confirmed funding available to this Council is therefore as follows:

Year 2008/9

Capital - £1,741,621
Revenue - £101,156

Year 2009/10

Capital - £1,463,510.30
Revenue - £63,481.95

Total Confirmed funding:

Capital - £3,205,131.30
Revenue - £164,621.95

The funding still to be confirmed is:

Year 2010/11

Capital – £832,502.65
Revenue - £67,238.50

4. The agreed priorities for expenditure were as follows:

Capital Expenditure

Delivering Employment Growth

Purchase of employment land and provision of infrastructure – land north of Springwood Industrial Estate, Braintree

Delivering Housing Growth

Purchase of land and contribution to site development costs, Braintree

Infrastructure to Support Housing Growth

Freeport Foot/Cycle Bridge, Braintree

Witham Station Footbridge Extension

Greenspace Improvements, John Ray Park, Braintree

Town Centre Regeneration

Purchase of land east of High Street, Halstead

Revenue Expenditure

Water Cycle Study

Revised Development Brief for Land East of High Street, Halstead

Braintree Rail Study

5. The current status of projects under these headings is set out in the schedule at Appendix 1. Funding for specific projects agreed to date is:

Braintree Town Centre Regeneration - £350,000 Capital

Contribution to Freeport Foot/Cycle Bridge - £250,000 Capital

Funding for Braintree Branch Line Rail Study Phase 1 - £40,000 Revenue

Some funding remains unallocated and the position on some schemes has changed since the priorities were agreed. There is therefore an opportunity to consider other options. The overall objective of Growth Area Funding is to support the delivery of new housing and employment and supporting infrastructure. An opportunity has arisen for the Council to purchase land which will help to secure the regeneration for housing and employment of one of the key sites identified in the Core Strategy. A detailed report on this is included elsewhere on the agenda. It is proposed that Growth Area Funding of £800,000 capital is allocated to this. The Council and Essex County Council are also investigating the creation of an alternative exit from the Witham Station Car Park in connection with the proposals to extend the footbridge at Witham Station. This will require the improvement of part of Station Road to adoption standard at a cost of approximately £40,000. It is proposed that this should be funded from Growth Area Fund capital. These proposals can be accommodated within the funding already received for 2008/2010.

6. Progress on other projects is as set out in Appendix 1 and specific proposals for expenditure on these projects will be reported to future meetings of the Panel.

Project Title	Lead Organisation	Description of Project	Total Cost	Delivery Date	GAF Funding 2008/10	GAF Funding 2010/11	Other Funding	Current Position (June 2010)
Capital Schemes								
Delivering Employment Growth								
Land north of Springwood Industrial Estate, Braintree	BDC	Purchase of employment land and provision of infrastructure	£800k	2010/11	£0	£800k		Land identified for employment growth in LDF draft Core Strategy. Discussions with landowners on hold.
Delivering Housing Growth								
Land r/o Rayne Road	BDC	Land assembly to bring forward land for development for 40 houses	£460k	2010/11	£460			Feasibility study completed. Land acquisition not being actively pursued.
Various sites Braintree	BDC	Land assembly and contribution to development costs to support the delivery of affordable housing	£1m	2010/11	£1m			Negotiations taking place on contribution to one site in Braintree
Core Strategy Regeneration Site	BDC	Purchase of land to support regeneration of area for employment, housing and community facilities	£800k	2010	£800k			Negotiations in progress
Infrastructure to Support Housing and Employment Growth								
Freeport Foot/Cycle Bridge	ECC	Contribution to construction costs	£700k	2011	£250k		£250k ECC £200k Section 106	Preliminary Design complete. Pre-planning application consultation completed. Planning application to be submitted Summer 2010.
Witham Station Footbridge Extension	ECC/Network Rail	Contribution to construction costs	£2m		£40k		S.106 ECC Network Rail	ECC have now agreed a design and build package with Network Rail. GAF funding proposed for improvement of part of Station Road to adoptable standard.
Greenspace Improvements – John Ray Park	BDC	Contribution to improvement works	£500k	2011	£300k		£100k section	Footpath/Cycleway options being investigated. Construction proposed for

Project Title	Lead Organisation	Description of Project	Total Cost	Delivery Date	GAF Funding 2008/10	GAF Funding 2010/11	Other Funding	Current Position (June 2010)
							106 £100k BDC	Summer 2011.
Town Centre Regeneration								
Land East of High Street, Halstead	BDC and Private landowners				0			Site currently under offer. GAF funding unlikely to be required
Braintree Town Centre Regeneration	BDC	Purchase of Property in Braintree Town Centre	£360k		£360k			Complete
Total Capital Identified					£3.2m	£800k		
GAF available					£3.2m	£832k		
Unallocated					£0	£32k		
Revenue								
Water Cycle Study	BDC	Consultants Costs		2008	£45k			Phase 1 Study Complete
Braintree Rail Study	BDC	Consultants Fees	£75K	2010	£40k			Proposal for Network Rail to carry out Phase 1 feasibility study received
Total Revenue Identified					£85k	0		
GAF Available					£164k	£67k		
Unallocated					£79k	£67k		

Corporate Implications			
Financial:	This is additional funding available to the Council and will not impact on existing budgets		
Legal:	None		
Equalities & Diversity:	Positive as the funding will facilitate the delivery of new housing and jobs		
Customer Impact:	Projects funded by GAF will be of benefit to people living and working in the District and to local businesses		
Environment & Climate Change:	This will need to be assessed for individual projects supported by GAF		
Consultation/Community Engagement:	Local Committees		Partners
	Public		Staff
Key Decision:	Yes		
Public/Private Report:	Public		
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