

PAPER D

Regeneration, Planning and Environment Policy Scrutiny committee – 3 May 2018

Cabinet member update – Regeneration Budget

1. Introduction

This report sets out the expenditure against identified budget for the newly created regeneration function of the Isle of Wight Council. The report will go into detail about what the expenditure has been used for and how it is broken down into project delivery.

The newly formed Regeneration directorate within the council, under the leadership of the Director for Regeneration, comprises the Regeneration Delivery team, the Corporate Property team and the Economic development team. The directorate's combined revenue budget for 17/18 was £3.25m.

For the purposes of this report, focus will be on the newly created regeneration budget to support the activities of the regeneration delivery team and the associated regeneration functions. The directorate was formed as a result of a key proposal in the council's medium term financial strategy, to develop capacity, to maximise potential returns on councils assets and help grow the local economy. Since their appointment the regeneration team has focused on developing key projects towards identifying the necessary resources and methods of delivery, whilst at the same time developing a holistic regeneration strategy for the Island.

2. Executive Summary

The table below details the high level budget and expenditure for Regeneration delivery for 17/18:

	Profit Centre	2017-18 Budget	2017-18 Actual Expenditure	Forecast Under /Overspend
Director of Regeneration	Dir. of Regeneration	625,352	552,454	72,898
Director of Regeneration Total		625,352	552,454	72,898
Regeneration Projects	Nicholson Rd Regen	500,000	30,359	469,641
	Ryde Esplanade Regen	210,000	12,344	197,656
	Newport Harbour Regen	250,000	46,247	203,753
	BAE Systems Regen	150,200	98,595	51,605
	Battery Gardens Cafe	0	91	-91
	Newport St Food Mkt	20,000	3,384	16,616
	Newport Young Design	20,000	10,000	10,000
	Kingston Marine Park & Island Technology Park	0	2,330	-2,330
	Public Service Hub	25,000	25,000	0
RG18012 Regeneration Projects Total		1,175,200	228,250	946,850
REGENERATION TOTAL		1,800,552	780,804	1,019,748

As can be seen in the table, a significant underspend is forecast and this will be carried forward to enable the continued support of projects as it has been recognised that regeneration often spans a number of financial years.

3. Expenditure detail

The Director of Regeneration budget line covers not only the staffing costs but a number of key activities, not defined as projects requiring their own budget line. The following table identifies expenditure against this budget line:

Table 1: Detail expenditure for Director of Regeneration

Director of Regeneration Expenditure lines	Amount	Comments
Staffing costs	£344,816.00	<p>This figure relates to the salaries and associated on costs for the following positions:</p> <p>Director of Regeneration Assistant Director Regeneration Part-time Communications Officer Planning Policy officer Part-time Urban Designer Procurement Officer Legal officer</p>
Expert advice / professional services	£126,353.00	<p>This expenditure relates to procuring the appropriate expert advice or skills we do not have internally to enable a number of projects to be developed. This includes:</p> <ul style="list-style-type: none"> • Project management support for outline business case development across key sites. This includes procurement of key services on behalf of the local authority • Cost and viability expertise • Expert advice on digital conference and strategy • #WDYT – high street social media
Events hosted	£27,619.58	<p>This expenditure relates to the following large scale events hosted by the regeneration team:</p> <ul style="list-style-type: none"> • Regeneration launch event • Digital Conference • Youth Conference
Events attended	£4,668.00	<p>This expenditure relates to events attended to promote the Isle of Wight as a destination for investment and business growth such as:</p> <ul style="list-style-type: none"> • Sitematch • Business South
Advertising / marketing	£9,391.97	Expenditure relates to the production of the inward investment prospectus and video material used to promote the Isle of Wight as an investment opportunity.
Newport Place Plan	£25,000.00	Contribution to the Newport Place plan

		done in conjunction with Newport Town Council and Newport Business association
General office and staff expenditure	£7,239.11	Expenditure relating to staff travel and general office requirements (ICT, stationery, etc)
Legal Fees	£2,366.00	Fees relating to legal work in support of a range of projects
Interreg EU funding feasibility	£5000.00	Partnership project with Chamber of Commerce

The regeneration projects budget lines relate to key sites and projects. The table below identifies these budget lines and gives comment on how the budget has been used.

Table 2: Regeneration projects budget expenditure

Expenditure against the identified regeneration projects is detailed in the table below:

Regeneration Project	Expenditure	Comments
Nicholson Rd Regen	£30,359	Concept design and feasibility study to enable development of Outline Business Case
Ryde Esplanade Regen	£12,344	Legal fees and cost viability and modelling expertise
Newport Harbour Regen	£46,247	Concept design and feasibility to enable the development of the Outline Business Case. Extensive land registry searches
BAE Systems Regen	£98,595	Expenditure to enable to delivery of the BAE site for Ascensos and the refurbishment of remaining Council-leased parts of the site.
Battery Gardens Cafe	£91	Enabling costs
Newport Street Food Market	£3,384	Licensing, planning and associated costs with creating the commercial opportunity for the street food market
Newport Young Designers	£10,000	Partnership with Mattinson Associates to use a regen site for the YDA 2018. Newport Harbour crossing
Kingston Marine Park & Island Technology Park	£2,330	Pre-development costs
Public Service Hub	£25,000	Professional expertise to support the feasibility work to enable a public service hub