



Supplementary Report to the Partnership for Urban South Hampshire Joint Committee

Date: **9 March 2011**

Report of: **Anne-Marie Mountifield, Executive Director**

Subject: **PUSH 2011/12 Capital Programme Recommendations**

SUMMARY

This report provides a summary of the recommended capital projects submitted against the PUSH unallocated balance of capital NGP funding of £415,000, to support the PUSH Capital Programme for 2011/12, on the basis of the anticipated resources available to PUSH, and having regard to the priorities for the delivery of the PUSH Business Plan. The resources available include the projected under spends on the 2010/11 capital budget

RECOMMENDATION

It is recommended that the Joint Committee:

1. NOTE capital programme bids as detailed in Annex 1 of this report.
2. NOTE the capitalisation of the costs associated with the Programme and Information Manger and APPROVE the establishment of a budget of £100,000 from the unallocated capital budget to cover the programme management through to 31 January 2013
3. APPROVE the recommended additions to the PUSH Capital Programme for 2011/12 of £315,000 as set in the report in Tables 2a – 2b, and summarised in Table 3

INTRODUCTION

1. At the last Joint Committee meeting in January, it was advised that there remained an uncommitted balance of £415,000, to be allocated in advance of the 2011/12 financial year.
2. The Joint Committee are asked to NOTE the capitalisation of the costs associated with the Programme and Information Manager to manage the capital programme from 1 April 2011 and AGREE to the establishment of a budget within the capital programme for 2011/12 and 2012/13 to cover those costs. The amount required to meet this request is £100,000.
3. This therefore leaves a balance of £315,000 available to allocate against the capital bids as described in this report.
4. A total of 4 capital bids were submitted with an overall funding request of £650,000, thereby exceeding the available budget. A summary of all the capital bid submissions and funding requests are summarised in appendix 1.
5. To ensure a fair and transparent assessment process, the respective Chief Executive Theme Leads were advised to consider the readiness of all the bids submitted under the auspices of its Delivery Panel; paying particular regard to the set of criteria agreed at November 2010 Joint Committee meeting. In reaching the recommendations made in this report therefore, all bids were considered against the following criteria:
 - Previous Joint Committee decisions on the priorities for 2010/11
 - Priorities identified in the letter from the Minister Grant Shapp in his letter to all leaders of housing growth Local Authorities, dated 2 July 2010,
 - Emerging priorities from the draft Economic Development Strategy,
 - Progress made by, and the risk profile for, projects allocated funding for 2010/11,
 - The state of readiness and risk profile of new projects bidding for funds, and
 - Value for Money assessment of each proposed project, and the delivery against the PUSH Business Plan objectives.
6. A meeting of PUSH Chief Executives on 18 February 2011 considered the bids that had come forward, together with their state of readiness, As a result agreement on recommendations of the uncommitted balance has been reached and are now included for the Joint Committee to consider. This resulted in 2 recommended projects being proposed for PUSH NGP funding,

OUTCOME OF THE ASSESSMENT PROCESS

7. As advised 4 bids, totalling £650,000 were received and assessed by the PUSH Chief Executives. A brief assessment for each theme followed by the recommended Programme is set out in Annex 1.

Table 1: Bids and resources – 2011/12

Theme/Delivery delivery	No. of bids	Total value (£000s)
Economic development	2	50
Housing and Planning	1	300
Quality Places	1	300
Total	18	645
Uncommitted balance	-	315
Difference		330 oversubscribed

Economic development projects

8. The Gosport Waterfront development site is a strategic gateway site covering an area of 13.5 hectares in a mix of ownerships. Just over 50% of the land is in private ownership, 17% is owned by Gosport Borough Council and 29.5% is owned by the Ministry of Defence and County Council. The purpose of this proposal, therefore, is to secure the funding needed to commission a detailed contamination assessment of the retained land at Royal Clarence Yard, and provide a comprehensive report outlining the issues, required remediation works and associated costs.
9. A second bid was received in this area but it did not meet the eligibility requirements for NGP Capital funding, and therefore could not be recommended. The overall recommended allocation for this theme is to support the one bid and this is detailed in the following table 2a.

Table 2a: Recommended Economic development theme additional capital allocations

Project	PUSH NGP Capital allocation	Other secured funding	Total of proposed programme
Gosport Waterfront	£15,000	-	£15,000
TOTAL	£15,000	-	£15,000

Housing and Planning projects

10. One project application was received in this area and it was not recommended to support the bid.

Quality Places projects

11. One submission was received for the Southampton Cultural Quarter Public Realm. The £550k project will provide significant public realm improvements to the exterior of Sea City and the City Art Gallery, critical components of the Cultural Quarter. It resonates strongly with the PUSH cities first policy and will generate additional job/apprenticeship opportunities in an area where economic inactivity and unemployment is above the national average. It should be noted that additional leverage has been secured by creating local apprenticeship opportunities for 16-24 year olds in the construction phase. The overall recommendation is to support the bid and this is detailed in the following table 2b.

Table 2b: Recommended Quality Places theme additional capital allocations

Project	PUSH NGP Capital allocation	Other secured funding	Total of proposed programme
Southampton Cultural Quarter	£300,000	£250,000	£550,000
TOTAL	£300,000	£250,000	£550,000

12. In summary two applications have been supported, as detailed below:

Table 3: Recommended additional capital allocations 2011/12 for uncommitted balance

Project	PUSH NGP Capital allocation	Other secured funding	Total of proposed programme
Gosport Waterfront	£15,000	-	£15,000
Southampton Cultural Quarter	£300,000	£250,000	£550,000
TOTAL	£315,000	£250,000	£565,000

CONCLUSION

13. The capital allocations are considered to represent a prudent, balanced and effective programme to support delivery of the PUSH core objectives, within the framework of this limited resource stream and taking into consideration the priorities highlighted in the Economic Development strategy, adopted by PUSH in November 2010, and the guidance identified in the letter from the Minister Grant Shapps, dated 2 July 2010.
14. The projects recommended enable wider investment in a programme totalling £565,000 committing £315,000 of PUSH NGP capital and it fully utilises the uncommitted balance.

The Committee is therefore recommended to:-

1. NOTE capital programme bids as detailed in Annex 1 of this report.
2. NOTE the capitalisation of the costs associated with the Programme and Information Manager and APPROVE the establishment of a budget of £100,000 from the unallocated capital budget to cover the programme management through to January 31 2013.

3. APPROVE the recommended additions to the PUSH Capital Programme for 2011/12 of £315,000 as set in the report in Tables 2a – 2b, and summarised in Table 3.

Appendices:

Annex 1 - [NGP Capital applications as at 18 February 2011](#)

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