



WARDS AFFECTED: ABBEY, CASTLE

Leicester
City Council

**CABINET
COUNCIL**

**12 November 2007
22 November 2007**

Leicester Regeneration Company – Master Plan Intervention Areas

Report of the Corporate Director, Regeneration and Culture

1. Purpose of Report

- 1.1 This report updates Cabinet on the current position of the four projects delivering infrastructure improvements in the Leicester Regeneration Company Master Plan (LRC) area, and seeks approval to the release of capital programme funding. It follows the report to Cabinet dated 19th February 2007 – *City Centre Centre Improvements: Current Programme*.

2. Summary

- 2.1 Subject to Cabinet's approval of funding, construction is about to start in the Bath Lane area of the Waterside scheme and in Abbey Meadows/Wolsey Island area. The expenditure is to be financed using New Growth Points Initiative capital grant from the Department of Communities & Local Government (DCLG) (£1.5m) supplemented by prudential borrowing of £500,000.

3. Recommendations

- 3.1 Cabinet is asked to recommended to Council ;
- a) an addition to the Approved Capital Programme of £1.5m for LRC Intervention Schemes, financed by DCLG NGP Initiative capital grant.
 - b) capital expenditure of up to £2m on the schemes identified in paragraph 4.1 to be financed by capital grant of £1.5m and prudential borrowing of £0.5m.

4. Report

- 4.1 Four Projects have been prioritised for early delivery of infrastructure improvements within the LRC Intervention Areas of Waterside and Abbey Meadows. These are required to help create appropriate physical and investment environments, in order to stimulate and secure private sector developments.

Infrastructure Improvements:

1. Waterside £1.5m – Public Realm Improvements to Bath Lane and the junctions with St. Augustine Road and Welles Street.
2. Abbey Meadows Lane (Wolsey Island) £0.4m – relating to the construction of 170m of road.
3. Abbey Meadows Spine Road £0.1m - relating to the construction of a road to connect the end of Exploration Drive with Abbey Lane, to enhance the work being undertaken by developers and help create a more attractive environment for investment.
4. ICT Science Park (John Ellis Site) (Phase 1) – This will be the subject of a further report as there are no proposals to be considered at present.

4.2 The detailed proposals for Bath Lane were the subject of local consultation in August of this year and supported by residents and developers. This work will encourage developers to bring forward plans to build quality new housing adjacent to the schemes and create a more attractive and safe environment for residents of the recently completed apartments.

4.3 These aspirations are matched by the Government's Communities and Local Government (DCLG) department, who are funding these schemes to the extent set out in the Table below. Regular contact with DCLG has established the extent of eligible works, the timetable, and pattern of expenditure and claim. This work is seen by DCLG as the forerunner of a long term programme under the New Growth Points Initiative. However the capital amounts identified below must be claimed and spent within this financial year.

4.4 The costs of the schemes and financing are summarised in the Table below:

Scheme	Cost £	New Growth Points Initiative Grant £	Prudential Borrowing £
Waterside			
Works	1,231,000		
Fees	269,000		
Total	1,500,000	1,000,000	500,000
Abbey Meadows Lane			
Works	350,000		
Fees	50,000		
Total	400,000	400,000	Nil
Abbey Meadows Spine Road			
Works	90,000		
Fees	10,000		
Total	100,000	100,000	Nil

Summary			
Works	1,681,000		
Fees	329,000		
Total	2,000,000	1,500,000	500,000

- 4.5 Construction of the public realm improvements is due to start in the Bath Lane area of the Waterside in late October 2007, with physical and financial completion by 31 March 2008.
- 4.6 This work in Bath Lane is proposed to include up to £100,000 to carry out a feasibility study for the potential St. Augustines link Road and river bridge.
- 4.7 Construction of similar high quality works will start later in November at Abbey Meadows Lane (Wolsey Island) and the Abbey Meadows Spine Road.
- 4.8 Proposals for the ICT Science Park scheme have yet to be developed. A further report will be submitted for consideration for the ICT Science Park and other schemes for the remaining £1.835m prudential borrowing provision.

5. Finance and Legal Implications

5.1 Financial Implications

- i) The Approved 2007/08 Capital Programme includes a provision for up to £2.235m for LRC Intervention Schemes to be financed by Prudential Borrowing.
- ii) It is proposed to use £1.5m DCLG NGP Initiative capital grant to finance the expenditure proposed in paragraph 4.1, supplemented by the use of £0.5m of the approved Prudential Borrowing provision for the Waterside scheme. This would leave £1.835m available for other schemes.

Martin Judson, Head of Resources, Regeneration & Culture (297390)

5.2 Legal Implications

- i) This report is primarily concerned with funding issues. Legal advice has been provided with regard to contractual issues in terms of procurement and remedies, etc, and Legal Services will continue to work with colleagues in other services in order to ensure that statutory and legal obligations are complied with.
- ii) Prior to commencement of any of the improvement works identified in the report, the Council will need to ensure that any legal impediments to implementation, are resolved, whether by the grant of access licences to the Council for the carrying out of the works on private land, or the Council obtaining appropriate TRO's as mentioned in the report dated the 19th February 2007.
- iii) Future funding by way of financial contributions under section 106 agreements will be kept under review in the light of any new

legislation/guidance over the use of section 106 agreements following the introduction of the Planning Gain Supplement.

John McIvor, Team Leader (Management and Development), Legal Services (297035)

6. Other Implications

Other Implications	Yes/No	Paragraph references within report
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on low income	No	

7. Risk Assessment Matrix

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions
1 Full Spend of NGPI Grant achieved in FY	L	M	Prince 2 Project and Programme Board established, monitoring planned spend

L – Low
M – Medium
H - High

L – Low
M – Medium
H - High

8. Report Author:

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DECISION STATUS

Key Decision	No
Reason	Policy and Budget Framework
Appeared in Forward Plan	Yes
Executive or Council Decision	Council