

Regeneration and Leisure Scrutiny Sub-Committee

Tuesday 30 November 2010
7.00 pm
Town Hall, Peckham Road, London SE5 8UB

Supplemental Agenda

List of Contents

Item No.	Title	Page No.
7.	Regeneration funding spent locally over the last 5 years	1 - 7

Agenda Item 7

Regeneration Spending by Community Council Area 2004/2005 – 2009/2010

Item No. 3	Classification: Open	Date: 30 th November 2010	Meeting Name: Regeneration and Leisure Scrutiny Committee
Report title:		Regeneration funding spent locally over the last 5 years , including funds generated by Section 106 and grants made available under 'Cleaner, Greener , Safer', with mapping to assess where money has been spent by Community Council area , with particular reference to considering how this money has impacted on employment and enterprise.	
Ward(s) or groups affected:		All	
From:		Eleanor Kelly, Deputy Chief Executive	

RECOMMENDATION(S)

The Regeneration and Leisure Scrutiny Committee are recommended to note

-

- the scope of 'regeneration funding' used for the purposes of this report as detailed in Section 1 below and Appendix 1 attached.
- that where validated expenditure is not tracked by community council area indicative spend has been given, using the methodology detailed in Appendix 1
- A total of £165,489,992 was invested in regenerating the borough between financial years 2004/2005 and 2009/2010

1. **Background Information**

1.1 This report provides information regarding regeneration funding spent in financial years 2004/2005 to 2009/2010, including Section 106 and 'Cleaner, Greener , Safer', with mapping to assess where money has been spent by Community Council area.

1.2 For the purposes of this report 'regeneration spend' includes core council funds as well as central and regional funding streams and grants. The funding streams included are set out within two distinct areas of regeneration -

- **Major Regeneration Programmes** – strategic and/or long term regeneration programmes including the Elephant & Castle, Canada Water and the Aylesbury, as well as the Southwark Schools for the Future programme.
- **Local Programmes** – a wide range of area based capital programmes including Section 106 and Cleaner, Greener, Safer funded projects.

Regeneration Spending by Community Council Area 2004/2005 – 2009/2010

- 1.3 Due to the complexity of tracking spend by community council area this report does not capture all regeneration spending that could have been included such as investment in housing through the Decent Homes programme, and affordable housing schemes or the Neighbourhood Renewal programme.

2. Key Issues for Consideration

- 2.1 Implementation of Southwark Councils strategic aims for regenerating the borough over the last five years has been funded through a wide range of central government, regional development and council core funding streams with multiple funding streams often combined in single programmes to deliver a wide range of physical, social and economic objectives.
- 2.2 The site specific nature of physical regeneration programmes and the terms and conditions of the various funding streams have directed the geographical targeting of this investment. For example the central government New Deal for Communities (NDC) programme has seen significant funding directly invested into the Aylesbury estate which lies wholly within Walworth Community Council area.
- 2.3 Similarly the legal framework of Section 106 (S106) agreements attaches the majority of developer contributions to the development itself or the surrounding vicinity, leading to S106 spending shadowing the concentration of private sector led development.
- 2.4 In measuring the economic impacts of regeneration attributing change in the local economy to specific programmes or investment levels is difficult to evidence. Section 5 of the report presents the performance of the Southwark economy between 2004/2005 and 2009/2010 for the committee's consideration.

3. Regeneration Spend Financial Years 2004/2005 – 2009/2010

- 3.1 Appendix 1 details spending on the regeneration programmes and projects within the scope of this report during financial years 2004/05 – 2009/2010 and is summarised in table 1 below.

Regeneration Programme Area	Total Revenue	Total Capital	Total Spend
Major Regeneration Schemes	£32,721,473	£101,706,980	£134,428,453
Local Investment Programmes	£1,045,939	£30,015,600	£31,061,539
Total Validated Expenditure	£33,767,412	£131,722,580	£165,489,992

Table 1: Summary of Actual Regeneration Spend 2004/2005 – 2009/210

Regeneration Spending by Community Council Area 2004/2005 – 2009/2010

4. Regeneration Spending by Community Council Areas

- 4.1 As council spending is only tracked by ward or Community Council area when required for audit or programme management purposes, the community council breakdown of 'regeneration spending' for financial years 2004/2005 to 2009/2010 has been calculated using indicative figures where validated expenditure is not available. The methodology used to calculate indicative spend is detailed in Appendix 1.

Community Council Area	Total Indicative Spend	% of Total Indicative Spend
Bermondsey	£25,376,520	15%
Borough and Bankside	£23,489,167	13%
Camberwell	£2,706,797	1.5%
Dulwich	£1,937,812	1%
Nunhead and Peckham Rye	£6,319,560	4%
Peckham	£2,674,446	1.5%
Rotherhithe	£12,708,909	7%
Walworth	£99,627,840	57%
Total Indicative Spend	£194,634,813	100%

Table 2: Total Indicative Spend across Community Council areas in Financial Years 2004/2005 – 2009/2010

- 4.2 Figure 1 below illustrates the overall proportion of regeneration spend in each community council area. The geographical pattern of overall spend is largely due to the location of the borough's major regeneration schemes, as well as private sector led development in the central activities zone which influences Section 106 contribution spend.

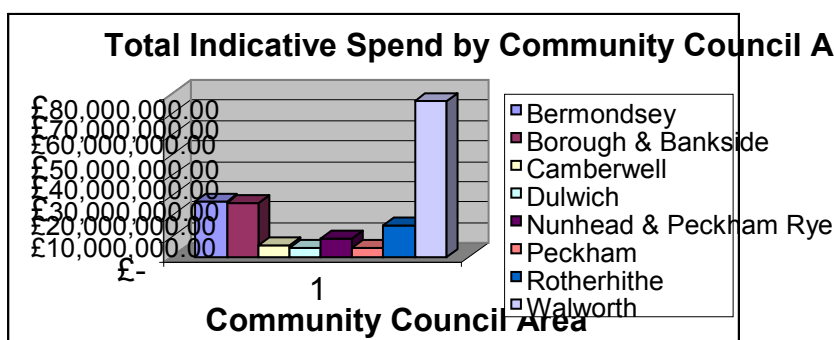


Figure 1: Total Indicative Spend by Community Council Area 2004/2005 – 2009/2010

- 4.3 Figure 2 below illustrates the geographic pattern of Local Programme spending only, including Section 106 and Cleaner, Greener, Safer. Figure 3 shows how this pattern changes when Section 106 is excluded

Regeneration Spending by Community Council Area 2004/2005 – 2009/2010

from Local Programme spend.

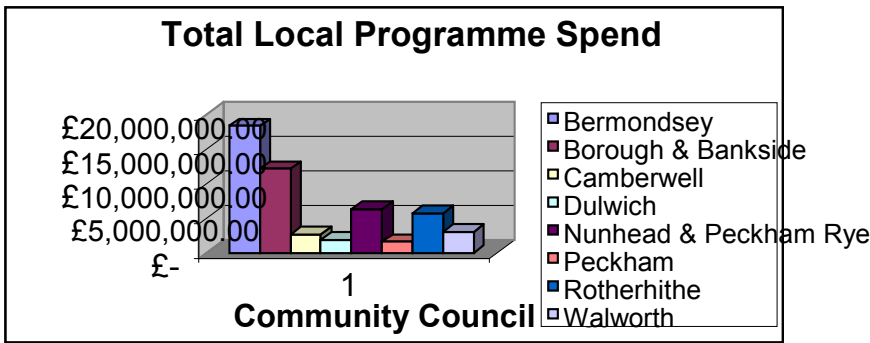


Figure 2: Indicative spend on 'Local Programmes' 2004/2005 to 2009/2010 – Local Programmes are – Section 106; Cleaner, Greener, Safer; Improving Local Retail Environment; Housing Area Renewal – Bellenden and East Peckham & Nunhead Rye schemes; Burgess Park/Chumleigh Gardens

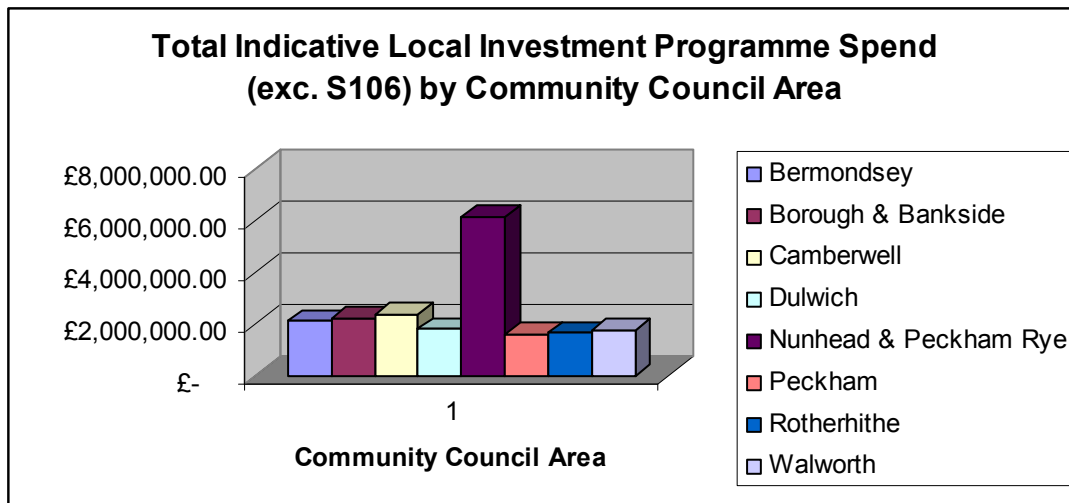


Figure 3: Indicative spend on 'Local Programmes' excluding S106 2004/2005 to 2009/2010

5. **Section 106 and Cleaner, Greener, Safer**

5.1 Figure 4 shows the value of S106 funding that has been committed to local projects in each community council area.

Regeneration Spending by Community Council Area 2004/2005 – 2009/2010

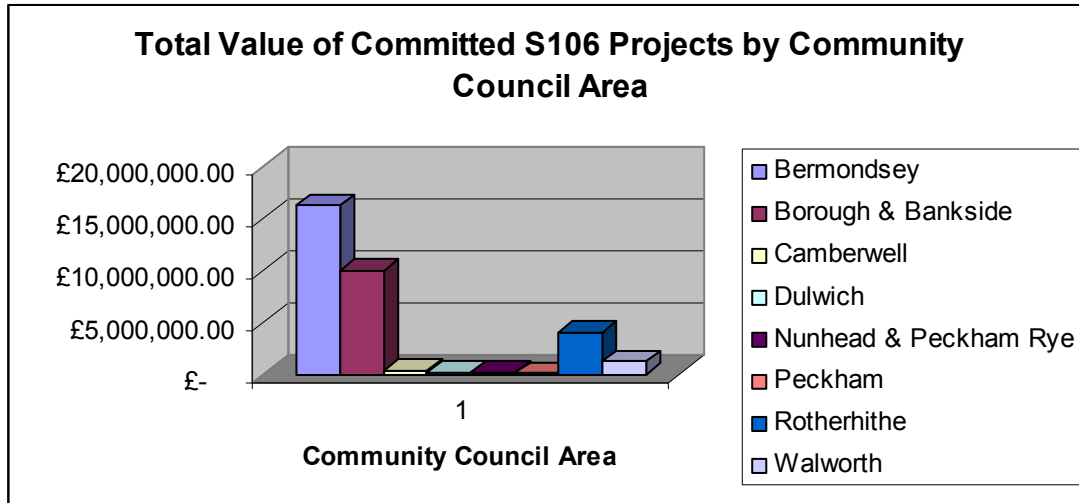


Figure 4: Value of Section 106 committed project by Community Council areas 2004/2005 to 2009/2010.

5.2 Figure 5 below shows actual spend of Cleaner, Greener, Safer across Community Council areas.

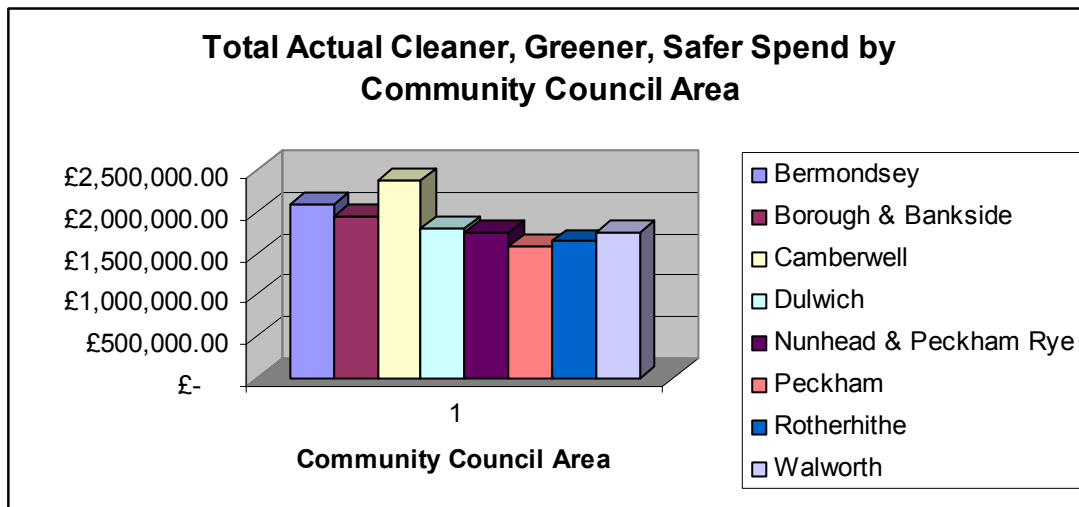


Figure 5: Actual spend on 'Cleaner, Greener, Safer Programme' 2004/2005 to 2009/2010

6. Southwark Economic Performance 2004/2005 – 2009/2010

6.1 Southwark's economy has expanded rapidly over the past decade with a 15% increase in jobs between 1998 and 2007 compared to an 8% increase in London as a whole. Business growth has also outstripped the regional average with an increase in new businesses of 35% between 1998 and 2007 in the same period, compared to a London

Regeneration Spending by Community Council Area 2004/2005 – 2009/2010

growth rate of 13%

- 6.2 The growth of the business services sector feeding into the central London economy has been the driving force behind this growth, with the number of local jobs in the sector increasing by 102% since 1998.
- 6.3 Council commissioned Worklessness programmes such as Southwark Works and Building London Creating Futures, add value to JobCentre Plus mainstream provision, targeting areas in the borough which have the highest concentrations of worklessness and residents who are furthest away from the labour market and in need of longer term support outside of mainstream provision.
- 6.5 Since 2004/2005 the borough's employment rate has increased from 64.5% to 66.8% in 2009/2010, in spite of the recession and is performing well against other boroughs. Business stock levels increased by 19% between 2004 and 2008, with an increase of 1,555 VAT registered businesses in the borough. Business levels have remained stable throughout the recession.
- 6.8 Whilst employment rate data is not available at community council level Table 3 below shows the changes in out of work benefit claims between 2004/2005 – 2009/2010

Community Council Area	All out of work benefits	JSA	IB/ESA	Lone Parent Income Support
<i>Bermondsey</i>	- 1.5%	+0.1%	+0.1%	-1.9%
<i>Borough and Bankside</i>	- 2.2%	-0.1%	-1.2%	-1.1%
<i>Camberwell</i>	- 2.5%	-0.5%	-0.4%	-2.3%
<i>Dulwich</i>	- 1.3%	-0.3%	-0.5%	-0.8%
<i>Nunhead and Peckham Rye</i>	- 1.1%	0%	-0.1%	-1.4%
<i>Peckham</i>	- 1.8%	+0.4%	+0.2%	-2.9%
<i>Rotherhithe</i>	- 2.0%	-0.4%	-0.4%	-1.6%
<i>Walworth</i>	- 4.2%	-1.0%	-0.9%	-2.9%

Table 3: % change in proportion of Southwark residents claiming key out of work benefits between 2004/2005 and 2009/2010

REGENERATION PROGRAMMES	Actual Spend (Validated Expenditure)			Indicative Value of Spend allocated by Community Council Area (see notes below for allocation methodology)							
	Revenue	Capital	TOTAL 2004/05 - 2009/10	Bermondsey	Borough & Bankside	Camberwell	Dulwich	Nunhead & Peckham Rye	Peckham	Rotherhithe	Walworth
MAJOR REGENERATION PROGRAMMES											
<i>Elephant and Castle</i>	£ 11,908,579	£ 26,952,774	£ 38,861,353	£ -	£ 11,250,941	£ -	£ -	£ -	£ -	£ -	£ 27,610,414
<i>Aylesbury</i>	£ 10,451,484	£ 32,801,711	£ 43,253,195	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 43,253,195
<i>Canada Water</i>	£ 2,766,108	£ 4,219,383	£ 6,985,491	£ -	£ -	£ -	£ -	£ -	£ -	£ 6,985,491	£ -
<i>Bermondsey Spa</i>	£ 1,147,689	£ 4,827,364	£ 5,975,053	£ 5,975,053	£ -	£ -	£ -	£ -	£ -	£ -	£ -
<i>Building School for Future</i>	£ 6,447,613	£ 32,905,748	£ 39,353,361	£ 1,022,518	£ 1,954	£ 1,954	£ 1,954	£ 1,954	£ 1,024,472	£ 1,954	£ 24,499,735
TOTAL	£ 32,721,473	£ 101,706,980	£ 134,428,453	£ 6,997,571	£ 11,252,894	£ 1,954	£ 1,954	£ 1,954	£ 1,024,472	£ 6,987,444	£ 95,363,343
LOCAL PROGRAMMES											
<i>Section 106</i>	£ 1,045,939	£ 9,093,804	£ 10,139,743	£ 16,265,964	£ 10,023,166	£ 312,715	£ 122,750	£ 185,511	£ 52,500	£ 4,065,856	£ 1,259,208
<i>Cleaner, Greener, Safer</i>	£ -	£ 14,984,696	£ 14,984,696	£ 2,095,912	£ 1,949,036	£ 2,386,174	£ 1,804,216	£ 1,758,652	£ 1,591,000	£ 1,651,170	£ 1,748,536
<i>Improving Local Retail Environment</i>	£ -	£ 319,243	£ 319,243	£ 17,074	£ 264,070	£ 5,954	£ 8,892	£ 6,850	£ 6,475	£ 4,439	£ 5,489
<i>Housing Area Renewal - Bellenden/East Peckham & Nunhead</i>	£ -	£ 4,366,593	£ 4,366,593	£ -	£ -	£ -	£ -	£ 4,366,593	£ -	£ -	£ -
<i>Burgess Park & Chumleigh Gardens</i>	£ -	£ 1,251,264	£ 1,251,264	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 1,251,264
TOTAL	£ 1,045,939	£ 30,015,600	£ 31,061,539	£ 18,378,949	£ 12,236,273	£ 2,704,843	£ 1,935,858	£ 6,317,606	£ 1,649,975	£ 5,721,465	£ 4,264,497
TOTAL REGENERATION SPEND	£ 33,767,412	£ 131,722,580	£ 165,489,992	£ 25,376,520	£ 23,489,167	£ 2,706,797	£ 1,937,812	£ 6,319,560	£ 2,674,446	£ 12,708,909	£ 99,627,840
Actual Spend	Validated expenditure on SAP										
Indicative Spend	<i>where validated expenditure is tracked by Community Council area, other data or rationale assumptions have been used to calculate indicative spend across CC areas. Note Total validated expenditure does not necessarily equal total of indicative spend</i>										
Major Regeneration Programmes	<i>Elephant & Castle - capital spend is shown within location of spend; revenue split equally between Borough & Bankside and Walworth</i>										
	<i>Aylesbury - all spend within Walworth CC boundary</i>										
	<i>Canada Water - all spend within Rotherhithe CC boundary</i>										
	<i>Bermondsey Spa - all spend within Bermondsey CC boundary</i>										
	<i>Building School for Futures - school specific spend within CC area (Walworth, Peckham, Bermondsey); non specific spend split equally across all CC areas</i>										
Local Programmes	<i>Section 106 - value of committed projects approved by Community Councils; includes actual spend on delivered projects</i>										
	<i>CGS - actual validated spend</i>										
	<i>ILRE - actual validated spend</i>										
	<i>Housing Area Renewal - all spend occurred within Peckham & Nunhead Rye CC boundary</i>										
	<i>Burgess Park/Chumleigh Gardens - site falls within Walworth CC</i>										

This page is intentionally blank.

DISTRIBUTION LIST**MUNICIPAL YEAR 2010/11****COMMITTEE:** REGENERATION & LEISURE SCRUTINY SUB-COMMITTEE**NOTE:** Please notify amendments to Scrutiny Team (0207 525 0324)

<u>OPEN</u>	<u>COPIES</u>	<u>OPEN</u>	<u>COPIES</u>
<u>MEMBERS/RESERVES</u>		Libraries	3
Councillor Mark Glover (Chair)	1	Local Studies Library	1
Councillor Columba Blango	1	Press	2
Councillor Cathy Bowman	1	Scrutiny Team SPARES	10
Councillor Dan Garfield	1	Gillian Jeffery/Alan Ledden, Legal Services	1
Councillor Helen Morrissey	1	Shelley Burke, Head of Overview & Scrutiny	1
Councillor Paul Noblet	1	Paul Green, assistant to the opposition group	1
Councillor Martin Seaton	1	John Bibby, Leaders' office	1
Councillor Stephen Govier (Reserve)	1	<u>EXTERNAL</u>	
Councillor Helen Hayes (Reserve)	1		
Councillor Jeff Hook (Reserve)	1		
Councillor Andy Simmons (Reserve)	1		
Councillor Geoffrey Thornton (Reserve)	1		
<u>OTHER MEMBERS</u>		TOTAL HARD COPY DISTRIBUTION	32
Councillor Lisa Rajan	1		
<u>DEPARTMENTAL OFFICERS</u>			
HARD COPIES OF THIS AGENDA ARE AVAILABLE ON REQUEST FROM THE SCRUTINY TEAM Tel: 0207 525 0324			