

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

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- 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.

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- 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

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.

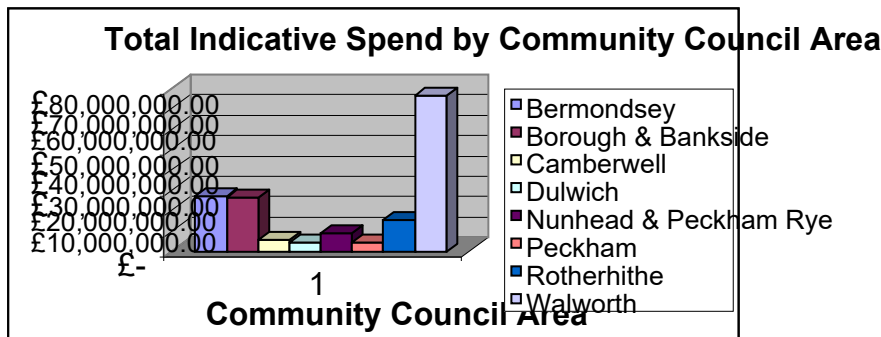


Figure 1: Total Indicative Spend by Community Council Area 2004/2005 – 2009/2010

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

from Local Programme spend.

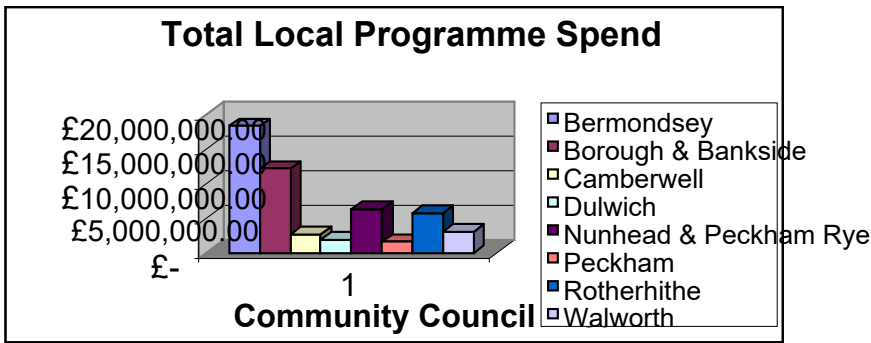


Figure 2: Indicative spend on 'Local Programmes' 2004/2005 to 2009/2010 – Local Programmes are – Section 106; Cleaner, Greener, Safer; Improving Local Retail Environment; Housing Area Renewal – Bellenden and East Peckham & Nunhead Rye schemes; Burgess Park/Chumleigh Gardens

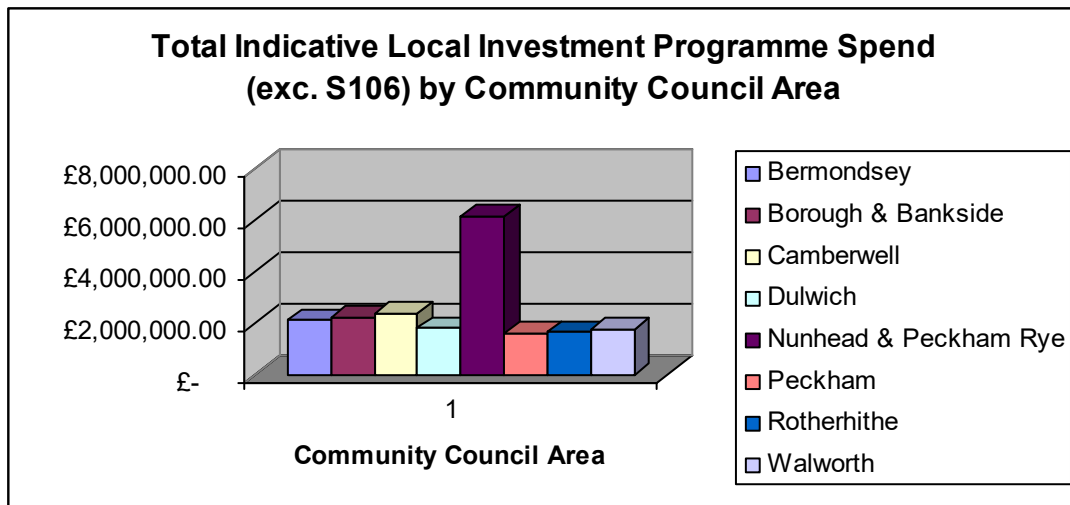


Figure 3: Indicative spend on 'Local Programmes' excluding S106 2004/2005 to 2009/2010

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.

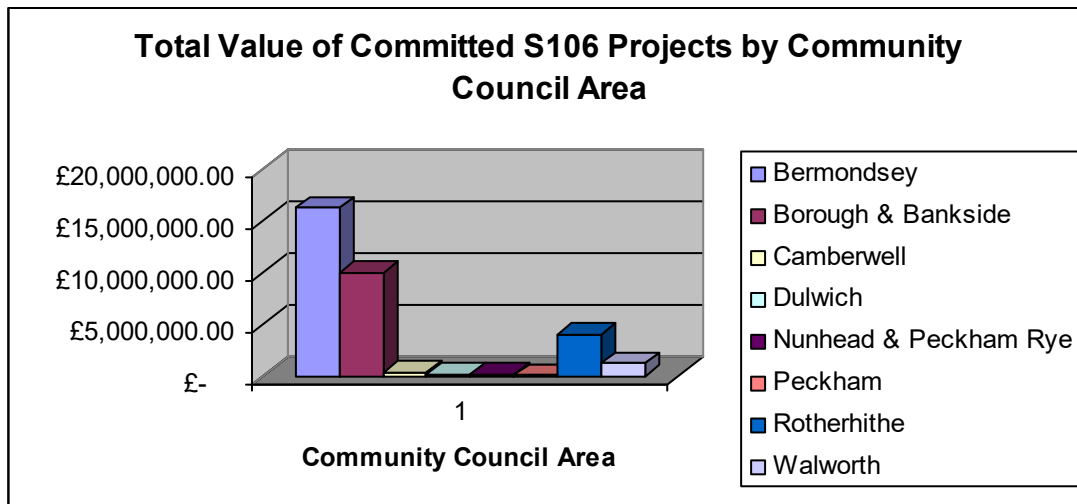


Figure 4: Value of Section 106 committed project by Community Council areas 2004/2005 to 2009/2010.

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

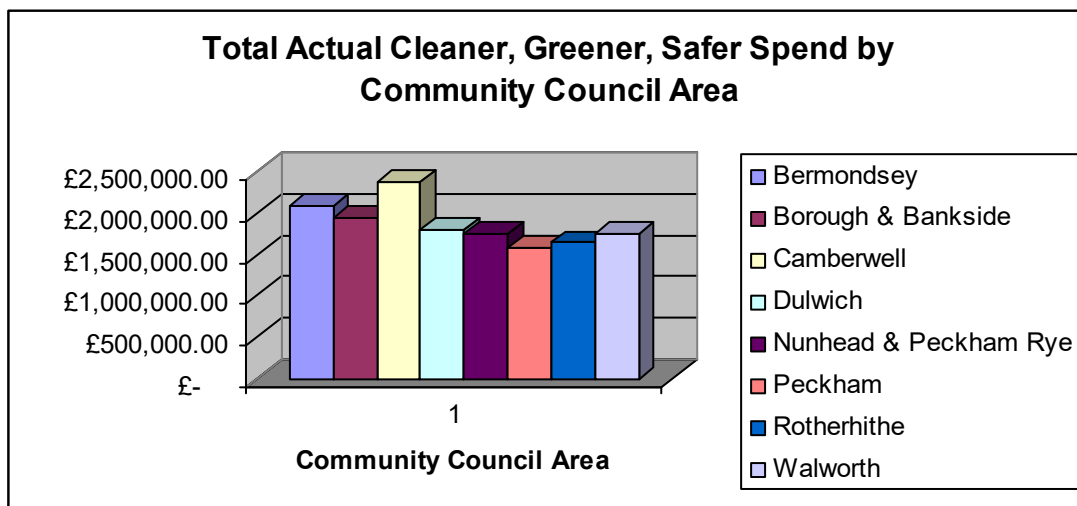


Figure 5: Actual spend on 'Cleaner, Greener, Safer Programme' 2004/2005 to 2009/2010

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

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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