

# Corporate Capital Strategy 2015/18



## Revision Control Table

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## Executive Summary

1. The aim of this Corporate Capital Strategy is to provide for a balanced, sustainable capital programme over the medium term planning period ensuring that limited resources are applied in the most effective, efficient and economical way to contribute to the achievement of the Council's Strategic Plan.
2. The production of a Corporate Capital Strategy is recognised as good practice in the proper financial management of a local authority.
3. The financial environment in which the Council operates remains extremely challenging. The reduction in funding from Central Government following successive Spending Reviews since 2010 is on-going as the Government continues with its plans to reduce the national budget deficit. Whilst the Government has indicated additional capital spending as part of the National Infrastructure Plan this is likely to be directed towards Transport (including HS2), Schools, Science, Housing and Flood Defences.
4. Within Pendle there has been a significant and ongoing reduction in capital grant funding from Government since the end of the Housing Market Renewal Programme in 2011 and also the withdrawal of the Regional Housing Pot Capital Grant. Apart from the recycled receipts from the disposal of properties improved using both funding from HMR and the Homes and Communities Agency and grant funding for Disabled Facilities Grants, the Council's only capital resources will, primarily come from prudential borrowing. Even then, this will depend on the affordability, prudence and sustainability of such borrowing in the context of a reducing revenue resource base.
5. Whilst the availability of capital funds continue to decline there continues to be demand for capital investment. Apart from the normal renewal and replacement of existing assets, there is a continuous need for improvement in the delivery of services and, at the heart of the Council's strategic objectives, the need for housing and economic regeneration in a number of areas within the Borough.
6. The Corporate Capital Strategy has been prepared in the context of the Council's strategic planning process and is based around the achievement of the Strategic Plan. But, it is also important to recognise there are fewer resources available to deliver projects.
7. The Strategy provides the broad framework for capital planning and monitoring. It sets out the key issues impacting on the Council's capital investment plans and how it is proposed to deal with them. The Council uses Service and Financial Planning to turn the broad strategy objectives into achievable operational plans. This approach provides a direct link between the Strategic Plan and service delivery.

8. Within the context of the strategic objectives, and in recognition of the limited capital resources available to the Council, the Corporate Capital Strategy has the following key investment priorities:-

- **Private Sector Housing Renewal**
- **Promoting, Enabling and Providing Regeneration**
- **Corporate and Service Asset Renewal**

9. The Council employs a capital investment prioritisation process to ensure that resources are directed where possible towards these investment priorities.
10. Whilst the proposed Capital Programme for 2015/16 is balanced, the Medium Term Capital Programme to 2017/18 shows a significant funding shortfall when compared to the level of capital bids. In the absence of additional funding capacity, the Council will, therefore, need to look innovatively at ways in which capital investment can be sustained but remain affordable.
11. Recognising that capital resources are limited, the Council has developed a range of partnerships through which capital investment has been secured. These include partnerships with other public authorities, such as Lancashire County Council, and funding agencies such as the Homes and Communities Agency. Going forward, the Council will need to work with partners, particularly in the private sector, to ensure that it can exploit new funding streams such as the Regional Growth Fund and European Regional Development funding.
12. The Council has procured a Strategic Development Partner with which it has established a joint venture company called Pendle Enterprise and Regeneration 2 Ltd. This is in recognition of the diminishing public sector capital resources for regeneration projects and will be used to lever in private finance so that these projects can be delivered.
13. Finally, once resources are allocated and the Capital Programme for the year is approved, it is the responsibility of the Executive to oversee the implementation of the Capital Programme.

# **Borough of Pendle – Corporate Capital Strategy 2015/18**

## **1. Introduction**

- 1.1 This document sets out the Council's Corporate Capital Strategy for the three years 2015/16 to 2017/18.
- 1.2 The overall aim of this Strategy is to provide for a balanced, sustainable capital programme over the medium term planning period ensuring that limited resources are applied in the most effective, efficient and economical way to contribute to the achievement of the Council's Strategic Plan (and the wider objectives set out in the Sustainable Community Strategy for Pendle).
- 1.3 To achieve this aim, this Strategy document, amongst other things:-
  - a) provides details of the Council's current asset base and levels of backlog maintenance;
  - b) sets out the proposed Medium Term Capital Programme (MTCP) for 2015/18;
  - c) shows how the Council will prioritise its capital spending plans within the resources available;
  - d) indicates what action will be taken to maximise resources for capital spending;
  - e) provides examples of where the Council is working in partnership or using external funding to provide capital investment in the Borough.
- 1.4 The development of the Corporate Capital Strategy is an iterative process insofar as it will be updated as new issues arise, for example, during the development and updating of the Council's Strategic Plan or as new issues that have an impact on the Council emerge. At the present time, the Strategy is updated on an annual basis.
- 1.5 Whilst there is a close relationship between the MTCP and the Council's treasury management activities, this document does not consider treasury management policy or strategy. The Council's approach to treasury management is contained in the Treasury Management Strategy which is submitted for approval to the Executive annually in advance of each financial year.
- 1.6 This Corporate Capital Strategy sets out in broad terms the Council's approach to meeting community and service needs through its capital investment programme and how it will endeavour work with partners and external funding agencies to maximise capital investment in the Borough. The Council's priorities and objectives are set out in its current Strategic Plan (2014-18) which was refreshed in May 2014. The Plan is supported by annual service plans.
- 1.7 The Capital Strategy describes how capital resources will be managed to ensure the maximum contribution to the achievement of these objectives. The financial implications of the strategy are reflected in the Medium Term Financial Plan (MTFP) and together the MTFP and this strategy provide an overview of how the Council's resources will be managed.

- 1.8 A key issue for the Council remains the affordability, sustainability and prudence of capital investment. In the current economic climate and the significant pressure on public finances, the Council will need to ensure that the limited capital resources available are used in the most efficient, effective and economic way to ensure proper outcomes for the residents of Pendle.

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## 2. Outline Strategy Context

### Sustainable Community Strategy

- 2.1 Following the establishment of the Pendle Partnership, Pendle Borough Council worked with its partners to prepare a 15 year Community Strategy setting out a long term vision for the Borough. More recently, in accordance with national guidance, this has been updated and the Pendle Partnership has produced a new Sustainable Community Strategy – ‘*Our Pendle, Our Future*’ The Sustainable Community Strategy is an overarching strategy that is structured around the following strategic objectives covering a 10 year period 2008 -2018:

**Table 1: Sustainable Community Strategy Objectives**

|   | <b>Sustainable Community Strategy Objectives</b>   |
|---|--|
| 1 | Support confident communities that are socially cohesive, creative, tolerant and considerate of the need of all.                                 |
| 2 | Create and sustain a dynamic, competitive and healthy local economy – providing the jobs of the future and the talents and skills to fill them.  |
| 3 | Create a vibrant housing market offering a mix of high quality and affordable housing for all.   |
| 4 | Create safer communities where people feel safe and crime continues to fall.   |
| 5 | Improve health and wellbeing – help people to live long, healthy and independent lives.  |
| 6 | Care for our environment – deepen our understanding and respect for our surroundings.  |
| 7 | Care for our future generations – give our children and young people the best start in life and the opportunity to achieve their full potential. |
| 8 | Improve quality of life for older people – help them live their lives in the way they choose and to support their independent and active living. |

- 2.2 More details supporting these aims, including how we will measure progress to ensure we achieve them, can be found in the Sustainable Community Strategy a copy of which is available from the Council on request or alternatively via the Council’s website at [www.pendle.gov.uk](http://www.pendle.gov.uk).

### Strategic Plan

- 2.3 The current Strategic Plan is structured around three corporate objectives. These are as follows:-



**Table 2: Council Strategic Objectives**

|   | <b>Council Strategic Objectives</b>   |
|---|---|
| 1 | <b>Working with partners and the community to sustain accessible services of good value</b> |
| 2 | <b>Creating jobs and sustaining strong economic growth</b>                                  |
| 3 | <b>Ensuring a cohesive, healthier and safer Pendle</b>                                      |

- 2.4 Within the three corporate strategic objectives, the Council continues to concentrate on the following headline actions:-

***Working with partners and the community to sustain accessible services of good value***

- Working with partners and the community to provide sustainable, value for money services at a lower cost base whilst maintaining customer satisfaction
- Making best use of public assets

***Creating jobs and sustaining strong economic growth***

- Working with partners to create sustainable jobs and helping businesses to locate, grow and stay in Pendle
- Improving infrastructure and connectivity for the Borough
- Facilitating business support and skills improvement
- Enabling housing that meets local needs and aspirations in terms of quantity, quality and affordability
- Promoting the image of Pendle

***Ensuring a cohesive, healthier and safer Pendle***

- Helping maintain the safety and cohesion of our communities
- Working with partners to improve the health and wellbeing of our residents
- Working to maintain the quality of our environment

- 2.5 The Strategic Plan is a 'live' document insofar as it is reviewed on an annual basis to determine whether priorities remain relevant and to roll the plan period forward. Following any review the Corporate Capital Strategy will also be subject to review to ensure that it remains relevant to the Council's own strategic objectives.

**Strategic Plan, Priority Outcomes and Capital Investment**

- 2.6 The Sustainable Community Strategy and Strategic Plan include various priority outcomes that the Council is working towards. Some of these involve capital investment which is reflected in the Council's Medium Term Capital Programme (where resources are available). It is important that the Council's capital investment is considered within the context of the wider strategic objectives of the Council. **Appendix A** sets out the Council's Strategic Objectives and the individual priorities and highlights what capital investments have either been made in previous years or are expected in the next year. This is provided to demonstrate a link between the objectives in the Sustainable Community Strategy, the Council's objectives, its capital investment plans and the contribution made to the outcomes expected.

## Financial Environment

- 2.7 The level of funding for capital investment has reduced significantly and expected to remain constrained over the medium term. The Government has made it clear in successive spending reviews since 2010 that its key priority is to reduce the national budget deficit.
- 2.8 In 2010 the Government indicated that it expected self-financed capital expenditure by local authorities to fall by 17%. In support of this, interest rates on Public Work Loan Board loans were increased across all durations by 1% so that loan finance available to local authorities better reflects the availability of capital funding. However, since November 2012 eligible authorities have been able to obtain PWLB loan funding at a new, 'certainty rate', which is 0.2% less than prevailing rates. Even so, this net increase of 0.8% impacts adversely on the Council's cost of borrowing and comes at a time when there is already substantial pressure on the Council's revenue budget. The government's spending plans for 2015/16 show further reductions in Local Government resources
- 2.9 There remain opportunities, albeit limited, to bid for funding, for example:-
- **the Regional Growth Fund** – To-date, there have been 5 rounds of Regional Growth Funding; the 2013 Spending Round made a further £600m available. Rounds 5 and 6 are, however, restricted to the private sector. The outcome of bids under round 6 is expected in early 2015.
  - **European Regional Development Fund (ERDF)** – Generally, ERDF funding will be channelled primarily through Local Enterprise Partnerships and, more often than not, is provided on a match funding basis;
  - **Tax Increment Financing (TIF)** – This is where investment in, say, infrastructure projects is funded from the additional business rate income arising from developments that benefit from the infrastructure investment.
- 2.10 However, these will either take time for Government to develop, be oversubscribed or aimed at larger public organisations and may not, therefore, provide adequate or any resources for the Council's outstanding investment needs.
- 2.11 The corollary to this is that there will be less capital funding for investment. Given the funding constraints, there is a need for the Council to look at alternative ways of securing capital investment in the Council's assets and the Borough of Pendle generally. Apart from the continued development of partnership working with other public bodies, an example of the innovative approaches being adopted by the Council includes establishing joint venture arrangements such as Pendle Enterprise and Regeneration 2 Ltd.

### **3. The Service and Financial Planning Process**

- 3.1 In line with many local authorities, the Council has adopted an integrated process for Service and Financial Planning. The Council recognises that resources are limited and in order to ensure that resources are directed towards the key strategic objectives, integrating service and financial planning is essential.

#### Strategic Planning

- 3.2 As explained in Section 2, the Council has a Strategic Plan that has, at its foundation, three strategic objectives. The current Strategic Plan covers a period to 2018 and is reviewed annually to measure progress, review the relevance of existing expected outcomes and to review and update those outcomes to ensure they remain relevant for subsequent years.

#### Service Planning

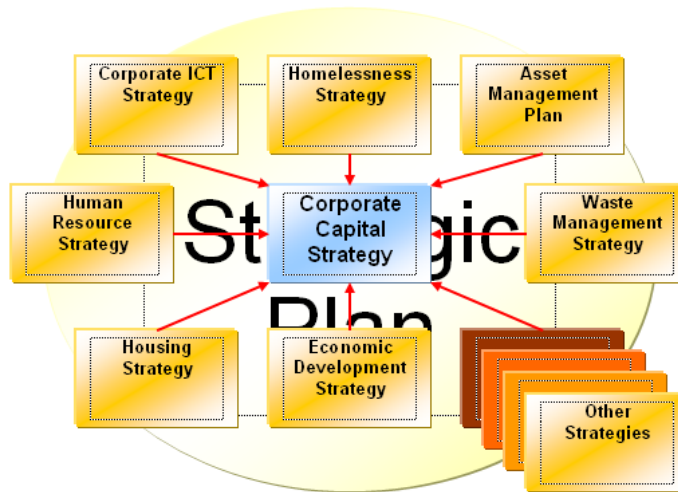
- 3.3 Following the revision of the Council's Strategic Plan, each Service is required on an annual basis to produce a Service Plan. Service Plans provide a detailed analysis of the work of each Service for the following two years and are based around achieving the outcomes in the Strategic Plan.

#### Service and Financial Planning

- 3.4 Service and Financial Planning is essentially a mechanism for ensuring that the Council's limited resources are directed toward those activities that will ensure that the corporate priorities are achieved. Implicitly, it is also a process of redistributing resources away from those activities that are not priorities. The Service and Financial Planning Process brings together the Service Plans and the Council's budgetary process insofar as they set out the resources required to deliver services aimed at achieving the corporate objectives. The purpose of Service Plans is to ensure that the Council's resources are directed towards corporate priorities and therefore they are key to the service and financial planning process.

#### Corporate Capital Strategy - Relationship with Other Strategies of the Council

- 3.5 It is vitally important that the Corporate Capital Strategy is not considered in isolation from other Council Plans and Strategies and indeed, this is not the case. The diagram below illustrates that the Corporate Capital Strategy is influenced and influences other strategies of the Council but ultimately it is only one of several plans that are in place to ensure that the Strategic Plan objectives are achieved.



3.6 To demonstrate the linkages between the Corporate Capital Strategy and other Council strategies, some examples are provided below:-

- ***Housing (Regeneration and Renewal) Strategy*** – the bulk of the Council's capital investment in 2015/16 will be focused on the completion of former Housing Market Renewal projects and reducing the number of empty homes. Thereafter, the implementation of the strategy will be dependent on the resources available;
- ***Economic Development Strategy*** – this is primarily focused on the redevelopment of town centres and landmark buildings (e.g. Brierfield Mill). In recent years, this has been largely dependent on the success of obtaining grant funding from the Government and other external agencies. With the abolition of Regional Development Agencies and the Regional Growth Fund replacing a range of existing funding streams, it is likely that funding this strategy will be dependent on successful bids for limited resources;
- ***Corporate Information, Communications and Technology Strategy (ICT)*** – much of the investment in ICT is funded by the Council's Strategic Service provider, Liberata. However, the Council is still required to fund the cost of replacement software packages etc. The key investment need over the next three years, apart from systems upgrades, will be in the development of the network infrastructure.

3.7 As and when strategies are reviewed or renewed, consideration will be given to any capital investment implications that might arise and these will be considered as part of the overall service and financial planning framework on an annual basis.

## 4. The Council's Asset Base

### The Council's Asset Base at 31<sup>st</sup> March 2014

4.1 The Council had the following land and building assets as at 31st March 2014

**Table 3: Analysis of the Council's Assets**

|                                     | Value of<br>Assets at<br>31/03/14<br>£000 | No.        |
|-------------------------------------|---|------------|
| Other Operational Land and Building | 51,606                                    | 398        |
| Vehicles, Plant etc                 | 1,130                                     | 72         |
| Community Assets                    | 53  | 5          |
| Heritage Assets                     | 768                                       | 2          |
| Assets in the course of development | 13,909                                    | 222        |
| Non Operational Surplus Assets      | 5,968                                     |            |
| <b>Total</b>                        | <b>73,434</b>                             | <b>699</b> |

Source: Statement of Accounts 2013/14

- 4.2 As the table shows, Operational Land and Buildings comprise more than half of the Council's fixed assets. Non-operational Surplus assets have no direct service use and have been declared surplus by the Council.
- 4.3 Assets in the course of development are mainly the properties acquired through the former regeneration schemes which are to be brought together to form useable parcels of land for future housing or commercial redevelopment. Community and infrastructure assets include cemeteries, playgrounds and public transport facilities. Heritage Assets have been accounted for separately since new accounting requirements were introduced in 2011/12. The value shown here relates to the Council's collection of civic regalia and the Nelson Shuttle.

### Asset Management Planning

- 4.4 Alongside this Corporate Capital Strategy, a Strategic Asset Management Plan is being developed which will, amongst other matters:-
- ensure the most economic, efficient and effective use of all property assets
  - align the use of property resources to the Council's strategic aims (where this is not already the case);
  - achieve value for money from the property management activities whether by using capital or revenue resources or external funding;
  - develop sustainable and environmentally responsible property management by ensuring long term needs are not compromised by short term considerations;

- facilitate the development of collaborative working arrangements with other public, private and voluntary bodies in the District/County in order to share best practice and explore common property objectives;
- ensure the service is responsive to customer needs and the changing national, local and service related agendas;
- where it is applicable, provide built environments which are safe, accessible for all users and comply with all relevant statutory requirements.

4.5 The fundamental aim of the Asset Management Plan is to ensure that the Council has the right assets, which are properly maintained, to support the delivery of the Council's strategic objectives.

#### Condition of the Council's Asset Base (and level of Backlog Maintenance)

4.6 The condition of the Council's assets is the subject of continuous review with the costs of routine day-to-day repairs and maintenance covered in the Council's revenue budgets. Table 4 provides details of the level of backlog maintenance for the Council's assets when last reviewed in 2013 (table is currently being updated):

**Table 4: Level of Backlog Maintenance (in process of being updated)**

|              | Operational<br>£000 | Non<br>Operational<br>£000 | Total<br>£000 |
|--------------|---------------------|----------------------------|---------------|
| Priority 1   | 6                   | 7                          | 13            |
| Priority 2   | 310                 | 225                        | 535           |
| Priority 3   | 319                 | 87                         | 406           |
| <b>Total</b> | <b>635</b>          | <b>319</b>                 | <b>954</b>    |

**Key: -**

- Priority 1: Urgent works that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of the occupants and /or remedy a serious breach of legislation
- Priority 2: Essential work required within 2 years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation
- Priority 3: Desirable works required within 3-5 years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of the occupants and/or minor breach of the legislation

4.7 A condition survey of the Council's property assets is undertaken on the basis of a rolling programme with 20% of assets reviewed annually. The outputs from this work are maintained under review to inform the ongoing development of the Council's capital strategy.

## **5. Definition of Capital Expenditure**

- 5.1 Before considering the Council's capital investment priorities, it is worthwhile reiterating the definition of capital expenditure.
- 5.2 The Government's definition of capital expenditure remains relatively narrow, being based on "proper [accounting] practices". In support of this, the Code of Practice on Local Authority Accounting issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) provides additional guidance on what constitutes capital expenditure and it is this that is used when considering whether expenditure incurred by the Council can be capitalised.
- 5.3 Briefly, there are three routes by which expenditure can qualify as capital under the accounting framework for local authorities, namely:
- The expenditure results in the acquisition of, or the construction of, or the addition of subsequent costs to non-current assets (tangible e.g. buildings and intangible e.g. software);
  - The expenditure meets one of the definitions specified in regulations made under the Capital Financing regulations (England) 2003;
  - The Secretary of State makes a direction that the expenditure can be treated as capital expenditure (sometimes done for such things as costs associated with organisational changes or Single Status settlements)
- 5.4 Examples of capital expenditure include expenditure on the acquisition, reclamation or enhancement of assets (eg buildings, land, plant and machinery). It can include computer costs (for use over a period exceeding one year), grants to third parties, incidental costs involved in a capital project (eg officers' salaries and professional fees).
- 5.5 Excluded from the definition of capital are administrative and other general overhead costs. Costs will also be ineligible to the extent that they relate to activity that takes place prior to the intention to acquire or construct a fixed asset. Examples of this include the cost of option appraisals and feasibility studies that do not contribute to the scoping of the asset ultimately acquired/constructed.

It should be stressed that anything not considered to be within the definition of capital expenditure must be treated as revenue expenditure.

## 6. Capital Investment Priorities

### Key Capital Investment Priorities

6.1 The Council's capital investment priorities will be driven by the strategic objectives combined with a need to maintain assets for service delivery. In doing so, there has to be a recognition that any capital investment undertaken by the Council must be affordable, prudent and sustainable. In view of this, the key capital investment priorities for the Council continue to be:-

- **Private Sector Housing Renewal** – This remains a priority for the Council given the condition of the housing stock within some areas of Pendle. The extent to which the Council will deliver the renewal of private sector housing will, however, remain largely dependent on the receipt of external funding such as the Regional Growth Fund or the New Homes Bonus;
- **Promoting, Enabling and Providing Regeneration** – The wider regeneration of Pendle is a key capital investment priority for Pendle, given the scale of the issues facing Pendle, and has been largely driven by the external funding provided to the Council. However, in recognition of the constraints on external funding from 2011/12, the Council has procured a Strategic Developer Partner – Barnfield Investment Properties to deliver regeneration projects through joint venture arrangements;
- **Corporate and Service Asset Renewal** – The Council will seek to continue investing in its own assets, both those that are used for administrative purposes and those for the delivery of services direct to the residents, e.g. parks and recreational facilities. A key part of this will be to ensure sufficient resources are available to ensure assets are safe to use and occupy.

6.2 Given these investment priorities, the Medium Term Capital Programme for 2015/16 (and indicatively for 2016/17 and 2017/18) is set out in the table below:-

**Table 5: Proposed Capital Programme for 2015/18**

|  | Proposed<br>Capital<br>Programme<br>2015/16<br>£000 | Indicative<br>2016/17<br>£000 | Indicative<br>2017/18<br>£000 |
|--|---|-------------------------------|-------------------------------|
| Private Sector Housing                     | 3,247   | 480                           | 430                           |
| Asset Renewal                              | 628   | 310                           | 290                           |
| Area Committees                            | 254   | 100                           | 100                           |
| Other General Capital Schemes              | 1,424   | 160                           | 150                           |
| Resource Procurement / External<br>Funding | 536   | 0                             | 0                             |
|  | <b>6,089</b>  | <b>1,050</b>                  | <b>970</b>                    |



- 6.3 Although not explicitly stated in the table above, where it is applicable, the Council will consider sustainable and environmentally responsible options when developing capital projects. This will be with the aim of reducing the environmental impact of projects. The Council has established processes which will ensure these assessments are undertaken in a systematic way.

#### The Prioritisation Process

- 6.4 Recognising that there are not sufficient resources to meet all capital investment needs, the Council will continue to employ a Capital Project Appraisal Methodology which is used to determine priorities for capital investment. This methodology requires all bids to be documented through completion of a proforma which rigorously questions the proposed expenditure, in relation not only to cost but also the need for the scheme, links with approved policies and objectives, partnering and action plans, other sources of funding, revenue implications, priorities and practical completion issues.
- 6.5 The capital appraisal process, like other procurement processes, is strongly influenced by the Council's Strategic Plan and makes use of the corporate cross-cutting checklists to help to ensure that projects are sustainable and contribute to the social, economic and environmental wellbeing of the borough. An important element of this policy is the need to ensure that equality issues are addressed.
- 6.6 In prioritising the proposals, all bids have been scrutinised to ensure consistency with approved objectives, strategies and action plans and justification in terms of cost, outputs, what will be achieved and value for money. The whole life cost of projects has been considered where appropriate. Full account has been taken of recommendations from service reviews and partners' views with bids being measured against the following criteria:-
- legal requirements, contractual commitments and health and safety;
  - improved customer and/or public access (including disabled and equality issues);
  - sustainability, community issues and addressing deprivation;
  - ensuring the serviceability of the Council's assets by programming major refurbishment at the point where the asset is becoming uneconomically maintainable (arresting deterioration and dealing with backlog repairs in accordance with the Asset Management Plan);
  - match-funding and resource procurement, ie the extent to which a proposal will draw in investment from external funding sources including partners;
  - revenue benefits (reducing longer term maintenance costs, good payback period);
  - any consequent additional revenue costs and savings and the extent to which they are covered by a funding plan.
- 6.7 The implications of not proceeding with any proposed schemes are also taken into account, along with data and information from the asset management plan.
- 6.8 The final stages of the process involve the scrutiny of bids by the Council's Management Team before being submitted to the Executive and the Council for decision.

## **7. Capital Resources 2015/18 and Financing Strategy**

7.1 Where available, the Council has access to the following main sources for capital funding:

- Capital Receipts from the sale of assets;
- Revenue funds and balances;
- Government grants;
- Non-government grants, funding from organisations such as the National lottery and developers' contributions through planning gain payments (Section 106 agreements); and
- Borrowing.

### Capital Receipts

7.2 Sale of the Council's surplus assets, principally land or buildings, generate capital receipts.

7.3 Looking forward over the medium term, having had several years where significant land sales have helped fund an enhanced capital programme, there is currently limited scope for receipts from the sale of land and assets. Indeed, where it is feasible to do so, the Council will use both land and assets as its contribution to the joint venture arrangement with Barnfield Investment Properties thereby leveraging in private finance for regeneration-led investment.

### Revenue Funds and Balances

7.4 Revenue funds and balances are under pressure from the Council's difficult revenue position.

7.5 The Medium Term Financial Plan assumes that the revenue budget will continue to provide a regular contribution towards small scale capital expenditure undertaken by Area Committees. This will need to remain under review as the position with the General Fund Revenue budget becomes tighter.

### Government Grants

7.6 Government grants are dependent on the Government's own priorities and the level and basis of distribution has been known to change from year to year.

7.7 As indicated above, the Government capital funding for Pendle has fallen significantly in recent years following the withdrawal of Housing Market Renewal funding and the Regional Housing Pot. The Council's capital grant resources in 2015/6 have fallen compared to previous year with the estimated £420k for Disabled Facilities Grants being the only new capital grant the Council is likely to receive.

### Other Grant Funding

7.8 Grants from non-government organisations and Section 106 receipts tend to be specific to individual schemes or programmes and often require some form of match

funding from the Council's other resources. In recent years, the Council has been reasonably successful in exploiting these funding opportunities and this will continue where it is possible to do so. Recent examples include grant funding from British Cycling and Sport England towards the development of a cycle track in the Borough and English Heritage re Lomeshaye Bridge Mill.

#### Prudential Borrowing

- 7.9 Borrowing is governed by The Prudential Code for Capital Investment in Local Authorities. Borrowing is permissible if it is affordable, prudent and sustainable.
- 7.10 Borrowing decisions take into account the revenue implications of projects, both the benefits, such as efficiency savings, and the costs, such as repayment and interest costs. These are built into the MTFP to determine affordability. Again, as with the revenue contributions referred to above, the extent to which the Council can borrow resources is largely dependent on the capacity within the General Fund Revenue Budget to pay for borrowing costs. Given the constraints on the Council's General Fund Revenue Budget, the extent to which the Council can borrow resources for capital investment will require compensating savings to be identified within the budget if it is to remain affordable, prudent and sustainable.
- 7.11 The exception to this is 'invest to save' projects where borrowing costs can be funded from savings arising as a result of capital investment. The Council will endeavour to identify opportunities for such projects, both as a means of asset renewal but also as a way to reduce the operating costs of the Council's asset base.

#### Estimated Capital Resources 2015/18

- 7.12 Table 7 below summarises the estimated capital resources for the next three years:-

**Table 7: Estimated Capital Resources 2015/18**

|  | 2015/16<br>£000 | 2016/17<br>£000 | 2017/18<br>£000 |
|--|-----------------|-----------------|-----------------|
| Capital Receipts                       |                 |                 |                 |
| - General Capital Receipts             | 300             | 100             | 100             |
| - Housing Capital Receipts             | 0               | 0               | 0               |
| Revenue Contribution to Capital        | 600             | 100             | 100             |
| Capital Grant (in year)                | 481             | 350             | 350             |
| Other (e.g. Leasing)                   | 20              | 0               | 0               |
| Borrowing (including c/fwd commitment) | 4,668           | 500             | 500             |
| <b>ESTIMATED RESOURCES</b>             | <b>6,069</b>    | <b>1,050</b>    | <b>1,050</b>    |

- 7.13 ***It should be noted that the timing/amount of the capital receipts is dependent on the disposal of the properties; there will be a need to monitor disposals carefully so that projects that are being funded from receipts are only started once there is some certainty of funding;***
- 7.14 Aside from capital receipts, the Council's ability to fund capital projects is, as indicated, largely dependent on borrowing both in 2015/16 and thereafter. The

affordability of this going forward will need to be considered carefully particularly in the context of the pressure on the Council's General Fund Revenue Account.

### Capital Financing Strategy

7.15 The Head of Central and Regeneration Services (as Chief Finance Officer) will determine the most appropriate methods of financing the capital programme in order to ensure that the use of capital resources is optimised. The strategy used for financing capital expenditure will, however, be based on the following principles:-

- a) where possible and necessary, grant funding and other external contributions will be used to finance capital expenditure on the scheme for which funding has been provided;
- b) in-year capital receipts from the disposal of Council assets will be used in full each financial year:-
  - in the first instance to meet capital expenditure incurred by the Council (in the same year in which the receipts are generated); and then
  - to write down the Council's Capital Financing Requirement thereby minimising the amount of Minimum Revenue Provision in the following financial year.
- c) Revenue contributions to capital expenditure shall be used after all capital receipts have been used;
- d) Monies held by the Council arising from s106 Agreements will be used to meet the specific expenditure as set out in the Agreement. No expenditure shall be incurred until the monies have been received by the Council, unless written consent has been obtained from the Developer for this to happen and there is certainty of receipt;
- e) Subject to the limits agreed as part of the budget setting process and the Council's Treasury Management Strategy, prudential borrowing will provide the balance of resources required to balance the capital programme in each financial year.

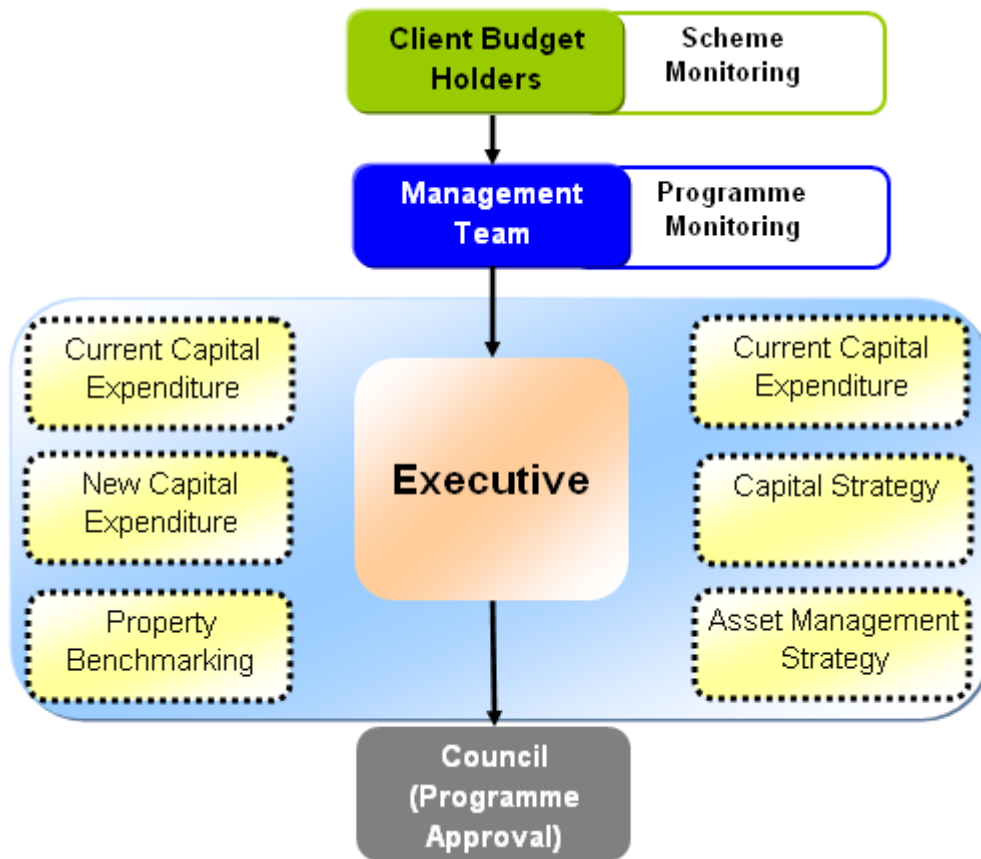
## **8. Planning, Monitoring and Reporting**

### Use of Project Management Disciplines

8.1 The Council will endeavour to use formal project management procedures to plan, project manage and ultimately control the delivery of capital schemes exceeding £50,000. The use of project management procedures provides a discipline to ensure that each project is delivered on time, within budget and in accordance with the agreed scope of each scheme.

## Monitoring of Capital Investment

- 8.2 The Council's Capital Programme is monitored on a regular basis. The monitoring process is illustrated in the diagram below:-



- 8.3 As the diagram shows, each Client Budget Holder is required to monitor progress on capital schemes within their remit. It is the responsibility of Management Team to monitoring the capital programme as a whole. Management Team report on the monitoring of the capital programme, including the financing of the programme, to the Executive via the quarterly Strategic Monitoring Report.

## Reporting

- 8.4 In terms of reporting, details of expenditure and income are reported to Councillors as part of a Strategic Monitoring Report which is submitted to the Executive on a quarterly basis. At the end of each financial year, details of actual income and expenditure are reported as part of the final accounts process.

## 9. Maximising Capital Investment in the Borough

- 9.1 As indicated earlier in this Strategy, funding for capital investment by a District Council such as Pendle is very limited. Currently, the majority of the Council's resources are, for all practical purposes, ring-fenced for private sector housing but even this funding will reduce.
- 9.2 The Council depends almost entirely on capital receipts, revenue contributions and borrowing to finance its non-housing capital programme. Capital receipts are increasingly difficult to come by and the revenue position of the Council is such that there is restricted scope for revenue contributions to capital or to meet the costs of financing further borrowing.

### Leverage of External Funding

- 9.3 The lack of capital funding emphasises the need to look more widely at ways of bringing capital funding into the Borough. The Council has been very successful at leveraging external funding for a range of projects, examples of which are provided at [Appendix B](#).
- 9.4 The development and implementation of the Council's Corporate Capital Strategy will therefore involve:-
- continuing to work with partners to maximise the effect of capital investment in the Borough in order to achieve agreed objectives and targets; perhaps the most likely example of this is the joint venture arrangement with Barnfield Investment Properties;
  - seeking to maximise investment in the Borough, through "pump-priming" and contributing to larger-scale schemes in partnership with other stakeholders in the Borough;
  - seeking to maximise investment in the Borough through bids for external funding sources where these present themselves.

### Working with Partners

- 9.5 In view of the limited capital resources available to the Council, the Council has to take advantage of opportunities to work in partnership with other organisations to lever in capital investment to the Borough. The Council has a good track record of doing this, with organisation in both the public and private sector. Key partners include:-
- Liberata;
  - Housing Pendle;
  - Lancashire County Council;
- 9.6 Examples of capital investment arising from successful partnership working are shown at [Appendix B](#). A fundamental part of this Strategy will be continued work

with Partners to identify and exploit opportunities to work together to maximise capital investment in the Borough particularly where funding is provided by Government agencies or the private sector.

- 9.7 In this respect, a key source of funding will be via the PLACE Joint Committee which is a partnership of the Pennine Lancashire local authorities (comprising Lancashire County Council, Blackburn with Darwen Borough Council, Rossendale Borough Council, Hyndburn Borough Council, Burnley Borough Council, Ribble Valley Borough Council and Pendle Borough Council).
- 9.8 Thereafter, and where the opportunities can be taken, the Council will seek funding via the Lancashire Local Enterprise Partnership.

#### Joint Venture Arrangements

- 9.9 It is also worthwhile mentioning the Council's joint venture arrangements with Barnfield Investment Properties. The strategic approach with these arrangements is the development of relationships which will lever in private finance for regeneration. This is in response to the reduction in public sector capital investment.
- 9.10 Pendle Enterprise and Regeneration Ltd (PEARL) has now been established since 2007 and has successfully developed the ACE Centre. The Council has a 30% share in the Company.
- 9.11 Pendle Enterprise and Regeneration 2 Ltd (PEARL2) has again been established as a way of leveraging in more private sector finance for regeneration projects in Pendle. Again, the Council has a 30% share in the Company. The Company is the Council's preferred delivery vehicle for regeneration projects and represents an innovative approach.
- 9.12 In March 2012 Pearl (Brierfield Mill) Ltd was incorporated as a wholly owned subsidiary of Pearl 2. The company was formed for the purposes of redeveloping and regenerating the Brierfield Mill site and buildings which the Council acquired for £1.5m in March 2012. The property was subsequently transferred to Pearl (Brierfield Mill) Ltd via long-term leasehold disposal.
- 9.13 At the time of writing this Corporate Capital Strategy, the Company has the following portfolio of projects, some completed and others in progress:-
- **Shackleton Hall, Colne** – completed in December 2011;
  - **Old Library, Booth Street, Nelson** – completed 2013 for disposal or letting;
  - **Lob Lane Mill, Brierfield** – acquisition and redevelopment for sale; completed
  - **Stanley Street / Albert Street, Nelson** – refurbishment and disposal; completed
  - **Bunkers Hill, Colne** – new residential development; completed
  - **Holden Road/King Street, Brierfield** – new residential development; completed
  - **Former Presbytery site, Whitefield, Nelson** – residential development; in progress
  - **Clitheroe Road, Brierfield**; acquisition and redevelopment for sale.

## 10. Other Matters

### Climate Change and Sustainability

- 10.1 As indicated elsewhere in this Strategy, the Council is committed to taking action within resources available to address the causes of climate change. To demonstrate this commitment, the Council has signed up to the Nottingham Declaration and has put in place a Climate Change Action Plan setting out the actions that will be implemented to do this. This Action Plan supports the delivery of the Sustainable Community Strategy and the Council's own Strategic Plan.
- 10.2 A key aspect of this work is ensuring that capital investment decisions by the Council take into consideration climate change matters. Where it is practicable, the planning of capital projects will include consideration of climate change and sustainability issues to ensure that the Council is proactively reducing carbon emissions.
- 10.3 A recent example of this activity is the installation of Solar Photo-Voltaic panels on several council-owned buildings. These will help to reduce the Council's emissions whilst also enabling it to take advantage of the Government's Feed-in-Tariff scheme by generating electricity from low carbon sources.

### Procurement Strategy

- 10.4 The Council is committed to achieving value for money (VFM) in the procurement of its services, including the implementation of this capital strategy. A Procurement Strategy has been approved by the Council and the delivery of the Council's capital investment plans will be in accordance with the agreed Strategy.
- 10.5 Notwithstanding the strategic framework in which the Procurement Strategy is set, the Council's Contract and Financial Procedures Rules (CPRs and FPRs) set out the rules that apply to the commissioning of works or services to ensure that the Council obtains value for money for the expenditure that it incurs. As required, all capital investment proposals will be pursued in compliance with CPRs and FPRs unless specific exemptions from doing so are agreed (either as part of delegated authority to Officers or by the Executive).

### Consultation

- 10.6 The Council undertakes a range of consultations and the views obtained from those consultations have been used in the development of the Community Strategy and the Strategic Plan. Given the direct link between these documents and Corporate Capital Strategy, the capital investments undertaken by the Council demonstrate that the Council is responding pro-actively to responses from consultees.
- 10.7 The development of the Corporate Capital Strategy will continue to take into consideration consultation responses wherever it is possible to do so.



## The Localism Act 2011

- 10.8 The Act includes provisions which require the Council to maintain a list of assets of community value. This includes public and privately owned assets. Examples might include a village shop, local pub, library and community centre. If an owner of a listed asset wants to sell it they have to notify the local authority. The local authority then, in turn, has to notify any interested parties. If local groups are interested in buying the asset they have 6 months to prepare a bid to buy it before the asset can be sold. The 'Community Right to Bid' came into effect on 21 September 2012.
- 10.9 In addition to the Community Right to Bid the Government is also encouraging Councils to work with local community based groups on Community Asset Transfer. Community Asset Transfer is where Councils are empowered to transfer the ownership of land and buildings to communities at less than market value. This is known as 'discounted asset transfer' or 'asset transfer'. This shift in ownership of land and buildings from public bodies to communities is intended to reflect localism in action, giving greater powers to:-
- Community and voluntary sector organisations
  - Community and social enterprises
  - Individuals looking to form a not-for-private-profit group to benefit their neighbourhood.

Any requests for asset transfers will be dealt with in accordance with the Council's policy and procedure which was developed in 2013.

## Working with Town and Parish Councils

The Council is engaging with local Town and Parish Councils to explore the scope to transfer assets from the Borough Council. This will result in local ownership and management and help sustain assets that might otherwise be threatened given the on-going financial constraints facing the Borough Council. Local Town and Parish Councils are not currently subject to the same financial constraints and some have expressed an interest in taking on local assets. Examples include community centres and public conveniences. Further work is underway to broaden the scope of this activity in the coming years.

## Lancashire Enterprise Partnership – Growth Deal for Lancashire

On 29th January 2015 it was announced that the Lancashire Local Enterprise Partnership has agreed an expansion to its Growth Deal with the Government which will see an extra £17.2m invested in Lancashire between 2016 and 2021. The Government will work with the LEP to bring together other funding- including the Public Works Loan Board - to support the delivery of this deal. This is in addition to the £233.9m of funding committed by the Government on 7 July 2014. Over the lifetime of its Deal (2015-2021) the Local Enterprise Partnership estimates that up to 8000 new jobs could be created, 3000 new homes built and that it has the potential to generate £280m public and private investment. Included in the proposed list of projects within the expanded growth deal is the redevelopment of Brierfield Mill.

## The Strategic Plan and Corporate Capital Strategy 2015/18

It is important that the Council's capital investment is considered within the context of the wider strategic objectives of the Council. The table below sets out the Council's Strategic Objectives and some of the individual priorities and highlights what capital investments have either been made or are expected in the next twelve months. Linked to these investments are the related outcomes.

| Priority Outcome   | What Capital Investment is expected in the next 12 months...  | Related Outcome(s) (as per Sustainable Community Strategy)   |
|--|---|--|
| <b>Objective One: Working with partners and the community to sustain accessible services of good value</b> |   |  |
| Deliver the Community Safety and Anti-Social Behaviour Strategy  | <ul style="list-style-type: none"> <li>Continued investment in CCTV equipment to digital during 2015/16</li> <li>Investment aimed at reducing the number of empty homes</li> </ul>  | <ul style="list-style-type: none"> <li>To retain the % of residents who feel very/fairly safe in their neighbourhood during the day (96%)</li> <li>To increase the % of residents who feel safe or very safe out in their neighbourhood at night to 55%</li> </ul> |
| Improve satisfaction with Pendle as a place to live, work, do business and visit                           | <ul style="list-style-type: none"> <li>Continued investment to improve the housing stock;</li> <li>Area Committee – locally determined schemes of community benefit;</li> <li>Investment in the Council's IT infrastructure;</li> <li>Investment in regeneration activity undertaken by Pearl.</li> </ul> | <ul style="list-style-type: none"> <li>55% of residents satisfied with the way the Council runs things;</li> </ul>   |

| Priority Outcome  | What Capital Investment is expected in the next 12 months...   | Related Outcome(s) (as per Sustainable Community Strategy)  |
|---|--|---|
| <b>Objective Two: Creating jobs and sustaining strong economic growth</b> |  |   |
| Strengthen the economy and ensure growth leading to job creation          | <ul style="list-style-type: none"> <li>• Maximise inward funding for regeneration (via Lancashire Growth Deal)</li> <li>• Develop and deliver regeneration schemes in partnership with PEARL2 (£300k included in proposed capital programme for 2015/16)</li> </ul>  | <ul style="list-style-type: none"> <li>•</li> </ul>   |
| Improve the range and choice of housing and tackle poor quality housing   | <ul style="list-style-type: none"> <li>• Continuation of the Local Authority Mortgage Scheme and other schemes of assistance for home buyers;</li> <li>• Right to Build Initiative – support for Self-Build development</li> <li>• Work in Partnership with PEARL2, Housing Pendle and the Homes and Communities Agency to deliver a range of new and refurbished housing.</li> <li>• Continue with the Empty Homes Strategy and deliver actions and targets to reduce the number of empty homes in. The 2012 – 2014 Action Plan showed a reduction from over 2000 to c1200 empty properties.</li> </ul> | <ul style="list-style-type: none"> <li>• % of private sector houses that are empty for 6 months or more (3.7 % based on reduction of 100 dwellings per year)</li> </ul> |

| Priority Outcome  | What Capital Investment is expected in the next 12 months...   | Related Outcome(s) (as per Sustainable Community Strategy) |
|---|--|--|
| <b>Objective Three: Ensuring a cohesive, healthier and safer Pendle</b>   |  |  |
| To ensure good quality services that are effective, efficient and economic and delivered within a regime of continuous improvement. | <ul style="list-style-type: none"> <li>• Funding is available to ensure the Council's estate remains safe and secure to use</li> <li>• Investment in the Trade Waste / Waste Collection service</li> </ul> | .  |

## Appendix B

### Track Record of Using Use of External Funding and Joint Working with Partners

The table below provides examples of the Council working successfully with a range of partners on capital investment projects for the benefit of the Borough. Equally, the Council has to exploit opportunities for external funding and consider alternative, sometimes innovative, approaches to achieving capital investment in the Borough. The Council has a track record of success in these areas and the table below provides examples of these achievements:-

| Partner/Funding Body                  | Project Capital Investment   | Description of Project(s)  | Strategic Objective (see below) | Outcome(s) Achieved/Expected  |
|---------------------------------------|--|--|---------------------------------|---|
| <b>Successful Partnership Working</b> |  |  |                                 |   |
| Liberata                              | c£5m   | Development of a Business Centre comprising the Council's Contact Centre, accommodation for both the Council's Strategic Partner (Liberata) and businesses.  | 1 and 2                         | <ul style="list-style-type: none"> <li>• Redevelopment of a derelict site in Nelson Town Centre</li> <li>• Accommodation for 300 new jobs in Nelson Town Centre</li> <li>• Improvement in customer access for residents of Pendle.</li> </ul>   |
| Pendle Leisure Trust                  | c£4m (including SRB funding of £1.0m)<br><br>c£6m (including SRB funding of £1.3m) | The extension of the Wavelengths Leisure Centre to include a range of facilities. This was achieved through a combination of lease finance, external funding and Council capital investment.<br><br>The development of the ACE Centre which provides a range of activities including a Performance Venue, Recording Studio, Conference Facilities, Meeting Rooms | 1 and 2                         | <ul style="list-style-type: none"> <li>• Improved and expanded leisure facilities for Pendle;</li> <li>• Expected to contribute to the improvements in the health and well being of Pendle residents</li> <li>• Access to Arts and Cultural activities facilitating cohesion across local and sub-regional communities</li> </ul> |

| Partner/Funding Body            | Project Capital Investment     | Description of Project(s)   | Strategic Objective (see below) | Outcome(s) Achieved/Expected   |
|---------------------------------|--------------------------------|---|---------------------------------|--|
|                                 | £300k                          | A further development of Wavelengths Leisure Centre to incorporate Treatment Rooms etc  |                                 |  |
|                                 | £135k                          | Refurbishment of Seedhill Athletics Track   |                                 |  |
| Housing Pendle                  | c£45m investment over 10 years | The disposal of the Council's housing stock to Housing Pendle has facilitated a programme of significant investment in the stock.   | 1, 2 and 3                      | <ul style="list-style-type: none"> <li>Significant investment in housing stock that otherwise would not have been possible;</li> <li>A key element of work to achieve the Government's Decent Homes Standard.</li> </ul>   |
| Lancashire County Council       | c£?                            | <ul style="list-style-type: none"> <li>The development of a new Bus and Rail Interchange in Nelson. Pendle BC has facilitated this scheme through the lease of land to LCC which is included within the development;</li> <li>The development of a new School at Pendle Vale;</li> <li>The development of a new school at Marsden Heights. Pendle BC has facilitated this scheme with a land swap arrangement;</li> <li>The development of a new school in Whitefield;</li> </ul> | 1 and 2                         | <ul style="list-style-type: none"> <li>Achievement of one of the short/medium term projects in the Nelson Town Centre Masterplan;</li> <li>Improved educational facilities contributing to the provision of high quality education (in line with Community Strategy objectives).</li> </ul>                            |
| Barnfield Investment Properties | Investment Programme of c£20m  | <ul style="list-style-type: none"> <li>Established Joint Venture Companies with the objective to develop sites across the Borough of Pendle;</li> <li>First project was the development of the Arts, Cultural and Enterprise (ACE) Centre;</li> <li>Completion of Shackleton Hall (c£2.6m development) now let to Housing Pendle and various retail tenants;</li> <li>Lob Lane Mill Residential Development</li> </ul>  | 1 and 2                         | <ul style="list-style-type: none"> <li>Establishment of 'Special Purpose Vehicle (SPV), to lever in private investment into regeneration projects across the Borough</li> <li>Redevelopment of a derelict site in Nelson Town Centre</li> <li>Improved Arts, Community and Enterprise facilities which will</li> </ul> |

| Partner/Funding Body                         | Project Capital Investment             | Description of Project(s)  | Strategic Objective (see below) | Outcome(s) Achieved/Expected  |
|--|--|--|---------------------------------|---|
|  |  | <p>(£c7m) on site with properties available for sale; 2<sup>nd</sup> phase being considered</p> <ul style="list-style-type: none"> <li>Development of various sites including:- <ul style="list-style-type: none"> <li>Booth Street</li> <li>Bunkers Hills</li> </ul> </li> </ul>  |                                 | contribute to the regeneration of Nelson Town Centre  |
| Nelson and Colne College                     | c£16m (inclusive of all match funding) | <ul style="list-style-type: none"> <li>Development of single college site (helped with SRB funding)</li> </ul>   | 1 and 2                         | <ul style="list-style-type: none"> <li>Improved educational facilities contributing to the provision of high quality education (in line with Community Strategy objectives).</li> </ul>   |
| <b>Success in Obtaining External Funding</b> |  |  |                                 |   |
| Regenerate Pennine Lancashire                | c£10m pa (project started in 2005/06)  | <ul style="list-style-type: none"> <li>The Housing Market Renewal Project was intended to be a 15 year project aimed at restructuring the housing market in East Lancashire. In Pendle, the initial projects in the Programme included:- <ul style="list-style-type: none"> <li>Brierfield Canal Corridor</li> <li>St Mary's Phase 1, 2 and 3</li> <li>North Valley, Colne (Churchfields)</li> <li>Whitefield</li> <li>Bradley</li> <li>Grot Spots</li> </ul> </li> </ul> <p><b>Due to withdrawal of funding from the HMR Project, the Council is now focusing on the completion of residual HMR</b></p> | 1 and 2                         | <ul style="list-style-type: none"> <li>We will have 3.5% of houses empty for 6 months;</li> <li>We will have 20% house sales under £50k;</li> <li>We have returned to occupation/demolished an additional 100 private dwellings;</li> </ul> |

| Partner/Funding Body                  | Project Capital Investment   | Description of Project(s)  | Strategic Objective (see below) | Outcome(s) Achieved/Expected  |
|---------------------------------------|--|--|---------------------------------|---|
|                                       |  | <b>Projects</b>  |                                 |   |
| North West Development Agency and SRB | <p>SRB IN 2006/07 of c£2.5m and in 2007/08 of £3.1m (excludes match funding)</p> <p>NWDA funding of £3.5m (excludes match funding)</p> | <ul style="list-style-type: none"> <li>• Market St Development –Site Assembly for the development of Market St Phase 1 (Business Centre) and Phase 2 (Arts, Community and Enterprise Centre);</li> <li>• Extension of Wavelengths to include new spa, gym and other facilities;</li> <li>• A new Bus/Rail Interchange in Nelson;</li> <li>• Development of the Arts, Cultural and Enterprise Centre in Nelson Town Centre</li> <li>• Nelson and Colne College – Development of single site college</li> <li>• Completion of Nelson Town Centre Public Realm improvement including reinstatement of road through Town Centre</li> </ul> | 1 and 2                         | <ul style="list-style-type: none"> <li>• Redevelopment of a derelict site in Nelson Town Centre</li> <li>• Accommodation for 300 new jobs in Nelson Town Centre</li> <li>• Improvement in customer access for residents of Pendle.</li> <li>• Achievement of one of the short/medium term projects in the Nelson Town Centre Masterplan;</li> </ul> |
| Homes and Communities Agency          | £2.9m initially with further funding likely for Whitefield Phase 1 Housing   | <ul style="list-style-type: none"> <li>• Purchase of properties in Nelson West and Whitefield</li> <li>• Development of Whitefield Phase 1 Housing</li> <li>• Acquisition of Brierfield Mill (£1.5m)</li> <li>• Development of the former Presbytery site in Whitefield.</li> <li>• Clusters of Empty Homes Funding (£1.33m)</li> </ul>  | 1 and 2                         | <ul style="list-style-type: none"> <li>• We will have 3.5% of houses empty for 6 months;</li> <li>• We will have 20% house sales under £50k;</li> <li>• We have returned to occupation/demolished an additional 100 private dwellings;</li> <li>• To have met the decent homes standard for social housing by 2010.</li> </ul>                      |



| Partner/Funding Body | Project Capital Investment | Description of Project(s)  | Strategic Objective (see below) | Outcome(s) Achieved/Expected |
|----------------------|----------------------------|--|---------------------------------|------------------------------|
|                      |                            |  |                                 |                              |
| English Heritage     | c£10m                      | <ul style="list-style-type: none"> <li>Working in partnership with the Council on the Townscape Heritage Initiative (THI)</li> </ul> | 1 and 2                         |                              |
| Sport England        | £150k                      | <ul style="list-style-type: none"> <li>Development of Steven Burke Sports Hub</li> </ul>   | 2 and 3                         |                              |
| British Cycling      | £250k                      | <ul style="list-style-type: none"> <li>Development of Steven Burke Sports Hub</li> </ul>   | 2 and 3                         |                              |

### Strategic Objectives

|   |  |
|---|--|
| 1 | Working with partners and the community to sustain accessible services of good value |
| 2 | Creating jobs and sustaining strong economic growth                                  |
| 3 | Ensuring a cohesive, healthier and safer Pendle                                      |