



DRAFT

Agenda item:

Cabinet

On 21 April 2009

[No 1]

Report Title: **Growth Area Funding 3 and Community Infrastructure Funding**

Report authorised by **Niall Bolger, Director of Urban Environment**

N Bolger 21st April 2009

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Wards(s) affected: **ALL**

Report for: **Key Decision**

1. Purpose of the report

- 1.1 To inform the Cabinet of the outcome of the funding allocated to the Council from the Government from its Growth Area programme to support the development and regeneration initiatives in the Borough.
- 1.2 The Cabinet to agree the allocation of the GAF3 monies for the number of projects identified for implementation under this programme as applied by the Council.

2. Introduction by Cabinet Member (if necessary)

- 2.1 The Council welcomes the Growth Area Funding and Community Infrastructure Funding offered by the Government to support the implementation of the regeneration programme in the Borough. The various projects identified for this implementation will meet the wider objectives of the Council and will contribute to the creation of employment opportunities and housing and upgrade the

general environment of the area and quality of life.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 3.1 The Tottenham Hale area is identified as one of the growth points in the Borough. The Government makes available through the bidding process funds for financial support for community and infrastructure projects that are necessary to enable the delivery of regeneration programmes. The Council has over the years prepared a number of regeneration frameworks, masterplans and strategies to promote the development and regeneration in Tottenham Hale and Haringey Heartlands. These documents support the Council's bid for these external funding sources.
- 3.2 Other Council Strategies and Plans, in particular the Regeneration Strategy and the Greenest Borough Strategy, also support the wider regeneration and environmental initiatives.

4. Recommendations

- 4.1 The Cabinet acknowledges the funding being offered to the Council under the Growth Area Fund (GAF) 3 and Community Infrastructure Fund from Government to deliver a number of projects to support the regeneration in the Borough.
- 4.2 The Cabinet agree the allocation of the GAF3 funding to the projects set out in Table 2 under paragraph 5.10.

5. Reason for recommendation(s)

- 5.1 To ensure that Cabinet is in agreement with the priority given to the regeneration and environmental proposals.
- 5.2 The distribution of GAF3 allocation needs to be agreed by the Cabinet to ensure that there is support for the Projects identified for implementation.

6. Other options considered

- 6.1 The GAF3 allocation is to support projects that will deliver wider regeneration in the Borough or assist in unlocking other development proposals or initiatives that have funding short-fall. A number of other projects and proposals that fall within this remit were considered for implementation through this funding

- source, however the projects being put forward were those that can be implemented with other partners and can provide wider benefit.
- 6.2 For the CIF funding there were no other options for consideration.

7. Summary

- 7.1 The report set out the outcome of the funding bids announced by Government to support the community and infrastructure projects and initiatives to deliver housing growth, create employment opportunities, improve accessibility and access to public transport and upgrade the quality of the physical and natural environment.
- 7.2 The GAF3 funding allocation is not ring fenced, however it is necessary to ensure that it is able to support the Growth Area and provide the greatest benefit for the regeneration and environment enhancement that will improve the quality of life and create quality environment. The Cabinet is requested to agree the number of projects identified for implementation. The Green and Blue projects are specifically for improving the natural, green and water environment and some of these projects will be delivered jointly with our partners, particularly Lea Valley Regional Park Authority and British Waterway.
- 7.3 The CIF allocation is specifically for the Tottenham Hale Gyrotory and Station Square project that will be delivered by TfL and this allocation is the contribution from Government towards the delivery of this project.

Background information

- 7.4 Every year the Government announces the funding sources for the regeneration programmes/projects and community infrastructure development programmes in the Growth Area and Growth Points. The Council has been very successful in bidding for these funds and in delivering projects and programmes in the Borough. The two major growth areas of Tottenham Hale and Haringey Heartlands have benefited from these funding sources over recent years. The purchase of land in Marsh Lane for the development of new Council Depot was through the GAF3 Year One allocation in 2008/2009m.

Issue under consideration

- 7.5 In December 2008, the Government announced the outcome of the Round Three of Growth Area Fund (GAF) to the local authorities. Haringey was awarded £6.9m (capital) for the two year 2009/10 and 2010/2011. This represented 41.3% of Haringey's initial bid for a number of projects with the Borough's Growth Area of Tottenham Hale and Haringey Heartlands.

7.6 On 27th March 2009 the Government announced the outcome of the Community Infrastructure Fund (CIF) bids, Haringey Council's submission was a refreshed bid based on the previous Infrastructure projects in the Council's Programme of Development. Haringey Council has been allocated £4M in this round of CIF. This is only 50% of the £8M the Council was hoping for the Gyratory and Station Square Scheme at Tottenham Hale station. This is an important traffic management scheme for creating a quality environment to support the future housing development in this part of the Borough.

7.7 Numbers of regeneration and infrastructure projects are cross funded from a number of funding sources. The Cabinet is requested to endorse the funds available to deliver the various regeneration projects and agree the allocation of the funding for projects to be implemented from the available resources. The projects identified for implementation through the GAF3 and CIF Funding Programme is set out in the table below.

CIF Projects

7.8 The Tottenham Hale Gyratory and the Station Square is one major project that is jointly funded by GAF3 and CIF. With the announcement that only £4M of CIF has been allocated for this scheme there is now a short fall of at least £4M. The allocation is subject to a condition that the remaining funding package is put together by the Council and its partners and submitted to Government by the summer on how this scheme will be taken forward for implementation. The cabinet is advised that the way forward in the implementation of this scheme is being considered with Transport for London and Greater London Authority who will provide the major source of funding for this scheme.

GAF3 Projects

7.9 The proposed allocation of £1.2M for Marsh Lane is to ensure that works on the demolition and site clearance can proceed. This sum includes land decontamination works.

7.10 The Green (Parks and open spaces) and Blue (rivers and reservoirs) Links projects are number of environmental improvement related scheme that will enhance access and connectivity to parks and open spaces (parks) and the river and reservoirs (water). These projects are chosen from a long list of schemes that were been put together in consultation with Members and the communities in 2007 when the Programme for Development was put together for submission to Government. The long list is set out in below and the schemes being put forward are identified with an asterisk and were those with the higher priority :

Garden of Remembrance *

Tottenham Green Public Art "Dancing Figures"
 Tottenham Marshes Car Park
 Ferry Lane Ramp
 Ferry Lane "Park Approach"
 Chesnut Road "Green Link" *
 Marsh Lane "Green Route" *
 Down Lane Park "Green Flag Status" *
 "Park to Park" Park View Road Underpass
 The Paddock
 Marsh Lane Allotments
 Watersport Equipments & Bike Hire Facilities

7.11 The table also shows the other projects that were included in the original bid and now not proceeding due to the size of the GAF3 resources. The Green and Blue Link projects have been included but only a small number are being progressed and these are those that are linked to other initiatives and will make a wider contribution to the overall environmental benefits in the area and neighbourhood.

Table 1 Proposed Allocation GAF3

Project	GAF Funding Applied for (1 st October 2008)	Actual GAF Funding being Allocated
Gyratory and Station Square	5,000,000	5,000,000
Greater Ashley Road (Urban Centre)	4,000,000	NIL
Greater Ashley Road (Ashley Road)	4,000,000	NIL
Marsh Lane	1,200,000	1,200,000
Green & Blue Links	1,500,000	711,869
Heartland's Site Acquisition And Preparation	1,000,000	NIL
TOTAL	16,700,000	6,911,869

Green and Blue Agenda: - £711,869, (circa 10% of overall budget)

Garden of Remembrance Mortuary – (GAF3 amount £266,000), this will assist the existing GAF2 project and complete the landscape scheme. The landscape scheme is imminent.

Marsh Lane Green Link : Pedestrian link to the Park (GAF3 amount £300,000). This scheme is combined with the Lee Valley Regional Park's DDA access and study centre extension, all of which are helpful to the development of Marsh Lane new depot. This scheme could be achieved quickly.

Down Lane Park : Green Flag Status combined with Chesnut Road Green Link (GAF3 amount £145,869). Housing has an estate environment improvement scheme in the area, (Decent Homes programme). There is also a bid, (£80,000) for the Mayor's 10,000 trees funding, part of which is in this area,

- 7.12 The proposal is to allocate £5M from GAF3 for the Tottenham Hale Gyratory and Station Square project to support the £4M now available from CIF. The TfL allocation for this scheme was subject to the CIF outcome. Although the Gyratory and Station Square has been success in securing some funding from the CIF programme however it is considerably short of the bid put forward. There will now be negotiations with TfL on how this may be taken forward. Set in the table below is the funding package for the project.

Table 2 Funding package for the Tottenham Hale Gyratory and Station Square

Project	Funds (£M)
GAF 3	5.0
CIF	4.0
Haringey Council Section 106 Contribution	3.5
Tfl and GLA	28.2
TOTAL	40.7

- 7.13 The total construction cost of the project is £45.3M with the major funding source from TfL and GLA of £28.2M. The £3.5M contribution from Haringey Council is through the Section 106 Agreement secured by the planning permission for the Hale Village development.

- 7.14 The implementation of the Tottenham Hale Gyratory and Interchange project is not scheduled to start in earnest until 2012 when the funding from TfL is programmed and becomes available. Prior to this, the CIF and GAF funding would be used for advance works such as moving utilities equipment and some footway works.

Issues for Consideration

- 7.15 The Tottenham Hale Gyratory and Station Square is an important project for the future regeneration of the Tottenham Hale area in order to provide a quality environment and an enhanced transport interchange. The outcome of the CIF funding is disappointing however given the importance of this project for the future regeneration of Tottenham Hale, the Council would expect to give priority to this project. As the allocation of CIF is specifically for this project it can not be utilised for another project or scheme unlike the GAF3 allocation. The Council and its partners (TfL and GLA) will need to review the project and consider how the short-fall can be met. At the present time, there is also some doubt on the availability of the Section 106 funds because the Hale Village development is already behind schedule and the developer has requested deferment of the first two payments that are due on specific dates unrelated to the amount of development completed. The third payment is triggered by the quantity of development completed and in the current economic conditions there has been no progress on the construction of the residential development.
- 7.16 As regards to the projects funded from the GAF3 allocation, the priority has been the Tottenham Hale Gyratory and Station Square project and It has, therefore, been necessary to review the various projects that were identified in the programme and to prioritise those that should now be delivered. The report sets out the approach for the allocation of the funding to the projects.

8. Chief Financial Officer Comments

- 8.1 The Department of Communities and Local Government announced Growth Fund Allocations for 2009/10 and 2010/11 on the 10th December 2008 to local authorities with long-term plans to increase house building to meet the needs of their communities. The allocations for Haringey are of £3,443,246 in 2009/10 and £3,468,622 in 2010/11 in respect of capital schemes, a total of £6,911,869, to support the delivery of 8,764 new homes by 2016. Funding for 2009/10 is confirmed but the allocation for 2010/11 is provisional.
- 8.2 Although the funding is not ring-fenced, the capital allocation must be used for capital expenditure.
- 8.3 This report proposes that the resources are allocated as follows:

Project/Proposals	Sum Allocated (£)
Gyratory and Station Square	5,000,000
Marsh Lane	1,200,000
Mortuary Garden	266,000
Marsh Lane Green Link	300,000
Down Lane Park/Chestnut Road	145,869
Total	6,911,869

8.4 On the 27th March 2009, the Department of Communities and Local Government announced Community Infrastructure Fund allocations for transport projects to support the development of new housing, including £4million in respect of the Tottenham Hale Gyratory. The funding award is conditional on all the external funding sources required for the project being secured by the summer. Together with the proposed GAF allocation Section 106 contributions and resources from TfL and the GLA, funds of £40.7million have been identified towards construction costs estimated at £45.3m. A further report will be presented on how the shortfall will be met, following discussions with the TfL and the GLA.

9. Head of Legal Services Comments

9.1 The Head of Legal services comments that for the recommendations to be fully effective depends upon Transport for London (TfL) agreeing to carry out the Tottenham Gyratory and Station Square scheme. It is understood that if the recommendations are adopted by the Cabinet that TfL will proceed with the implementation of the scheme. If, however, TfL do not proceed with the scheme, then whilst the GAF3 Funding can be reallocated to other regeneration projects, the CIF funding will be lost to the Council. The effect will be that environmental objectives would not be achieved.

10. Head of Procurement Comments –[Required for Procurement Committee]

11. Equalities and Community Cohesion Comments

11.1 The implementation of the projects and proposal identified will improve the accessibility and upgrade the quality of the local environment particularly in the areas of the Borough that has the greatest need.

12. Consultation

12.1 Number of Council Services have contributed to the development of projects and proposals set out in this report These services have been consulted in the preparation of this report.

12.2 The projects and proposal also have support from number of partners and stakeholders, in particular the Tottenham Hale Gyratory and Station Square that will also be funded and delivered by TfL.

13. Service Financial Comments

- 13.1 There is a short fall of £4.6M for the Tottenham Hale Gyratory and Station Square scheme at present. The Council will be working with the TfL and GLA on how this scheme can be taken forward, reviewing the design and costs to ensure that the short-fall can be over come.
- 13.2 The projects identified in the report are funded by external funding sources and must contribute to the delivery of the objective set out in the funding programmes. The staff cost are met from existing staff budgets in the service areas.

14. Use of appendices /Tables and photographs

14.1

14.2

15. Local Government (Access to Information) Act 1985

- 15.1 Government announcement 27 March 2009 for CIF
Government announcement in 10 December 2008 for GAF3
Haringey Programme for Development 2008-2016

