



REPORT TO EXECUTIVE

PORTFOLIO AREA:

PROMOTING CARLISLE / FINANCE & PERFORMANCE MANAGEMENT

Date of Meeting: 28th August 2007

Public Yes

Key Decision: Yes

Recorded in Forward Plan:

No

Inside Policy Framework

Title: CARLISLE RENAISSANCE
NORTH WEST DEVELOPMENT AGENCY FUNDING

Report of: Director of Carlisle Renaissance

Report reference: CE 34/07

Summary: Following the submission of a Concept Proposal to the Northwest Development Agency the City Council has secured funding for pre-approval and requested to submit a revised funding proposal. This report sets out details of the pre-approval funded activity and the proposed revisions to the Concept Proposal.

Recommendations:

The Executive Committee is requested to: -

- a) Endorse the revised Concept Proposal
- b) Delegate authority for expenditure on pre-approval funded activity to the Director of Carlisle Renaissance in consultation with the Portfolio Holder.

Contact Officer: Ian McNichol

Ext: 7399

Note: In compliance with section 100d of the Local Government (Access to Information) Act 1985 this report has been prepared in part from the following papers: Report to Executive 11th June 2007 (CE 25/07) Carlisle Renaissance Funding Delivery

1. INTRODUCTION

- 1.1 At its meeting on 11th June 2007 the Executive Committee (CE 25/07) endorsed a Concept Proposal to the Northwest Development Agency (NWDA) for funding to support the implementation of the Development Framework & Movement Strategy and undertake work to establish an appropriate delivery mechanism for Carlisle Renaissance.
- 1.2 The Project Review Group of the NWDA considered the Concept Proposal at a meeting on 25th June. At this meeting it resolved to make an immediate offer of £389,000 for 'pre-approval' activity and a formal grant offer to this effect from the NWDA has been accepted by the Chief Executive.
- 1.3 The NWDA has requested that the City Council submit a revised Concept Proposal to include only the revenue funded activities included in the original proposal. They have further requested that two additional transport planning projects are included in the revised proposal.
- 1.4 The NWDA has advised that the capital projects in the original proposal should come forward as separate new Concept Proposals as and when detailed costs and specification have been prepared.
- 1.5 This report sets out details of the pre-approval funded activity and proposed revisions to the Concept Proposal.

2. PRE-APPROVAL FUNDING

- 2.1 The table below summarises the pre-approval activity and funding profile. All of these activities were included in the original proposal.

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Activity	Funding (£000's)			
	2007/08	2008/09	2010/11	Total
Development Manager	60	63	66	189
Development & Valuation Services	100			100
Appraisal of Delivery Mechanisms	50			50
Marketing	50			50
Total	260	63	66	389

- 2.2 The City Council is permitted under the agreement with the NWDA to reclaim 100% of the costs that it incurs in undertaking these activities
- 2.3 A Development Manager has been appointed under a rolling 3-year secondment agreement with the NWDA. Development and valuation services are required to progress schemes for the Rickergate and Caldew Riverside area. A brief is being prepared for advice on property valuation, acquisition, development appraisal and marketing.
- 2.4 The City Council has agreed in principle to establish a form of Regeneration Company to manage the delivery of Carlisle Renaissance. Funding will be used to procure technical support in the appraisal of delivery mechanisms. This work will be lead by the Economy & Enterprise Priority Group of the Carlisle Partnership,
- 2.5 The Economy & Enterprise Group consists of individuals drawn from key public sector and private sector organisations, including the City Council's Portfolio Holder for Economy & Enterprise. Director of Carlisle Renaissance and Director of Development Services. It has a private sector chair.
- 2.6 Funding will be used to prepare marketing materials for the Development Framework & Movement Strategy which promote the vision of a revitalised City Centre, the public realm, development and infrastructure proposals that make up this vision and the potential investment opportunities these proposals present.

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3. REVISED CONCEPT PROPOSAL

- 3.1 A copy of the revised Concept Proposal is attached as an Appendix to this report. The table below summarises the activity and funding profile of the revised Concept Proposal. It includes the pre-approval activity and shows the NWDA funding contribution only.
- 3.2 The NWDA funding is 'matched' in the revised proposal by existing approved revenue funding from the City Council, County Council and English Partnerships.

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Activity	Funding (£000's)			
	2007/08	2008/09	2010/11	Total
Development & Valuation Services		200	200	400
Rickergate Development	80	495	75	650
Caldew Riverside Development	40	265	45	350
Castle Way Scheme Design	30	100		130
Movement Strategy Studies	145	75		220
Development Manager	60	63	66	189
Project Management Capacity Funding	20	90	94	204
Appraisal and Establishment of Delivery Mechanisms	50	250		300
Development Framework Marketing	50	50		100
Total	475	1588	480	2543

- 3.3 A Learning Village Development Plan was included as revenue funded activity in the original proposal. It has not been included in the revised proposal following recent announcements and uncertainly at this stage as to the plans of some of the affected educational institutions.
- 3.4 The Castle Way Feasibility Study has been retained the revised proposal on the advice of the NWDA despite the recent resolution of the Carlisle Local Area Committee of the County Council not to support it.
- 3.5 The original proposal included funding to support work led by the County council to progress a range of other infrastructure proposals to progress the Movement Strategy. The revised proposal includes additional funding for more extensive traffic

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modelling and supplementary management capacity on transformational and public realm projects.

- 3.6 The revised Concept Proposal will be submitted to the Northwest Development Agency for consideration at the next available Project Review Group for approval to proceed to a Full Application. Subject to this a Full Application is expected to come forward for approval by the Executive at its meeting on 8th October 2007.

4. CONSULTATION

- 4.1 The following have been consulted in the preparation of this report: -

- Carlisle Renaissance Cross Party Working Group
- Cumbria County Council
- Cumbria Vision
- Northwest Development Agency

5. RECOMMENDATIONS

- 5.1 The Executive Committee is requested to: -

- a) Endorse the revised Concept Proposal
- b) Delegate authority for expenditure on pre-approval funded activity to the Director of Carlisle Renaissance

6 REASON FOR RECOMMENDATIONS

- 6.1 To enable the revised Concept Proposal to go forward for consideration by the Northwest Development Agency and progress with the implementation of pre-approval activities

7. IMPLICATIONS

- Staffing/Resources – The Concept Proposal includes proposals for additional development and project management capacity to support the City Council's in-house team. The staffing/resources implications of any delivery structure

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established to manage the delivery of Carlisle Renaissance will be addressed through the appraisal of delivery structures and any subsequent work required to secure the operational establishment of a special purpose vehicle or other such structure.

- Financial – The City Council has approved a revenue budget of £0.34m pa for Carlisle Renaissance from 2005/06 to 2008/09. A capital budget of £1m has also been approved and is held in reserves to support property acquisitions. A further £0.05m capital has been approved to support renaissance improvements.

Should the conditions of the grant offer of £389,000 be considered as acceptable by the authority, systems to monitor and report the delivery of the requirements against actual expenditure incurred will need to be set up as per the corporate procedure. There is a risk of clawback should the conditions not be met and/or the paperwork not be accurately completed to deadlines.

The draft Medium Term Financial Plan (2007/08 to 2009/10) identifies that further capital and revenue funding may be required over the programme period set out in the Concept Proposal and this will need to be considered in due course as part of the City Council's corporate financial planning activities and on-going work to redirect resources to support its priorities.

- Legal – The City Council has the power to establish a regeneration company or other special purpose vehicle by virtue of the Local Government Act 2000 and other legislation. Detailed consideration will need to be given to the most appropriate corporate and governance structure for such a vehicle and external legal and financial advice will be required to assist with its subsequent establishment.

Dependant upon the range of functions undertaken by such a company, any proposals for the transfer of City Council staff to it will raise TUPE and pension issues and the usual employee consultative procedures will need to be adhered to at the appropriate time. Consideration will need to be given to the level of control the City Council is to have over such a company, including whether in legislative terms it is defined as 'controlled' or 'influenced' by the City Council and the implications of such a definition.

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Powers are available under sections 120 and 123 of the Local Government Act 1972 to facilitate the acquisition and disposal of land as identified in the proposals, including entering into appropriate arrangements with third parties to secure the development of land. The City Council will have to comply with its own Contract Procedure Rules and relevant European Union procurement rules for any disposal and the procurement of any goods and services in the usual way.

Regard also needs to be had to the provisions of the Local Government & Public Involvement in Health Bill which, when enacted, will place restrictions on the ability of any authority which is reorganised to enter into contracts or to dispose of land over a prescribed monetary value without the consent of the Secretary of State.

In proposing to undertake any public realm improvements on public highways the City Council will need to satisfy itself that it has the relevant permission from the highway authority (the County Council) to undertake these works and there where possible ensure that they are adopted by the highway authority as publicly maintainable so that the City Council has no residual repairing responsibilities.

The report refers to the formal grant offer for pre-approval activity from the Northwest Development Agency for £389,000 and the precise terms and conditions of the offer need examining to make sure that they are acceptable to the City Council.

- Corporate – Carlisle Renaissance is a corporate priority of the City Council and the activities outlined in this report are referenced in the City Council's draft Corporate Improvement Plan (2007/08 to 2009/10).
- Risk Management – The Concept Proposal identifies the key risks in the delivery programme and any subsequent Full Application will include a detailed Risk Register, Carlisle Renaissance is included in City Council's Corporate Risk Register which is updated regularly to account for different types of risk.
- Equality and Disability – The Development Framework & Movement Strategy Policy Statement stipulates that City Centre services should be inclusive and easily used by all people without undue effort, special treatment or separation.

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- Environmental – The Development Framework & Movement Strategy Policy Statement includes proposals to improve the physical environment in and around the City Centre, address the air pollution impact of traffic congestion, promote an increase in the use of public transport, walking and cycling and promote development with the highest standards of environmental sustainability.
- Crime and Disorder – The Development Framework & Movement Strategy Policy Statement stipulates that the design of the public realm and the built environment should promote community safety and promote a sense of ownership and responsibility amongst residents, visitors and the business community.
- Impact on Customers – The Concept Proposal includes a range of project activities designed to generate regeneration benefits for the resident and business community including new employment and business opportunities, an improved environment and a wider range of facilities and services accessible to all

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CONCEPT PROPOSAL FORM

Project Name: Carlisle Renaissance – Development Programme Part 1	Project Number:	X00361PR
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1. Please provide a brief description of the project.

Background

Carlisle has reached an important stage in terms of its economic development. Following a series of economic and natural setbacks in particular job losses within the manufacturing sector and significant flooding in 2005, the profile of the city has been raised at both national and regional levels and its potential emphasised. Carlisle is one of five growth towns (alongside Crewe, Chester, Warrington, and Lancaster) identified in the Regional Economic Strategy 2006. It has the population base, retail centre and national connectivity to significantly grow the economic base of the County.

Since the launch of the Carlisle Renaissance Prospectus in August 2005 the City Council and its partners have focused on developing a City Centre Development Framework and Movement Strategy, scoping out major projects, developing a new economic strategy for the City and undertaking interim project activity including support for new business start-ups, employment and skills projects for residents in deprived areas and developing the visitor economy.

Published in January 2007 the City Centre Development Framework and Movement Strategy establishes a direction for physical change within the City focusing development upon a series of 8 core character areas including 2 high profile transformational mixed use development sites:

1. The Rickergate area north of the City Centre - comprising mixed use, vibrant development within a renewed public realm. The site will accommodate expansion of the City's primary retail area, office, residential, hotel, leisure and cultural uses. The area provides the opportunity for a high profile gateway site, a natural extension to the retail core and potential location for a new Theatre/Arts Centre.
2. Caldew Riverside will provide mixed-use development on the Viaduct Estate Road with active frontages along the River Caldew.

In general terms the Carlisle Renaissance programme is projected to deliver over 6000 jobs and over £200M of private sector investment.

The proposal

NWDA funding is now sought to enhance the delivery capacity of Carlisle City Council to deliver Carlisle Renaissance, establish long term delivery arrangements through a Special Purpose Vehicle and facilitate the development of proposals contained within the Development Framework and Movement Strategy and other key strategic documents relevant to Carlisle such as the Historic Towns and Cities in England's North West Report. The proposal includes:

1. Preparing a business plan for the establishment of a Special Purpose Vehicle to manage the delivery of Carlisle Renaissance – the project will provide legal, financial, business and planning advice on the establishment of a regeneration company which may take the form of a City Development Company. A steering group to include Cumbria Vision, NWDA, EP, Carlisle City Council and Cumbria County Council will be formed to manage this process.
2. Supplementing the City Council's in-house team with additional development management and project management capacity – The Northwest Development Agency has now Seconded a Development Manager to the City Council. The Rickergate and Caldew Riverside regeneration schemes are priorities for this post.

3. Technical and professional support to include site investigation (utilities, geo-technical, archeological surveys etc) legal, valuation and design fees to prepare detailed Development Briefs for the Rickergate and Caldew Riverside transformational schemes.
4. Marketing City Centre investment opportunities. This project will result in the publication of a City Centre Masterplan Prospectus to promote investment opportunities and to define the extent and scale of benefits to a wider audience including investors, developers, stakeholders and residents.

5. Feasibility work on movement infrastructure priorities.

Car Parking Strategy

A comprehensive view on the car parking offer in and around Carlisle. The study will include on and off street parking now and in the future, issues around Park & Ride, and the potential impact of development proposals.

South West Inner Relief Route

Examine options to improve traffic movements through the south western quadrant of the city especially between London Road and Wigton Road identifying junction improvements and other measures. Identified as one of the top ten schemes within the Movement Strategy this has been endorsed by the County Council as one of their top ten interventions.

Public Transport Improvements

Working with transport operators to improve new routes / timetables. Identify potential relocation of bus station/ transport interchange.

Pedestrian / Cycling Improvements

Plan and promote a network of new and improved pedestrian/cycle routes across the City linking residential to employment areas in the City. Collaborate with Connect 2/Sustrans to further the design and implementation of the North - South route through the City as part of the national cycle network.

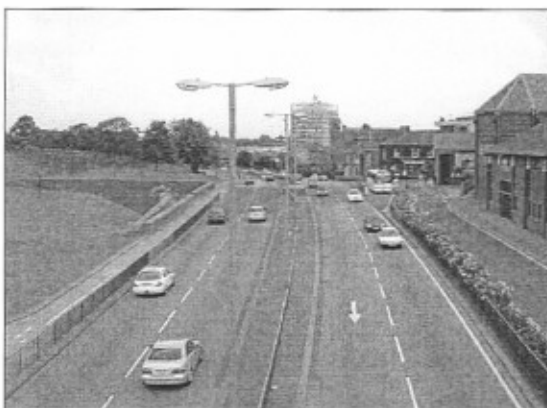
Lowther St / Eastern Approaches

Examine traffic management issues in Lowther Street and eastern approaches to the City Centre to determine how congestion in this area can be reduced allowing greater pedestrian access on Lowther Street. Analysis of current/future traffic routing and reviewing signage.

Traffic Modelling

Developing Movement Strategy projects will require traffic modelling data to support a "Saturn" modelling system, which will provide option analysis for movement infrastructure projects.

6. Further development of the Castle Way project in the Historic Quarter of the City Centre - following on from the Scoping Study recently completed by Capita Symonds to determine viable and achievable options to reduce the impact of the A595 Castle Way which severs Carlisle Castle from the Town Centre. Proposals include new pedestrian crossings and new design work to recharacterise the public space spanning the road between Castle Street and the Castle Green. See illustrations below:



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2. Budget Provisions:	Yes	No
a) Is this project identified as a discrete project in the approved SIP?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) If no to (a) is this project covered by a programme allocation in the SIP? If yes, quote No: X 00361PR.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Is this project part of a previously approved Regeneration Company Business Plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

3. What is the expected start date?	1st January 2008
What is the expected finish date?	31 March 2010

4. What is the major Strategic Fit of the project to the RES Factors

Please select only one (See page 6 on the RES)

Business		Skills And Education		Infrastructure		Quality Of Life		People and Jobs	
Enterprise		Basic Skills		Transport		Culture & Image		Job Linkages	
Regional Sectors		Growth Opportunities		Land Use		Community		Local Employment	x
Innovation		Workforce Development		Housing		Environment		Health	
Science/ Research and Development		Leadership/ Management and Enterprise		Planning					
International Competitiveness		Future Workforce		Energy					
ICT				Investment					
Sustainable Consumption and Production									

LEAD RES ACTION	Number	Title
	55	Develop plans to capitalise on ongoing private sector investment around Crewe, Chester, Warrington, Lancaster and Carlisle."

Please provide information of the fit between the project and the refreshed 2006-2008 Corporate Plan, which reflects the RES and NWDA priorities. You should state why the RES Action for this project is the best fit, together with any linked RES actions.

Carlisle is one of five growth towns (alongside Crewe, Chester, Warrington, and Lancaster)

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identified in the Regional Economic Strategy 2006. It has the population base, retail centre and national connectivity to significantly grow the economic base of the County and is an NWDA funding priority within the 2006-2008 Corporate Plan.

Delivery of key projects within the emerging economic strategy for the City such as the development of educational infrastructure, heritage assets and high quality mixed-use development within the City Centre will all contribute strongly to key drivers for growth and key actions within the RES thereby closing the North West's GVA gap with the England average, increasing both job and business creation and improving skill levels.

The proposed project in particular the City Centre development which will be delivered in partnership with the private sector will link with several RES Actions. In particular, Transformational Action 55 "Develop plans to capitalise on ongoing private sector investment around Crewe, Chester, Warrington, Lancaster and Carlisle."

The project will also contribute to the delivery of Action 115: Deliver sustainable growth through use of the region's heritage environments and assets – especially World Heritage Sites, the cities of Chester, Lancaster and **Carlisle** and The Lake District.

The Historic Towns and Cities in England's Northwest study commissioned jointly by NWDA and English Heritage on the back of this RES Action identified a series of strategic development priorities for Carlisle capitalising on its medieval street plan to create the ambience of a highly attractive heritage city including: reducing the impact of the inner ring road which separates Carlisle Castle from the Town Centre, development of the Castle as a key destination with improved visitor facilities and creation of a Cathedral Quarter, mixing ecclesiastical buildings with new residential and leisure activity all of which are addressed by this project.

**5. Where is the project located and which priority areas will benefit from the project?
Show how this project meets any specific geographic or themed focuses within the chosen RES action.**

All project activity will take place within Carlisle district although the benefits are expected to extend beyond the authority boundary. Carlisle has 6 wards in the top 20% ID 2004 demonstrating pockets of deprivation in central, southern and western parts of the urban area.

6. Please make reference to how the project fits with the appropriate Sub-Regional Strategy Action Plan(s) and if it is supported by the Sub-Regional Partnership, if relevant.

The delivery of Carlisle Renaissance is a key priority within the Cumbria Vision Sub Regional Economic Action Plan for 2006 - 2009 which states that steps should be taken to unlock the economic potential in the knowledge and visitor economies and to capitalise on the sub-regional centre role of the City as a service and commercial centre for Cumbria and South West Scotland.

Concept was considered and approved at the Cumbria Vision Project Management Committee 31 May 2007.

7. Are there any potential or unresolved State Aid issues? (please detail.)

The activities proposed for Carlisle Renaissance – Development Programme Part 1 do not raise any state aid issues.

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8. What are the estimated costs of the project, including non-cash costs if appropriate, and how is funding to be provided? Please detail the different sources/amounts of matched funding to the project. (£000's)

	2007/08			2008/09			2009/10			Future Yrs			Total		
	Cap	Res Inv	Rev	Cap	Res Inv	Rev	Cap	Res Inv	Rev	Cap	Res Inv	Rev	Cap	Res Inv	Rev
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
NWDA			515			1588			480						2583
Other Public Carlisle City Council			240			252			265						757
Cumbria County Council			120												120
English Partnerships			90			95									185
Private															
Voluntary/Community															
Total			965			1935			745						3645

Sources of expenditure £000

NWDA

	2007-08	2008-09	2009-10
Valuation/Property Advice	40	200	200
Rickergate Development	80	495	75
Caldew Riverside Development	40	265	45
Castle Way Scheme Design	30	100	
Movement Strategy Studies	145	75	
Development Manager	60	63	66
Project Management Capacity Funding	20	90	94
Appraisal and Establishment of Delivery Mechanisms	50	250	
Marketing Development Framework	50	50	
Total	515	1588	480

Figs are inclusive of pre approval expenditure approved by PRG 25 June 2007 PRG (please see question 11)

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9. Have there been any sunk costs incurred previously on this project? Are these included in table 8?

No

10. What is the status of any leverage shown in the table above (e.g. committed/under discussion/ not yet discussed)? Are there any deadline implications attached to this funding (e.g. ERDF funding years) or phasing requirements?

Match Funding Source	Status	Timescale for Decision
Public		
Carlisle City Council	£240k Confirmed 2007/08	Executive 11 th June, Full Council 17 th July (2007/08) Further approval annually.
English Partnerships	£90k Confirmed 2007/08	Further approval annually.
Cumbria County Council	£120k Confirmed 2007/08	Further approval annually.
Private		
None		

11. If any of the Expenditure requested is for Pre-Approval Expenditure please give details of how much, in which year(s) and what the costs are for.

PRG approved pre approval expenditure 25 June 2006:

Expenditure	Rationale
SPV Business Planning - £50k 2007/08	SPV establishment date April 2008. It is necessary to procure legal and professional services early to accommodate this aspiration
Fees for valuation and associated costs to work up Acquisition proposal for Development and Appraisal form - £100k 2007/08	A substantial piece of work is required on this to provide hard data for inclusion at Development & Appraisal application stage
Marketing of Development Framework & Movement Strategy - £50k 2007/08	A key element in maximising the potential of City Centre opportunity sites is raising the profile of Carlisle to potential investors and others
Development Manager - £189 K 2007/08 to 2009/10	Northwest Development Agency secondment of a Senior Development Manager to the City Council focusing upon the 2 key transformational development sites.

12. What gross outputs do you expect the project to deliver, and how many will be attributable to the NWDA funding requested?

Project does not deliver direct outputs. This programme of work is focussed upon the production of Development Briefs for key sites in the City Centre, to provide additional resources in terms of Development and Project Management and to procure professional and legal services to support the

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establishment of a special purpose vehicle to deliver the Carlisle Renaissance programme.

Outputs from this programme will flow in later years from the realisation of key developments which are projected to deliver 6,000 higher GVA jobs (subject to development types) and over £200M of private sector investment. Other outputs will include brownfield land reclaimed and business/commercial floorspace etc.

13. What is the expected outcome/impact of the project?

The Carlisle Renaissance Development Programme Part 1 will be focussed on a number of deliverables:

- Appointment of a full-time Development Manager on secondment from NWDA
- Appointment of a full-time Transport Programme Manager
- Appointment of specialist advisors to supply corporate, legal and financial expertise, provide a review of options and preparation of a business case for a Special Delivery Vehicle for Carlisle Renaissance
- Approval and adoption of new Special Delivery Vehicle for Carlisle Renaissance
- Publication of a City Centre Masterplan Prospectus to promote investment opportunities
- Production of Castle Way Scheme Design & Specification addressing the severance impact of A595
- Valuation and related work to support targeted site acquisition within identified areas of opportunity

14. Who is the delivery organisation or contractor (where different) and what previous projects have they been involved with? (for grants only). Are there any associated projects that may need to be taken into consideration?

Carlisle City Council is the lead body for the project, the Council has had considerable experience in delivering and administering both NWDA and other publicly funded programmes. The City Council will be responsible for the delivery of the Carlisle Renaissance Phase 1 programme.

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15. What are the key issues/risks with this project?

The key risks which would form the basis of a risk register can be summarised below:

Risk	Mitigation measure
<ul style="list-style-type: none"> Cumbria County Council lack the capacity in staff resources to support the ten movement projects prioritised in the Development Framework & Movement Strategy, deal with transformational projects and public realm matters in support of Carlisle Renaissance. 	The appointment of a Transport Programme Manager within Cumbria County Council to co-ordinate the delivery of key transport/highway projects. Carlisle Renaissance is working closely with the County Council and other partners to ensure the successful recruitment for this resource.
<ul style="list-style-type: none"> Special Purpose Delivery Vehicle not established 	The City Council has agreed to establish a Regeneration Company and to procure technical support in the appraisal of delivery mechanisms.
<ul style="list-style-type: none"> Consultants may fail to deliver on Valuation/Property Advice work packages on time or to a required standard/quality 	Plans, scheduling already exist for this project. Early commencement date is assured by pre-approval funding. A robust schedule of regular progress/quality assurance meetings, hands-on management ethos by the CR team and carefully staged payment regime.
<ul style="list-style-type: none"> Carlisle Local Area Committee may not support the Castle Way Feasibility Study Plan 	The Carlisle Renaissance Programme Management Group (PMG), including representatives from Northwest Development Agency, English Heritage and Cumbria County Council, has been formed. The PMG members have acknowledged the importance of the Castle Way project and have agreed to support its progression. The additional capacity offered to Cumbria County Council by the recruitment of a Transport Programme Manager should resolve issues/concerns.
<ul style="list-style-type: none"> No detectable improvement in market confidence with no evidence of significant interest in key sites. Resulting in: No measurable improvement in the City's economic performance 	Production of City Centre Masterplan Prospectus to promote the vision of a re-energised City Centre highlighting development and infrastructure proposals and investment opportunities Monitoring City's economic performance in relation to Carlisle Renaissance PI's

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16. What would be the impact of the project not going ahead?

As has been described Carlisle has been targeted for growth by regional, sub-regional and local strategies. This Development Programme is the first step towards this, however, without it progress towards this goal would be hampered due to:

- City Council's delivery team under-resourced in the face of rapidly increasing work-load
- No sustainable delivery vehicle to drive the renaissance process forward
- Carlisle unable to make full contribution towards sub-regional GVA
- Failure to encourage and capitalise on market confidence – terminal lost opportunity
- Businesses fail to benefit from growth potential
- Continued disproportional negative effects on the local economy

17. What are the proposed exit/forward strategy and evaluation arrangements for the Project?

The formation of a Special Purpose Vehicle (SPV) to deliver Carlisle Renaissance is key to the forward strategy for this project. Working with partners, a schedule has been prepared with establishment of the SPV by April 2008 operational by September 2008. The creation of this company, constructed from URC/CDC models will provide a sustainable 'hybrid' vehicle for regeneration management and delivery for the future. Details of this programme will be built into the business plan for the SPV.

Details of performance as against targets will be included in regular performance reports.

It is also our intention to commission an independent evaluation of the project at interim and completion stages.

Date Pre-concept accepted by PRG:

Prepared by:

(Project Sponsor)

Team/Directorate:

**Project Sponsor
Recommendation:**

Approve - Subject to:

Establishment of steering group to take forward
SPV establishment to include NWDA and
Cumbria Vision amongst representatives.

Signature:

Date:

CONCEPT PROPOSAL FORM

Executive Director Recommendation

Signature:

Date:

PRG recommendation for referral to Board sub-committee