

Derwent New Deal for Communities

SUMMARY

- 1.1 The Resources Commission received an update on the Derwent New Deal for Communities - NDC - programme at their 15 September meeting. Members were informed that there is approximately £3.75m of the Derwent NDC's final year's grant for 2010/11 yet to be released by the Communities and Local Government Department - CLG. The NDC has submitted a delivery plan to the CLG for the release of the grant which identified three priorities for the remaining funding. These included:
 1. Upgrading the community gym at the Gateway Centre
 2. Repair and restructure of the Revive Healthy Living Centre
 3. Purchase and refurbishment of affordable residential properties to rent.
- 1.2 In preparation for the end of the NDC programme on 31 March 2011, a revised delivery and recovery plan was submitted to Government Office East Midlands and CLG on the 9 April 2010. The plan gave details on how the remaining funding £3.75m would be spent.
- 1.3 All NDC programmes are scheduled to close on 31 March 2011, including Derby. However Derby NDC has been subject to a number of external delays. The situation is such that, even if the money was to be released now, there is insufficient time to carryout the necessary capital works before the scheme comes to an end. The NDC therefore requires access to all remaining funding and a six month extension to the programme until September 2011. The funding and extension will enable the team responsible for the NDC to leave a sustainable legacy in place.
- 1.4 The Resources Commission asks the Council Cabinet to help and support the Derwent New Deal for Communities to lobby the Government for release of the Grant and provide an extension to the programme until 30 September 2011. The Commission seeks an early decision from CLG, preferably by 30 September 2010, so that work can start on the final schemes as soon as possible.

RECOMMENDATION

- 2.1 To support the NDC Board in lobbying the Government for release of the outstanding £3.75m grant and give an extension to the programme until 30 September 2011 to enable the scheme to come to its natural conclusion and leave positive legacy for Derwent residents.

REASONS FOR RECOMMENDATION

- 3.1 The residents and the NDC Board are passionate about completing the programme and leaving a sustainable legacy in place, but recognise that this can only be achievable if the £3.75m is released and the programme is granted an extension. If the extension is not approved, it will however be necessary to develop an exit strategy.

SUPPORTING INFORMATION

- 4.1 Derwent New Deal for Communities is one of 39 community led regeneration programmes in England. The resident led board, which is responsible for the NDC, was created in 2000 to oversee the delivery of the scheme in a very deprived area of Derby. It is one of the few NDCs that has had a resident led approach from the very beginning and fits in neatly with the Government's blue print for the 'big society'.
- 4.2 Like all NDC areas, Derwent suffers from the effects of multiple deprivations including poor health, high levels of unemployment and anti social behaviour. Throughout the programme, local residents and service providers have worked together to improve the quality of life for local people.
- 4.3 There are enormous benefits to the residents in completing the programme. The management team responsible for the NDC changed in 2007 and has supported the resident board members to close unsustainable projects and restructure the programme. Whilst this process recovered over £4m, the NDC board identified that it would be necessary to use this funding to address some of the difficulties and ensure that the Gateway and Revive Centre's, which had been funded in the earlier years of the NDC, were financially sustainable when the NDC came to an end.
- 4.4 All those residents that have been, and continue to be, involved in the NDC are volunteers. Collectively they have invested thousands of unpaid hours in supporting the programme and are passionate about completing the scheme and leaving a sustainable legacy in place. However they recognise that this can only be achievable if the £3.75m is released and if the NDC is granted a 6 months extension.

- 4.5 By releasing the additional funding the NDC will be able to complete its succession strategy. This involves developing a community health and fitness facility at the Gateway Centre in Derby. This project is intended to target those residents with the poorest health. Similarly, the Revive Centre would become a base to deliver vital support services for children and families in the greatest need in Derwent. Any remaining funding would be spent on delivering affordable accommodation for families. This project would meet a local need and also generate an income stream to support the NDC's succession arrangements. All of these projects are vital to the future success of the NDC programme in Derwent.
- 4.6 Derwent NDC has not been without its challenges. The programme was intended to be experimental and a new way of working. However, the resident ownership and management of buildings has not delivered the long term sustainable results that were expected. This has caused civil servants from Government Office for the East Midlands and the Department for Communities and Local Government to raise probing questions. Whilst the NDC has responded and has completed revised delivery plans, recovery plans and has been subject to review by the Government's Local Improvement Advisors, the NDC is no further forward in delivering a sustainable conclusion to the programme. As a direct consequence of the 15 month delay, there is now insufficient time to complete the scheme before the official end date of the 31 March 2011. This is the reason why the NDC requires an extension. However whilst it is estimated that the programme could be completed within an additional 6 month period, this will depend on when, or if, the NDC is granted approval and is able to begin delivering its objectives.
- 4.8 There is a cross party support from the Council in seeing this programme through to a successful completion.

OTHER OPTIONS CONSIDERED

- 5.1 The NDC and the Council will need to consider how the scheme could be brought to proper conclusion if and when a response from the Government is received.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Service Director(s) Other(s)	Don McLure, Strategic Director of Resources
For more information contact: Background papers: List of appendices:	Name 01332 255597 e-mail mahroof.hussain@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial

- 1.1 Approximately £3.75m of the £42m NDC grant money is yet to be released by the CLG. The amount and timing of the release can have significant implications for successful conclusion of the new deal programme.

Legal

- 2.1 All NDC schemes are currently expected to close by 31 March 2011.

Personnel

- 3.1 None directly arising from this report.

Equalities Impact

- 4.1 Derwent NDC area is amongst one of the most deprived areas in the city.

Health and Safety

- 5.1 None arising from this report

Carbon commitment

- 6.1 None arising from this report

Value for money

- 7.1 There are substantial assets currently under the management of NDC which could be at risk if government funding is not released. Conversely, they also require significant investment to bring them back into community benefit.

Corporate objectives and priorities for change

- 8.1 The Derwent NDC programme fits in with all the corporate objectives and priorities for change.