
Report To:	Environment & Regeneration Committee	Date:	3 May 2018
Report By:	Corporate Director – Environment, Regeneration & Resources	Report No:	E+R/18/05/01/SJ/
Contact Officer:	Stuart Jamieson	Contact No:	01475 712401
Subject:	Riverside Inverclyde		

1.0 PURPOSE

- 1.1 The purpose of this report is to seek authority from Members to engage consultants to consider the future of Riverside Inverclyde beyond March 2019.

2.0 SUMMARY

- 2.1 Riverside Inverclyde was established as an Urban Regeneration Company in 2006 to deliver physical infrastructure projects in eight waterfront geographies within Inverclyde, it has charitable status and is governed by an independent Board.
- 2.2 The Company has received funding from Scottish Enterprise, the Scottish Government and Inverclyde Council through partner contributions, grant awards and more recently through allocation of funds to deliver specific projects on behalf of the Council. Operating costs are further supplemented from the surplus generated by the property holdings company.
- 2.3 Since 2014 with the inception of the Inverclyde Economic Development and Regeneration Single Operating Plan 2014-17 and more recently the Inverclyde Economic Development and Regeneration Single Operating Plan Extension 2016-19, activities have focussed on an integrated targeted approach with colleagues in Economic Development.
- 2.4 In accordance with Clause 15.3 of the Members' Agreement; a review of RI's activities and the future delivery options open to the Member Organisations, namely Inverclyde Council and Scottish Enterprise, requires to be undertaken.
- 2.5 As part of the Budget setting process the Council has reduced its whole year funding to Riverside Inverclyde by £209,000 pa.

3.0 RECOMMENDATIONS

- 3.1 Members are asked agree to the appointment of Consultants through an appropriate procurement exercise to present options for consideration on the future of Riverside Inverclyde after the summer recess.

4.0 BACKGROUND

- 4.1 Riverside Inverclyde was established as an Urban Regeneration Company in 2006 to deliver physical infrastructure projects in eight waterfront geographies within Inverclyde, it has charitable status and is governed by an independent Board.
- 4.2 The Company currently has three direct staff along with a long term contractor. Of the direct staff, two have permanent contracts and one has a temporary contract. Two further staff (2.0 fte) are employed to manage the property holdings portfolio. The staffing profile is a Chief Executive, Head of Business Development, and administrator – there is also a Modern Apprentice and a vacancy. The overall salary cost is £357,584 of which £91,827 is allocated against the property holdings company.
- 4.3 Whilst the Council's annual allocation has been higher in previous years, the funding model which currently operates is that the Council made an allocation of £290,000 in 2017/18. Operating costs are further supplemented from the surplus generated by the property holdings company. As part of the budget savings exercise it has been agreed to reduce this allocation by £157,000 in 2018/19 and £209,000 in future years.
- 4.4 A number of options are available to the partners and whilst colleagues in other local authorities have established a precedent with both the Scottish Government and Scottish Enterprise, as well as OSCR, specialist additional advice will be required to facilitate any change. It is proposed to engage independent consultants to explore these options with a review available for Committee after the summer recess.

5.0 FINANCIAL IMPLICATIONS

5.1 Financial Implications – One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
RI		2018/19	£15,000		

Financial Implications – Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A	N/A	N/A	N/A	N/A	N/A

6.0 CONSULTATIONS

- 6.1 The Chief Financial Officer has been consulted in the preparation of this report.
- 6.2 The Head of Legal and Property Services has been consulted in the preparation of this report.

7.0 REPOPULATION

- 7.1 Physical regeneration is a fundamental requirement of repopulation.