
Report To:	Education and Communities Committee	Date:	3 September 2024
Report By:	Ruth Binks Corporate Director, Education, Communities and Organisational Development	Report No:	EDUCOM/37/24/HS
Contact Officer:	Hugh Scott Service Manager Community Learning Development, Community Safety & Resilience and Sport	Contact No:	01475 715459
Subject:	Parklea Branching Out Community Garden Hub – Funding Gap		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 The purpose of this report is to seek agreement of the Education and Communities Committee to provide an additional £21,522 from the Capital Projects Contingency to support the completion of Parklea Branching Out (PBO) Community Garden Hub project.
- 1.3 A previous decision by the Council's Policy and Resources Committee agreed to allocate up to £250k to the project as part of an agreement with the Scottish Government who advised it would provide additional RCGF funding of £201k if the Council agreed to the same.
- 1.4 Unforeseen circumstances necessitated an 8–10-week contract extension for the Community Hub project which resulted in an overall budget shortfall of £69,522 beyond the £202k already allocated by the Council.
- 1.5 PBO has given its appreciation of the support provided by Inverclyde Council thus far. It recognises the current financial constraints faced by the Council and has confirmed it will not seek any further capital funding from Inverclyde Council upon final project approval.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Education and Communities Committee:
- notes the content of this report and the previous approved funding by the Scottish Government and Inverclyde Council in respect of the Parklea Branching Out project; and
 - agrees that a report is submitted to the Policy and Resources Committee requesting additional funding to Parklea Branching Out totalling £21,522 to address the overall funding shortfall.

Ruth Binks
Corporate Director, Education, Communities and Organisational Development

3.0 BACKGROUND AND CONTEXT

- 3.1 The Regeneration Capital Grant Fund (RCGF) is delivered in partnership with the Scottish Government, COSLA and local government and supports locally developed place-based regeneration projects that involve local communities; helping to support and create jobs and build sustainable communities. Applications to the fund are made on an annual basis with the Council supporting each application, where appropriate.
- 3.2 Parklea Branching Out (PBO) has, for over 26 years, provided services to Inverclyde residents who have a wide range of learning disabilities, and the organisation has strong links to both the local community and to the Council and its partner agencies. In 2022 PBO applied to RCGF to build a new hub with training kitchen and new indoor and outdoor community spaces. PBO hopes to achieve the following outcomes with the new project:
- To offer improved quality and range of services.
 - To improve the financial stability of the organisation; and
 - To improve career opportunities for its clients and employees.
- 3.3 PBO was awarded Regeneration Capital Grant Funding of £1.1million in 2022 by the Scottish Government to construct a community garden hub at its site at Parklea, Port Glasgow. At this time, PBO had raised £151k from external funding and its own reserves, to help fund the project, which was initially estimated to cost £1.3million. Following a return of tenders in February 2023, total costs sat at £1.72m, leaving a shortfall of just over £403k. PBO wrote to the Council requesting financial support from the Council in order that it could accept the tender and the funding from Scottish Government with the agreed timescale.
- 3.4 The Council then met with the Scottish Government on 15 March 2023 who agreed that if the Council committed to funding 50% of the investment gap, it would provide £202,000 additional funding, to allow the tender to be accepted before the end of March 2023. The Council then set aside up to £250k to address the financial shortfall - £202k match funding for the project with £48k set aside if required.
- 3.5 Unforeseen circumstances necessitated an 8–10 week contract extension for the Community Hub project. Public utility challenges, securing wayleave permission from NTS, (Not to Scale plans), adverse weather conditions, and material procurement limitations have all contributed to this delay. As a consequence, there has been a 4% cost increase for contractors, subcontractors, and consultants. Additionally, material costs across the construction phase have risen. This confluence of factors has resulted in a projected budget shortfall of £21,522 for the Community Hub building, if the full £250k allocation is made.
- 3.6 The project itself is now complete, and the site has been returned to PBO with the official opening date yet to be advised.

4.0 PROPOSALS

- 4.1 In order for the funding shortfall to be met and the final bill for works to be settled, it is proposed that the Education and Communities Committee agrees to ask Policy and resources Committee for the allocation of additional funding of £21,522. These funds are required to supplement the previously approved budget of £250,000 and ensure the successful completion of the RCGF project.

5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO	N/A
Financial	x		
Legal/Risk	X		
Human Resources		x	
Strategic (LOIP/Corporate Plan)	x		
Equalities & Fairer Scotland Duty			X
Children & Young People's Rights & Wellbeing			X
Environmental & Sustainability			X
Data Protection			X

5.2 Finance

If the Policy & Resources Committee approve the allocation of the requested funding, officers would recommend that the unallocated 2024/28 Capital Programme Contingency is used to meet this cost.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Capital Programme	Contingency	2024/25	£21,522		Subject to P&R Committee approval

Annually Recurring Costs/ (Savings)

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

5.3 Legal/Risk

A suitable funding agreement will be entered into with Parklea Branching Out to regulate how and when the Council's funding contribution will be paid out.

5.4 Human Resources

None

5.5 Strategic

Parklea Branching Out provides a valuable service to the Inverclyde Community and supports our priorities in relation to equalities, inclusion, employability and reducing the impact of climate change.

6.0 CONSULTATION

6.1 N/A.

7.0 BACKGROUND PAPERS

7.1 None