
Report To:	Environment & Regeneration Committee	Date:	30 October 2014
Report By:	Acting Corporate Director Environment, Regeneration & Resources and Head of Finance	Report No:	FIN/60/14AP/JMcC
Contact Officer:	John McConnell	Contact No:	01475 712264
Subject:	Environment & Regeneration Capital Programme 2014/15 to 2015/16 - Progress		

1.0 PURPOSE

- 1.1 The purpose of the report is to update the Committee in respect of the status of the projects within the Environment & Regeneration Capital Programme and to highlight the overall financial position.

2.0 SUMMARY

- 2.1 This report advises Committee in respect of the progress and financial status of the projects within the Environment & Regeneration Capital Programme. The Environmental and Regeneration elements of the Committee's Capital Programme are presented in separate Appendices.
- 2.2 It can be seen from the table in 7.4 that the projected spend is £82.976m, which means that the total projected spend is on budget.
- 2.3 Expenditure at 30th September is 33.80% of 2014/15 projected spend, net slippage of £1.540m (8.60%) is being reported. The slippage relates mainly to the Office and Depot AMP, see paragraph 7.3 for further details. This is a net decrease in slippage of £0.188m (0.97%) since last Committee and is mainly due to accelerated spend in a number of projects.
- 2.4 Officers are looking at ways of reducing costs within the Depot and Office AMP models in order to deliver recurring revenue savings towards the 2015/17 revenue budget.

3.0 RECOMMENDATIONS

- 3.1 That Committee note the current position of the 2014/16 Capital Programme and the progress on the specific projects detailed in Appendices 1 & 2.
- 3.2 It is recommended that Committee approve the additional projects mentioned within paragraph 6.4 and approve the financial implications detailed in 7.4.
- 3.3 It is recommended that the Committee agree that the former Business Store be declared surplus to requirements and be marketed for sale.

Alan Puckrin
Acting Corporate Director
Environment, Regeneration & Resources

Jan Buchanan
Head of Finance

4.0 BACKGROUND

- 4.1 In February 2013 the Council agreed the 2013/16 Capital Programme. Significant additional funding was identified to increase the Roads Asset Management Plan and a number of further Projects were identified, funded from Revenue Reserves. This report also reflects decisions agreed by Council in February 2014.
- 4.2 Subsequent to the approval of the budget in February 2014 further Capital Grant funding for flooding works of £1.743m has been approved by the Scottish Government in 2015/16. The Flooding budget has been increased accordingly.

5.0 PROGRESS (Environmental & Commercial Services Major Projects)

- 5.1 For Roads, the revised total allocation for 2014/15 is £6.580m - this comprises £1.173m from Core Capital funding and £5.407m from the Roads Asset Management Plan. Design and site works for carriageways, footways lighting and structures are progressing to programme. For carriageways the £600,000 brought forward from 2015/16 is being allocated to resurfacing works at Cumberland Road, Newton Street, Fancy Farm Road, Old Inverkip Road, Bridgend Avenue, and High Carnegie Road. In addition, and due to some of the completed schemes coming in slightly under budget, further schemes at Grieve Road, Coll Avenue and Colonsay Avenue will be undertaken this financial year. All these schemes have been promoted from the approved reserve list. For street lighting, the development of the outline business case and final business case for the Street Lighting strategy is ongoing, and these will give future direction on reductions in carbon consumption, and associated reductions in revenue expenditure arising from electrical power consumption.
- 5.2 Edwards Engineering is due to install and test the automatic trash screen at Crescent Street during week commencing 13th October 2014.
- 5.3 The SPT funded works to the N753 Cycle Route between Lunderston Bay and Kip Marina are underway after the agreement from Ardgowan Estates for the footpath. This work is due to complete in week commencing 27th October 2014. Tenders for the detailed design of the N753 Cycle Route between Inverkip and Wemyss Bay have been returned and are being evaluated.
- 5.4 The Greenock Parking Strategy/ Decriminalised Parking Enforcement scheme came into effect on 6 October with the bulk of the capital budget having been incurred.
- 5.5 The Nittingshill Bridge (Quarrier's Village) replacement tender has been awarded to Raynesway. SEPA approval of the contractor's working methods must be in place before work can start.
- 5.6 The Vehicle Replacement Programme has a £1,102,000 budget for 2014/15. £20,000 of assets have been delivered, a further £377,000 of assets have been ordered. Procurement of the remaining 2014/15 fleet replacement is being progressed. A full budget spend is anticipated for 2014/15.
- 5.7 The play area investment programme is ongoing with works either in progress or planned for later this financial year or next. Projects to be completed this financial year are: Jacobs Drive, which is complete; Braeside; Barr's Brae and Wellpark for which tenders have been returned and are currently being assessed and Birkmyre Port Glasgow, for which work is in progress. The new MUGA and play area works at Fox Street will be started this year, but not completed until early next financial year. Next year Battery Park, Ashton and Gibshill play areas are due to be completed. The proposed play area at Sir Michael Street, to be installed using a combination of Big Lottery and Inverclyde Council funding, is still pending for next year with the Big Lottery grant in the process of being transferred directly to Inverclyde Council.
- 5.8 The contract for Battery Park Skatepark has been awarded and the appointed contractor will now submit the project for planning permission.

5.9 Please refer to the status reports for each project contained in Appendix 1.

6.0 PROGRESS (Regeneration Major Projects)

6.1 Core Regeneration: Separate update reports on the Gourock Pier & Railhead Development and Port Glasgow Town Centre Regeneration have been submitted to this Committee. The proposals for the regeneration of the Broomhill area are currently being developed with River Clyde Homes having the largest proposed spend in the area. Riverside Inverclyde continue to meet regularly with River Clyde Homes and representatives from the Council's Roads and Asset Management Services regarding proposals to realign Bakers Brae. Officers are currently working up a roads design to establish the areas required for acquisition.

6.2 Leisure Strategy: The majority of projects within the programme have now been progressed with projects at Ravenscraig Stadium, Parklea, Nelson Street Sports Centre, Gourock Pool, South West Library, Broomhill & George Road Pitches, Battery Park Pitch, Birkmyre Park Kilmacalm, and the Waterfront previously reported as complete. The final phase of work at Parklea to install additional drainage is now complete. The final work at Rankin Park Grass Pitch & Pavilion addressing the completion of landscaping and turfing of the pitch area is well underway to allow full establishment of the surface ready for use in summer 2015 as previously reported.

6.3 The Committee is asked to note and approve the progression of a Combined Heat and Power (CHP) project at the Waterfront. The provision of this plant will improve the energy efficiency of the building and reduce the utility consumption. As such it is intended that the project utilises Prudential Borrowing funded by a reduction in the Inverclyde Leisure Management fee based on the reduced utility charge for the building. The current programme indicates completion prior to the end of the current financial year subject to obtaining the necessary statutory approvals. The anticipated cost of the project is £250,000.

6.4 Core Property Services: The September Committee update advised that projects were being investigated to advance future years spend in order to potentially mitigate 2014/15 slippage/underspend. The proposals have now been finalised and are outlined below:

- Gourock Pier & Railhead Development – Committee previously approved utilisation of £500,000 of Property Services Core allocation. A further £100,000 is required following development of the proposals and tendering as referred to in the separate update report on the project. The £100,000 increased funding is proposed to come from the unallocated 2015/16 capital allocation.
- Gamble Halls Window Replacement/Rot Repairs – anticipated cost of project is £175,000 with £50,000 from the current 2014/15 Inverclyde Leisure properties allocation and £125,000 from the 2015/16 Property Core allocation.
- Gourock Pool Ramp and Ventilation Works – anticipated cost £130,000 from the 2015/16 Property Core allocation.
- Port Glasgow Town Hall Rewiring – anticipated cost £200,000 with £92,000 from the existing Refresh budget and £108,000 from the 2015/16 Property Core allocation.

If approved this will leave £287,000 unallocated from the 2015/16 allocation.

The Committee is asked to approve the projects above and the advancement of funding from the Core Property Services 2015/16 General Provision.

6.5 Asset Management Plan – Offices: A number of major projects have been completed including the Customer Contact Centre at Greenock Municipal Buildings, the Banking Hall, landscaping works to Clyde Square, the provision of the Port Glasgow Hub, and the creation of Hector McNeil House. The refurbishment of Wallace Place, as previously reported, experienced delay in connection with the condition of the structure. The project is expected to be substantially completed by the end of October with a phased handover and staff relocation commencing in early November. The May Committee approved the progression of the District Court Offices

Redevelopment and design work is progressing with Architectural Stage C report approved, Listed Building consent applied for, and site start programmed for summer 2015. Tenders have been returned in respect of the reinstatement of the former shop unit in the Business Store with a view to site start early in the new year and completion by March 2015. The May Committee also approved the progression of the demolition of Dalrymple House and formation of a new car park. The building has now been vacated and survey works are underway with a view to progressing the demolition early in the new year, subject to the necessary utility disconnections/diversions. It should be noted that three minor projects have been added and funded via the Offices Asset Management Plan balance as agreed through the Corporate Improvement Group (Asset Management), details of which are included in the appendix.

- 6.6 Committee will recall that the intention had been to utilise the former Business Store as office accommodation once it is no longer required as a temporary Greenock Library. Based on latest projected requirements it is proposed that the Business Store be declared surplus to requirements and marketed for sale. It is proposed that a temporary location for the Regeneration Service and Riverside Inverclyde be identified with any net saving being reflected in the Office AMP.
- 6.7 Asset Management Plan – Depots: The Salt Barn at Pottery Street and the demolition of the Nissen huts are complete. The Civic Amenity Site is substantially complete with a final drainage connection awaited serving the accommodation module. This should allow the Civic Amenity Site to be open to the public by 1st November 2014. The scope and phasing of the remaining projects is currently under review in order to find savings. This has resulted in further slippage against the original programme. The Vehicle Maintenance Building is undergoing re-design which has impacted on the dates previously indicated. The car parking and existing roads building refurbishment phases have also been reviewed and re-scoped. As previously reported it is intended that the Roads Service and Building Services Unit carry out and complete those works by the end of the financial year. As also previously reported costs for the planned Kirn Drive Depot/Civic Amenity site project are in excess of the budget and officers are developing options for consideration.
- 6.8 Please refer to the status reports for each project contained in Appendix 2.

7.0 FINANCIAL IMPLICATIONS

Finance

- 7.1 The figures below detail the position at 30th September 2014. Expenditure to date is £5.529m (33.80% of the 2014/15 projected spend).
- 7.2 The current budget is £82.976m. The current projection is £82.976m which means the total projected spend is on budget.
- 7.3 The approved budget for 2014/15 is £17.900m. The Committee is projecting to spend £16.360m with net slippage into future years of £1.540m (8.60%) mainly due to the AMP Depot Phase 4 – Vehicle Maintenance Shed and Road Infrastructure (£0.880m), AMP – Central Library Conversion (£0.499m), Kirn Drive Civic Amenity Site (£0.464m), Coronation Park (£0.200m), the AMP – Business Store (£0.151m), Flooding Strategy (£0.134m), the SV Comet (£0.141m), the AMP – District Court Offices (£0.108m) and the Zero Waste Fund (£0.092m).

7.4 One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Capital	Property Services	2014/16	£250 (est)		Combined Heat and Power project at Leisure Complex to be funded by utility savings from 2015/16
Capital	Property – General Allocation	2015/16	£463		Value of proposed projects requiring funding from 2015/16 allocation (see 6.4)

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
N/A					

8.0 CONSULTATION

8.1 Legal

There are no legal issues arising from the content of this report and as such the Head of Legal and Property Services has not been consulted.

8.2 Human Resources

There are no direct staffing implications in respect of the report and as such the Head of Organisational Development, HR and Communications has not been consulted.

8.3 Equalities

There are no equalities implications in this report.

8.4 Repopulation

The delivery of the projects identified in this report will assist in making Inverclyde a more attractive place to live and hence contribute to the Council's repopulation agenda..

9.0 LIST OF BACKGROUND PAPERS

9.1 None

APPENDIX 1

COMMITTEE: ENVIRONMENT & REGENERATION

Project Name	1	2	3	4	5	6	7	8
Est Total Cost	Actual to 31/3/14	Approved Budget 2014/15	Revised Est. 2014/15	Actual to 30/09/14	Est. 2015/16	Est. 2016/17	Future Years	
£000	£000	£000	£000	£000	£000	£000	£000	
Environmental Services - Roads								
Core Programme	31	4	27	27	17	0	0	0
Bridge Strengthening	10	7	3	3	0	0	0	0
Lighting, Lit signs & Bollards	285	61	124	124	20	100	0	0
Traffic Measures	511	73	206	206	48	232	0	0
Parking Strategy	246	0	125	125	12	121	0	0
Cycling, Walking & Safer Streets	207	0	207	207	24	0	0	0
SPT	331	0	77	81	0	250	0	0
Sustrans	2,200	0	423	289	5	1,911	0	0
Flooding Strategy - Greenock Central	776	0	0	0	0	0	776	0
Flooding Strategy - Future Schemes	40	24	16	16	0	0	0	0
Additional Flooding Works, Castle Road and Others	115	0	0	3	3	112	0	0
Langhouse Road Development	5	0	5	5	0	0	0	0
Complete on Site	4,757	169	1,213	1,086	129	2,726	776	0
Roads - Core Total								
Roads Asset Management Plan								
Carriageways	10,778	4,217	3,323	4,152	1,843	2,409	0	0
Footways	1,101	401	350	350	26	350	0	0
Structures	700	3	697	417	99	280	0	0
Lighting	3,170	113	557	177	61	2,880	0	0
Staff Costs	1,229	269	480	480	229	480	0	0
Roads Asset Management Plan Total	16,978	5,003	5,407	5,576	2,258	6,399	0	0
Environmental Services - Roads Total	21,735	5,172	6,620	6,662	2,387	9,125	776	0

APPENDIX 1

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Project Name	1	2	3	4	5	6	7	8
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£000	£000	£000	£000	£000	£000	£000	£000	
Environmental Services - Non Roads								
Knocknairshill Cemetery Ph5c	485	445	15	15	0	25	0	0
Cremator Repairs	25	0	0	25	16	0	0	0
Kerbside Glass Collection	380	80	340	300	0	0	0	0
Zero Waste Fund	247	29	138	46	6	172	0	0
Vehicles Replacement Programme	11,171	7,099	1,036	1,102	20	2,970	0	0
Electric Vehicle Charging Infrastructure	73	0	73	33	0	40	0	0
Fox Street Play Area	180	0	90	90	4	90	0	0
Skatepark Play Area	174	9	165	165	0	0	0	0
Battery Park Wheelchair Play Area	95	0	0	0	0	95	0	0
Sir Michael Street Play Area	73	0	0	0	0	73	0	0
General Repairs to Play Areas	71	0	32	32	0	39	0	0
Jacobs Drive Play Area	74	5	69	69	63	0	0	0
Braeside Play Area	67	0	67	67	1	0	0	0
Barrs Brae Play Area	67	0	67	67	1	0	0	0
Wellpark Play Area	69	2	67	67	3	0	0	0
Various Other Play Areas	115	0	35	35	1	80	0	0
Gourock Walled Garden, Toilet Provision	40	0	40	40	7	0	0	0
Coronation Park Port Glasgow - Seawall Repairs	190	0	190	50	0	140	0	0
Coronation Park Port Glasgow - To be identified	60	0	60	0	0	60	0	0
PG Health Centre Car Park	40	0	40	40	0	0	0	0
Environmental Services - Non Roads total	13,696	7,669	2,524	2,243	122	3,784	0	0
Planning Services								
Former SNH Grant	64	51	13	13	0	0	0	0
PLANNING SERVICES TOTAL	64	51	13	13	0	0	0	0
ENVIRONMENT AND PLANNING TOTAL	35,495	12,892	9,157	8,918	2,509	12,909	776	0

APPENDIX 2

COMMITTEE: ENVIRONMENT & REGENERATION

Project Name	1	2	3	4	5	6	7	8
Est Total Cost	Actual to 31/3/14	Approved Budget 2014/15	Revised Est. 2014/15	Actual to 30/09/14	Est. 2015/16	Est. 2016/17	Future Years	
£000	£000	£000	£000	£000	£000	£000	£000	£000
Regeneration and Planning								
Core Regeneration:								
Gourock Pier & Railhead Development Area	5,300	572	1,378	1,378	38	2,850	500	0
Broomhill Regeneration	360	15	145	145	0	200	0	0
Port Glasgow Town Centre Regeneration	960	704	106	106	0	150	0	0
Lower Port Glasgow Regeneration	500	0	0	0	0	250	250	0
East Central Greenock Regeneration	500	0	0	0	0	250	250	0
Central Gourock	150	0	0	0	0	150	0	0
SV Comet	258	112	141	0	0	146	0	0
Core Regeneration Total	8,028	1,403	1,770	1,629	38	3,996	1,000	0
Leisure Strategy								
Parklea Pavilion and Juniors Facility	4,721	4,656	65	65	30	0	0	0
Rankin Park Grass Pitch and Pavilion	1,400	1,157	243	175	0	68	0	0
Leisure & Pitches Contingency	93	0	27	0	0	93	0	0
Leisure & Pitches Complete on site	7,870	7,764	106	106	1	0	0	0
Leisure Strategy Total	14,084	13,577	441	346	31	161	0	0
Regeneration Services Total	22,112	14,980	2,211	1,975	69	4,157	1,000	0

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Project Name	1	2	3	4	5	6	7	8
Est. Total Cost	Actual to 31/3/14	Approved Budget 2014/15	Revised Est. 2014/15	Actual to 30/09/14	Est. 2015/16	Est. 2016/17	Future Years	
£000	£000	£000	£000	£000	£000	£000	£000	£000
Property Assets and Facilities Management								
Core Property Assets and Facilities Management								
DDA Works	169	148	21	21	0	0	0	0
Demolitions	36	32	4	4	4	0	0	0
Port Glasgow Town Hall Windows Phase 1	50	1	49	49	0	0	0	0
Health and Safety Works	95	65	30	30	28	0	0	0
Battery Park Sea Defences	186	26	160	153	144	7	0	0
Inverclyde Leisure Essential Upgrades	49	7	42	37	34	5	0	0
Fire Safety Works	46	30	16	16	0	0	0	0
Various Rewiring Projects	104	24	80	62	62	18	0	0
Minor Works	191	123	68	68	9	0	0	0
General Provision	74	0	0	0	74	0	0	0
Greenock Municipal Buildings Window Replacement	150	0	150	150	0	0	0	0
Fyfesore Depot Demolition	50	0	50	50	19	0	0	0
Gamble Halls Window Replacement/Rot Repairs	175	0	0	150	0	25	0	0
Gourock Pool Ramp and Ventilation Works	130	0	0	120	0	10	0	0
Minor Works								
General Provision	150	0	60	120	53	30	0	0
Demolitions	20	0	10	15	0	5	0	0
Farms	10	0	5	1	1	9	0	0
Inverclyde Leisure Properties	100	0	60	95	62	5	0	0
Design & Pre-contract Works	50	0	25	50	11	0	0	0
Condition Survey Works	100	0	50	65	2	35	0	0
Reservoirs	50	0	25	50	0	0	0	0
Statutory Duty Works								
Electrical Systems	35	0	17	30	0	5	0	0
Lighting Protection Systems	11	0	5	8	0	3	0	0
Lift Installations	9	0	5	7	0	2	0	0
Water Systems	25	0	13	20	2	5	0	0
Gas Installations	15	0	5	10	0	5	0	0
Asbestos removal	75	0	40	60	42	15	0	0
Fire Risk Works	50	0	25	40	10	10	0	0
DDA Works	25	0	17	17	11	8	0	0
Port Glasgow Town Hall Refresh	358	156	94	168	3	34	0	0
Capital Works on Former Tied Houses	600	0	0	20	0	100	60	420
Complete on Site Allocation	136	0	136	136	66	0	0	0
Waterfront Leisure Complex Combined Heat and Power Plant	250	0	0	200	0	50	0	0
Core Property Assets and Facilities Management Total	3,574	612	1,262	2,022	563	460	60	420

APPENDIX 2

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Project Name	1	2	3	4	5	6	7	8
Est. Total Cost	Actual to 31/3/14	Approved Budget 2014/15	Revised Est. 2014/15	Actual to 30/09/14	Est. 2015/16	Est. 2016/17	Future Years	
£000	£000	£000	£000	£000	£000	£000	£000	
Asset Management Plan:								
Offices								
Greenock Municipal Buildings - District Court Offices	2,305	0	304	196	24	1,765	272	72
Gourock Municipal Buildings	300	0	0	0	0	300	0	0
Wallace Place - Library Fit Out	100	0	100	100	15	0	0	0
Port Glasgow Hub - Fit Out	55	0	0	55	8	0	0	0
Business Store	400	170	181	30	1	200	0	0
Central Library Conversion	3,576	2,070	1,860	1,361	1,361	145	0	0
William St	1,800	0	50	50	0	442	1,247	61
West Stewart Street	50	11	0	0	0	39	0	0
Dalrymple House Demolition and Formation of Car Park	270	0	0	20	0	250	0	0
Port Glasgow Hub - Windows	15	0	0	15	0	0	0	0
Greenock Municipal Buildings - Mezzanine Office Alterations	15	0	0	15	0	0	0	0
Flexi System Upgrade	50	0	0	50	0	0	0	0
AMP Office Balance	299	0	35	1	1	298	0	0
AMP Offices Complete on site	79	0	79	79	0	0	0	0
Depots								
Phase 2 - Civic Amenity	1,523	236	1,238	1,238	978	49	0	0
Phase 3 - Vehicle Maintenance Shed and Road Infrastructure	5,842	286	900	20	0	5,350	186	0
Phase 4 - Fleet Secured Parking	796	18	47	100	0	678	0	0
Phase 5 - Pottery Street Facility and Fuel Tanks	1,871	0	0	0	0	664	1,148	59
Phase 6 - Building Services Depot Upgrade	149	0	12	115	0	34	0	0
Kirn Drive Civic Amenity Site	700	67	464	0	0	633	0	0
Materials Recycling Facility	1,600	855	0	0	0	745	0	0
Asset Management Plan Total	21,795	3,713	5,270	3,445	2,388	11,592	2,853	192
Property Assets and Facilities Management Total	25,369	4,325	6,532	5,467	2,951	12,052	2,913	612
Regeneration Total	47,481	19,305	8,743	7,442	3,020	16,209	3,913	612