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**Report To:** Education & Communities Committee      **Date:** 5 May 2015

**Report By:** Corporate Director Education, Communities & Organisational Development and Chief Financial Officer      **Report No:** EDUCOM/36/15/JA

**Contact Officer:** John Arthur      **Contact No:** 01475 712832

**Subject:** Communities Capital Programme 2014 to 2016/17

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## 1.0 PURPOSE

- 1.1 The purpose of the report is to update the Committee in respect of the status of the projects forming the Communities Capital Programme and to highlight the overall financial position.

## 2.0 SUMMARY

- 2.1 This report advises the Committee in respect of the progress and financial status of the projects within the Communities Capital Programme.
- 2.2 Overall the Committee is projecting to contain the costs of the 2014-2016/17 Capital Programme within available budgets.
- 2.3 Appendix 1 contains details of the projected spend and cashflow for the Capital Programme over the 3 years of the current programme together with a projected allocation for future years..

## 3.0 RECOMMENDATIONS

- 3.1 That the Committee notes the progress with the specific projects as detailed in Appendix 1.
- 3.2 That the Committee approves the award of the Council's contribution to the capital funding of the Horticultural Training Centre and Community Facility at Broomhill, Greenock, agreed at its meeting of 10 March 2015, to In-Work Enterprises Ltd, a wholly owned trading subsidiary of Inverclyde Association for Mental Health.

Patricia Cassidy  
Corporate Director Education,  
Communities &  
Organisational Development

Alan Puckrin  
Chief Financial Officer

## **4.0 BACKGROUND**

4.1 This report shows the current position of the approved Communities Capital Programme.

## **5.0 HOUSING SCHEME OF ASSISTANCE (SOA)**

5.1 The Scheme of Assistance provides statutory housing assistance for the improvement and repair of private sector housing within Inverclyde. There is a 3-strand approach to delivery, namely Advice & Information, Practical Assistance and Financial Assistance. In order to meet the objectives of the Local Housing Strategy, repairs and improvements for the following areas are given priority – work to meet needs of disabled persons, houses which fail the tolerable standard, tackling fuel poverty, replacement of lead drinking water pipes and communal Scottish Housing Quality Standard works. Funding for SOA in the period 2014 to 2017 is £4.716m with £1.107m projected to be spent in this Financial Year.

## **6.0 WATT COMPLEX REFURBISHMENT**

6.1 A bid for £7m was entered to the Heritage Lottery Fund Round 1, the total cost of the project being £14m. The bid centered around the redesign and refurbishment of the McLean Museum and Watt Library. The bid was unsuccessful although the Council was invited to re-submit a fresh bid at a lower rate. The alternative bid will require significant changes to the first bid which was already restricted by the state of the current building. The current Council funding for this project is £4.0m, part of which will now be allocated to essential building work required this financial year.

Following a Timber Survey it has been noted that several areas within the McLean Museum/Watt Library are affected by dry rot and will require remedial works. These works are primarily to eradicate the building of all dry rot, halt the further spread, and make the affected areas safe. The works will be carried out in 4 areas, the Store adjacent to the Burns Room (Watt Library), the Curator's Office on the first floor (McLean Museum), the office below the Curator's Office on the ground floor (McLean Museum) and the East entrance porch on the ground floor (Watt Library). In all of these areas the joists and lintels are affected by dry rot and will require removal and reinstatement of finishes to the required specifications from Historic Scotland.

There has been a delay in carrying out this work, intended for 2014/15, due to the need for planning permission and additional specifications from Historic Scotland. The estimated cost for this work has increased from £80k to £99k.

A separate report on the current agenda proposes measures to progress this project.

## **7.0 INVERKIP COMMUNITY FACILITY & LIBRARY FITOUT**

7.1 Construction of a new Community Facility for Inverkip was approved at the September 2011 Regeneration Committee. A total budget of £1.761m has been allocated to this project, with an estimated spend in 2014/15 of £1.2million.

Considerable work has been undertaken to develop the building design and progress a solution for the discharge of surface water to the satisfaction of the Scottish Environmental Protection Agency (SEPA). It is anticipated that the construction phase will now begin in Financial Year 2015/16 following delays with the planning process as a result of the surface water drainage issues.

Planning permission was obtained on 08 February 2015.

As a result of the delay in the project due to the need to address the surface water drainage issues, it is anticipated that work will begin on site in early spring 2015 with an anticipated spend this financial year of £1.496million.

## **8.0 WOODHALL COMMUNITY FACILITY**

- 8.1 The purpose of this project was to build a Multi-Use Games Area (MUGA) and a small tenants' hall at a vacant site in Parkhill Square, Port Glasgow. A budget of £0.4m has been allocated to the project. The Woodhall Tenants' and Residents Association have been successful in obtaining lottery funding for the MUGA.

After further discussion, the group now completed the process of forming a limited company to allow them to draw down the lottery award and instruct the works for the construction of the MUGA through the Council. Further discussions with the group are required regarding the final use of the remaining budget within the area.

Tenders have been issued for the MUGA project and are due to be returned by 16 April, 2015.

## **9.0 NEW COMMUNITY FACILITY BROOMHILL**

- 9.1 The Environment & Regeneration Committee of January 2013 approved in principle that the site of the former Mearns Centre and the adjoining blaes pitch at Nile Street Greenock would be made available to Inverclyde Action on Mental Health (IAMH) to develop a joint Social Enterprise / Community Facility. A planning application has been submitted and the former Mearns Centre building has now been demolished with site clearance work underway. A budget of £1.050m is allocated for the Inverclyde Council contribution to this project and it is anticipated that the main construction phase will begin in 2015/16.
- 9.2 IAMH have been successful in their bid to the Big Lottery, and the Scottish Government has confirmed the award of Regeneration Capital Grant to the Council to support his project. The Environment and Regeneration Committee at their meeting of 05 March 2015 approved the recommendation to transfer the ground/ agree a 99 year lease at Mearns Street/ Nile Street in support of the project.
- 9.3 IAMH are proceeding to tender with an anticipated start on site of June 2015 and practical completion by June 2016.
- 9.4 At its meeting of 10 March 2015, the Committee agreed the provision of funding to IAMH in support of the capital costs of this project. Since then it has come to light that, in order to maximise recovery of VAT, this award is required to be made direct to the wholly owned trading subsidiary of IAMH, In-Work Enterprises Ltd, rather than through IAMH. Members are asked to confirm the award of the relevant capital funds to In-Work Enterprises Ltd. Officers are concluding a funding agreement which, in tandem with the relevant lease conditions, protects the Council's investment and other interests in this project.

## **10.0 RAVENSCRAIG SPORTS BARN**

- 10.1 A budget of £0.6m has been allocated to fund the redevelopment of the Ravenscraig Sports Barn building. Inverclyde Leisure (IL) have recently concluded a public consultation exercise regarding future use of the building and their proposals will be presented to the Council in due course.

Members have agreed the provision of loan facilities to IL to provide a total budget of £1.2million for the refurbishment of the building, extension of the gym area and fit out of the

'clip and climb' area. IL have appointed a development partner and it is anticipated that the project will be completed in late 2015.

## **11.0 NEW PROJECTS – BUDGET DECISIONS**

- 11.1 As a result of a budget decision for 2015/17, an additional £150,000 has been added to the allocation for Birkmyre Park pitch improvements and £150,000 has been agreed to support the new Mountain Bike track at Rankin Park, which is the subject of a separate report at this Committee.

## **12.0 IMPLICATIONS**

### **Finance**

- 12.1 The approved budget for 2014/17 is £12.927m. The expenditure at 31 March, 2015 is £1,092m or 86.5% of the revised projected expenditure (£1.262million) for 2014/15. Slippage is currently projected to be £1.596m or 59.4% of the 2014/15 budget (£2.688million). The majority of the slippage relates to delays with the Inverkip Community Facility as reported in paragraph 7.1. The increase in slippage from the last report to committee is due to the delay in the rot works at the Watt Complex and a lower than predicted demand for scheme of assistance support.
- 12.2 The current budget (14/17) of £12.927m is made up of £4.716m for Scheme of Assistance (SOA) and £8.211m for Cultural & Sports projects. Please refer to Appendix 1 for details of expenditure by project.

### **Legal**

- 12.3 There are no legal issues.

### **Human Resources**

- 12.4 There are no human resources issues.

### **Equalities**

- 12.5 There are no equalities issues.

### **Repopulation**

- 12.6 There are no repopulation issues.

## **13.0 CONSULTATION**

- 13.1 The report has been jointly prepared by the Corporate Director Education, Communities & Organisational Development and the Chief Financial Officer.

## **14.0 LIST OF BACKGROUND PAPERS**

- 14.1 Communities Capital Programme Technical Progress Reports August 2014. (A technical progress report is a project specific report which details the financial and progress position for current projects which have a legal commitment).

COMMUNITIES CAPITAL REPORT

Appendix 1

COMMITTEE: EDUCATION & COMMUNITIES

Project Name	1	2	3	4	5	6	7	8	9	10	11	Status
	Est. Total Cost	Actual to 31/3/14	Approved Budget 2014/15	Revised Est 2014/15	Actual to 31/03/15	Est. 2015/16	Est. 2016/17	Future Years	Start Date	Original Completion Date	Current Completion Date	
	£000	£000	£000	£000	£000	£000	£000					
<b>Housing</b>												
Scheme of Assistance	4,716	0	1,308	1,107	962	743	2,033	833				Ongoing
	4,716	0	1,308	1,107	962	743	2,033	833				
<b>Cultural &amp; Sports</b>												
Watt Complex Refurbishment	4,000	126	153	1	1	152	1,500	2,221				Ongoing
Inverkip Community Facility & Library Fit Out	1,761	61	1,200	88	63	896	716					Ongoing
Community Facilities Investment Woodhall	400	0	0	0	0	100	300					Ongoing
New Community Facility Broomhill	1,050	123	27	66	66	109	752					Ongoing
Ravensraig Sports Barn	600	0	0	0	0	600						Ongoing
Contribution to Birkenyre Park Pitch Improvements	250	0	0	0	0	0	250					Ongoing
Rankin Park Mountain Bike Track	150	0	0	0	0	0	150					Ongoing
	8,211	310	1,380	1,55	130	1,857	3,268	2,221				
<b>Communities Total</b>	12,927	310	2,688	1,262	1,092	2,600	5,301	3,054				