



Report to:	Strategic Policy and Resources Committee
Subject:	Capital Programme – Update
Date:	19 June 2014
Reporting Officer:	Gerry Millar, Director of Property and Projects Ronan Cregan, Director of Finance and Resources

1.0	Purpose of report
1.1	<p>The Council’s Capital Programme is a rolling programme of investment which either improves existing Council facilities or provides new facilities. This report provides -</p> <ul style="list-style-type: none"> ▪ proposed recommendations for movement between the Capital Programme stages ▪ specific project updates ▪ an update on the communications and engagement activities for capital projects planned for the coming months
2.0	Relevant Background Information
	<i>Capital Programme – Key highlights and Comms Activity - February –May 2014</i>
2.1	<p>Significant progress has been made in the delivery of the capital programme since it was agreed by SP&R Committee. Details of the current status of all Capital Programme projects are attached at Appendix A. Photos of projects are attached at Appendix B. The Property & Projects department is happy to arrange site visits for Members/ Party Groups to any Council funded capital project.</p>
2.2	<p>Key highlights since the last quarterly report in February include -</p> <ul style="list-style-type: none"> • the completion of the new £680,000 3G pitch in Marrowbone Millennium Park • the completion of the roll-out of Phase 3 of the Alleygating Programme • MUGA programme - refurbishment work completed at 6 sites – Finlay Street, Clara Street, Victoria Park, Willowbank, New Lodge and Dover street • construction work began in April on the new £11.7m Girdwood Hub together with DSD infrastructure works and a new housing development • Enabling works have commenced on the £29.5million extension to the Waterfront to provide dedicated exhibition and conference facilities • the opening of the Sam Thompson Bridge in Victoria Park as part of Phase 1 of CCG in April • the appointment of a contractor for the Public Bike Share Scheme • work is underway at Drumglass Park • contract awarded for new pitch at Cliftonville as part of the Bunscoil Ben Mhadign development (subject to legal agreements) • The Welcome Centre has won two major awards including the ‘<i>Best Innovation Award</i>’ at the NITB Tourism Awards and an award at the Royal Society of Ulster Architects Design Awards. The Mary

	Peter's Track also won the RUSA Design Award in the most contested category.				
2.3	<p>Members are asked to note the activity undertaken between February and May in relation to the Capital Programme and the wider Investment Programme including -</p> <ul style="list-style-type: none"> • 120 articles placed in local and national media specifically for Investment Programme projects, with 73% generated through proactive activity including a focus on the above projects and; rates freeze for second year in a row; Launch of connection voucher scheme for businesses (Super-connected Belfast) and adoption of living wage • Ten-page pullout in City Matters magazine (April 2014), reaching 130,000 residents, with detailed case studies and an update on overall progress • Increase in web traffic, with updates pushed out to almost 400,000 visitors per month • More social media posts, with Facebook reach now extending to over 100,000 people • Branded signage installed at high visibility points within capital projects • 'Big Picture' staff briefing in February 2014, accompanied by regular updates and news items in Intercom, Team Brief, Interlink and TV screens in frontline locations • Update booklet for elected members, produced ahead of May elections <p>A detailed breakdown of all activity is listed in Appendix C, together with an example (Girdwood Hub) of how coverage is generated across our main communications channels.</p>				
	KEY ISSUES				
2.4	<p>Members have agreed that all capital projects must go through a three Stage process where decisions on which projects progress are taken by SP&R. This provides assurance as to the level of financial control and will allow Members to properly consider the opportunity costs of approving one capital project over another capital project. Importantly it will also enable Members to focus on delivering the projects which can have maximum benefits and investment return for the city and local areas.</p>				
	Proposed movements from 'Stage 2 – Uncommitted' to 'Stage 3 – Committed'				
2.4	<p>Members are asked to consider if they wish to progress the project as outlined in Table 1 below from 'Stage 2- Uncommitted' to 'Stage 3- Committed' under the Capital Programme and is advanced to tender preparation stage. Members are asked to note that the costs cited are pre-tender estimates only. These costs will be challenged and assessed at the tender preparation stage.</p>				
	Project	Project overview	Proposed Stage	Estimated Gross Cost	Estimated Net cost
	Boxer Statues	The design and installation of 3 sculptures in 3 council owned parks across the city which will recognise the contribution of boxing to the city	Stage 3- Tier 1 (Schemes at tender preparation stage)	Up to a max of £247,500	Up to a max of £247,500
	Boxer Statues				
2.5	<p>Members will acknowledge that Belfast has a proud association with the sport of boxing. The city has a long line of amateur and professional champions who have placed Belfast on the international map and represented the city with skill and pride. The scope of the project is the design and installation of three pieces of public art in three locations in the city, specifically:</p> <ul style="list-style-type: none"> • Two boxing sculptures, one of the boxer John Caldwell located at Dunville Park and one of Rinty Monaghan located at Buoy Park (Cathedral Gardens) and; • A boxing themed piece of public art/statue at Woodvale Park to commemorate all boxing heroes of the local area. 				

2.6	The Director of Finance & Resources has recommended that a maximum of £247,500 be allocated to this project for the 3 statues and has confirmed that this is within the affordability limits of the Council. Members are asked that officers will continue to proactively explore options for additional match funding for this project in the interim.
3.0	Updates on capital projects
	MUGA Programme – Navarra Place
3.1	Members will recall that they agreed in January to progress a MUGA Programme. At this stage it was highlighted that a series of condition surveys to inform a rolling programme of refurbishments would be undertaken. Members are asked to note that these are underway and that an update on the MUGA Programme, including a proposed rolling programme for refurbishments, will be brought back to Committee later in the year. In the interim however there is an opportunity for the Council to acquire land at Navarra Place off the Whitewell Rd in Belfast which could be suitable for a MUGA. This land is adjacent to the community centre and an existing playground. Members are therefore asked to give approval to officers to proceed with the acquisition of land at Navarra Place from the NIHE
	Fleet Replacement Programme
3.2	Members are aware that detailed consultation is underway with Lisburn City Council and Castlereagh Borough Council in relation to the transfer of assets required on foot of Local Government Reform. In terms of fleet assets, a final list of transferring vehicles has recently been received from both councils, identifying the type and number of assets to be made available. This list includes a number of assets which are quite old, and whose condition might best be characterised as poor. Replacement of these assets will therefore be necessary during the current financial year.
3.3	In addition, Members will be aware that the service levels, standards and processes applied to the current BCC area by Cleansing Services in the delivery of domestic refuse collection and street cleansing could not be delivered using the transferring assets alone, and that consequently there will need to be some additional procurement of assets in order to ensure that service levels to rate-payers in the incoming areas are consistent with those applied elsewhere in the city.
3.4	Committee approval is therefore sought to incur expenditure not exceeding £1.7m from non-recurring sources during the 2014/15 financial year in order to ensure that all necessary fleet resources are in place by vesting day, 1st April 2015. The Director of Finance and Resources has confirmed that this is within the affordability limits of the Council. Approval is also sought to initiate the necessary procurement processes and for the delegation of subsequent evaluation and award processes to the Director of Property & Projects.
	ERDF funded projects – update
3.5	Members will be aware that a key component of the Investment Programme was a number of projects which were designed to enhance the city’s economic infrastructure. These projects were subject to securing funding from ERDF and the tight timescales for the delivery of these projects has been previously highlighted to Members as all ERDF monies need to be committed and spent by the end of 2015. Members will recall that they previously agreed in June 2013 that these projects would remain at ‘ <i>Stage 3 – Tier 0 Scheme</i> ’ (Schemes at Risk) on the Capital Programme until a letter of offer was received but that in recognition of the tight timescales that they should be progressed to tender stage on the basis that no construction contracts will be awarded until an LOO was received
3.6	Members are asked to note that Council officials have been proactively working on a daily basis with officials from InvestNI to facilitate the information needed for the Economic Appraisals for these

	<p>projects to try and secure the LOOs. This has involved intensive officer time on the collation, analysis and presentation of vast amounts of information back to InvestNI. An update on the current status of the ERDF funded projects is outlined below for Members consideration. To date a letter of offer has only been received for the Waterfront project with the rest still to be received.</p>
	<p><i>North Foreshore - Infrastructure to develop a Green Economy Business Park</i></p>
3.7	<p>It is understood that the North Foreshore project has been signed off by the InvestNI Board and is currently with DFP for final sign-off. It is anticipated that the letter of offer should be forwarded to the Council by the end of June. Members will be updated at Committee if the LOO is received by the Committee date. A design team has been procured and work is progressing on this project.</p>
	<p><i>Innovation Centre</i></p>
3.8	<p>A letter of offer is not yet in place for the Innovation centre proposal however it is understood that this may be received in the coming weeks. Members are asked to note that work has been progressing and that the tenders for this project are due to be returned in July. An update on this project will therefore be taken to Committee in August.</p>
	<p><i>Creative Hub</i></p>
3.9	<p>Members will recall that they granted approval in February to the acquisition of a building at 19-21 Donegall street to be refurbished to provide premises for the proposed Creative Hub project. This approval was however subject to a letter of offer being in place for the project. This acquisition was due to complete by the start of July. However Members are asked to note that the Economic Appraisal process for this project has been extremely protracted and is still ongoing with the EA process now not due to complete until at least mid July. This will mean it will be at least the late Summer before a letter of offer will be forthcoming. This will have a consequential impact on the timescale to complete the acquisition of the proposed premises and discussions are ongoing with the landlord to seek an extension to the July deadline. Members will be verbally updated of the current status of these negotiations at Committee on 19th.</p>
	<p><i>Belfast Waterfront Conference and Exhibition facilities</i></p>
3.10	<p>Members will recall that in January the Council received a LOO for £18.5million towards the £29.5million extension of the Waterfront to provide dedicated conference and exhibition facilities. As outlined in 2.2 above enabling works for the project are currently underway. Members are asked to note that the tender for the contract for the main works for the Waterfront project are due to be evaluated by 17th June and a verbal update on the outcome of this tender process will be given at Committee at its meeting on the 19th.</p>
4.0	<p>Capital Programmes – Communications and Events updates</p>
4.1	<p>Members are asked to note that a number of key events in relation to schemes under the Capital Programme are being held over the next quarter (where already planned).</p> <ul style="list-style-type: none"> • Community Information Day at Girdwood Hub – 17 June 2014 • Belfast: Future City conference – 20 June 2014 • Capital investment into school pitches – June 2014 • Award of contract for Belfast Waterfront Conference and Exhibition Centre and start of work on site – end June/early September 2014 • Reopening of Drumglass Park – end June 2014 • Launch of Pitches Strategy – June/July 2014

	<ul style="list-style-type: none"> • Appointment of contractor for Phase 2 of CCG and completion of Phase 1 works – August 2014 • Start of work at Tropical Ravine – Autumn 2014
5.0	Recommendations
5.1	<p>Members are asked to note the contents of this report and</p> <p>Movements</p> <ul style="list-style-type: none"> - Boxer Statues - agree if the proposed Boxer Statues project is progressed from ‘Stage 2 – Uncommitted’ to ‘Stage 3 – Committed’ and agree that this projects is advanced to the invitation of tenders, to be awarded on the basis of most economically advantageous tenders received and full commitment to deliver. Members are asked to note that the Director of Finance & Resources has recommended that up to <u>£247,500 is the maximum amount</u> available to this project. <p>Project Updates</p> <p>MUGA programme</p> <ul style="list-style-type: none"> - Note that an update on the MUGA Programme, including a proposed rolling programme for refurbishments, will be brought back to Committee later in the year and that in the interim there is an opportunity for the Council to acquire land at Navarra Place which could be suitable for a MUGA. Members are therefore asked to give approval to officers to proceed with the acquisition of land at Navarra Place from the Northern Ireland Housing Executive <p>Fleet Replacement Programme</p> <ul style="list-style-type: none"> - Committee approval is sought to incur expenditure not exceeding £1.7m from non-recurring sources during the 2014/15 financial year in order to ensure that all necessary fleet resources to facilitate service convergence are in place by 1st April. The Director of Finance and Resources has confirmed that this is within the affordability limits of the Council. - Approval is also sought to initiate the necessary procurement processes and for the delegation of subsequent evaluation and award processes to the Director of Property & Projects. <p>ERDF funded projects</p> <ul style="list-style-type: none"> - note the updates presented in relation to the ERDF funded projects and that verbal updates will be given to Committee on the position in relation to the acquisition of premises at Donegall Street for the Creative Hub and the tender in relation to the Waterfront <p>Communication and Engagement – Capital Programme projects</p> <ul style="list-style-type: none"> - Note that communications and engagement activity which is planned over the coming months
5.0	Decision Tracking
The Director of Property and Projects and the Director of Finance and Resources will oversee the implementation of the recommendations within this report.	
6.0	Equality
Boxer Statues - Equality screening was carried out and there are no specific equality or good Relations implications	
7.0	Documents Attached
Appendix A –Current status of projects under the Capital Programme Appendix B - Capital Programme – Photos of projects Appendix C - Detailed breakdown of all communications activity	