



<b>Subject:</b>	Physical Programme Update
<b>Date:</b>	21 <sup>st</sup> June 2019
<b>Reporting Officer:</b>	Gerry Millar, Director of Property & Projects Ronan Cregan, Deputy Chief Executive
<b>Contact Officer:</b>	Sinead Grimes, Programme Office Manager

<b>Restricted Reports</b>	
<b>Is this report restricted?</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>If Yes, when will the report become unrestricted?</b>	
<b>After Committee Decision</b>	<input type="checkbox"/>
<b>After Council Decision</b>	<input type="checkbox"/>
<b>Some time in the future</b>	<input type="checkbox"/>
<b>Never</b>	<input type="checkbox"/>

<b>Call-in</b>	
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of Main Issues</b>
1.1	The Council's Physical Programme covers over 200 live regeneration projects across a range of funding streams including the Capital Programme, Leisure Transformation Programme, Belfast Investment Fund, Local Investment Fund, Social Outcomes Fund and the projects which the Council is delivering on behalf of other agencies. This report highlights the status of projects under the Programme along with projects recommended to be moved Stages.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to –

- note the update on the Physical Programme as at 3.1 below and that the Property & Projects Department is happy to arrange a site visit to any projects that have been completed and/or are underway.
- note that it is proposed that a series of Party Group Briefings on the Physical Programme are undertaken in August to update Members on the status of projects under the Programme along with the emerging implications for future investment decisions and in particular the potential impact on the district rate.. These will be delivered in conjunction with the Director of Finance & Resources.

**Proposed movements**

- note that satisfactory tender returns have now been achieved for two IT projects (the IT Programme – Asset Management System and the Customer Focus Programme – New Telephony System ) and that it is recommended that a maximum budget of up to £150,000 is now allocated per project. The Director of Finance & Resources has confirmed that this is within the affordability limits of the Council.

**Project Updates**

- agree in principle to the transfer of Paisley Park from DFC to the Council following completion of any upgrade works by DFC and subject to this being in line with the Council’s agreed policy on the transfer of assets.

**Non-recurrent projects**

- note that the incremental nature of the capital programme allows the Council the opportunity to allocate an element of the 2019/2020 capital financing budget to finance a number of one-off (non-recurrent) projects within year. It is recommended that this is focused on progressing projects which the Council is **required to take forward either from a health and safety perspective and/or a legislative perspective.**
- agree that **necessary procurement processes** (including the invitation of tenders and/or the use of appropriate ‘framework’ arrangements) be initiated for any non-recurrent projects for 2019/2020 as required, with contracts to be awarded on the basis of most economically advantageous tenders received and full commitment to deliver.

**3.0 Main report**

Key Issues

3.1 The Council’s Capital Programme is a significant regeneration programme of investment across the city, which improves the existing Council assets or provides new council facilities.

An update on the key projects under the various programme is outlined below;

**Completed Projects**

- **Pitches Programme at Ulidia Playing Fields**
- **Upgrades to parks, open spaces and playgrounds** – including the refurbished playgrounds at Hammer, Glenbank, Duncairn and Fullerton
- **Corporate Projects** - including Fleet Replacement Programme for 2018/19 and a range of ICT projects
- In addition 18 projects were completed under LIF for FY 2018/19; 2 BIF projects completed (Davitts GAC and Raidió Fáilte) and 2 SOF projects (Assembly Buildings Conference Centre and James Connolly Interpretative Centre)

**Projects currently underway**

- **Leisure Programme** – Andersonstown, Lisnasharragh and Brook – works are underway on these centres
- **Pitches Programme at Blanchflower Playing Fields**
- **Navarra Place (MUGA programme Phase 2)**
- **Upgrades to playgrounds** - including playground refurbishment at Barnett and Orangefield Park
- In addition, various projects are currently underway under LIF; 4 BIF projects (Grace Family Centre, Cancer Lifeline, H&W Welders Football Club and Colin Glen Trust) and an SOF project - Rock Centre.

3.2 Members are asked to note that the Property & Projects Department is happy to arrange site visits for Members/ Party Groups to any capital programme project.

3.3 Members have been advised that the Physical Programme is under increasing pressure in terms of overall affordability and Members are asked to agree that a series of Party Group Briefings on the Physical Programme are undertaken in August to update Members on the status of projects under the Programme along with the emerging implications for future investment decisions and in particular the potential impact on the district rate. These will be delivered in conjunction with the Director of Finance & Resources in terms of affordability.

**Proposed Movements**

3.4 Members have previously agreed that **all** capital projects must go through a **3 Stage process** where decisions on which projects progress are taken by SP&R. Members are asked to note the following movements on the Capital Programme.

3.5 **IT Programme- Asset Management System**

Moved to Stage 3- Committed- Tier 0 Scheme at Risk	20 April 2018
Senior Responsible Owner (SRO)	Gerry Millar

Client Department	Property & Projects
Final Budget	Up to a maximum of £150,000

Members will be aware that prior to local government organisation in 2015 the Council already owned and managed a substantial estate. This was significantly enhanced under LGR with addition of assets which transferred from Lisburn and Castlereagh. Due to the growing estate there is a requirement for the Council to have a fit-for-purpose corporate asset management system to support the strategic objectives of better financial management, information management, planning and performance and asset management.

SP&R at its meeting on 20<sup>th</sup> April 2018 agreed that the project should proceed to 'Stage 3 - Committed - Tier 0- Scheme at Risk' pending a satisfactory tender return at which stage the final budget would be brought back to Committee. Members are asked to note that a satisfactory tender return within affordability limits has been received and the Outline Business Case (OBC) has been reviewed internally and no major issues have been identified. It is therefore recommended that the **IT Programme – Asset Management System project is now progressed with a maximum budget of £150,000** to be allocated. The Director of Finance & Resources has confirmed that this is within the affordability limits of the Council.

3.6

### IT Programme- Customer Focus

Moved to Stage 3- Committed- Tier 0 Scheme at Risk	March 2019
Senior Responsible Owner (SRO)	Ronan Cregan
Client Department	Finance & Resources
Final Budget	Up to a maximum of £150,000

Members will be aware that Council have approved an ambitious **Customer Focus Programme**, which will deliver Council services differently, in a more integrated way that is focused on the needs of the people. In March 2019 the SP&R Committee noted that an integral part of the Customer Focus Programme is the necessary technology requirements and back up including, among other elements, a new telephony solution to deliver customer focus requirements, new website design and content management system, new integration platform, mobile application development platform and internet service resilience. It was agreed that the IT requirements for the Customer Focus Programme would be brought forward as a programme with the individual elements to be brought back to Committee for a final investment decision following the tender process and confirmation that this was within the affordability limits of the Council.

Members are asked to note that a satisfactory tender return has now been achieved for the first element of the Programme, a new telephony solution, and it is recommended that this **is now**

**progressed with a maximum budget of £150,000** to be allocated. The Director of Finance & Resources has confirmed that this is within the affordability limits of the Council.

### **Project Updates**

3.7 Members will be aware that the Council has received £3.1m under the Peace IV Local Action Plan for capital works under the Shared Spaces & Services element. The focus of this work is on a triangle at the Springfield Dam, Springvale Park and Paisley Park. Members will be aware that both Springfield Dam and Paisley Park are DFC assets but it has previously been agreed that Springfield Dam will transfer to the Council upon completion of the upgrade works which are being match-funded by DFC. Members are asked to note that DFC have now written formally to the Council to propose that Paisley Park is also transferred to the Council in the same manner as Springfield Dam i.e. that DFC undertake the necessary upgrade works and it is transferred to the Council once these are completed. The exact nature of the upgrade works has still to be agreed but that this could cover the football and bowling facilities and a 3G pitch.

3.8 **Members are asked to agree in principle to the transfer of Paisley Park to the Council subject to further discussions with DFC and subject to this being in line with the Council's agreed policy on the transfer of assets.** In considering this Members are asked to note that this is an important component of the overall peace project and is a key asset in the local area which has been under-invested in over the years. As a sports facility this aligns to the Council's wider objective and will add to the overall objectives of the Peace project. Members are also asked to note that the Council already maintains the Park through an SLA with DFC.

### **Capital Programme and Capital Financing – Non-recurrent projects**

3.9 Members are asked to note that the Council incurs both capital expenditure and capital financing costs in the delivery of its Capital Programme.

- **Capital Expenditure** is the expenditure incurred in the actual delivery of contracts e.g. the actual payments to the contractor for a construction contract
- **Capital Financing** is the method the council uses to fund the capital expenditure. The capital financing costs include loan repayments (principle and interest); revenue contributions (cash payments to repay or avoid taking out loans); capital receipts and external funding.

3.10 The phased impact of the capital programme on the capital financing budget provides the opportunity for the council to allocate an element of the 2019/2020 capital financing budget to finance a number of one-off (non-recurrent) projects within year. **There are a number of proposals which the Council is required to take forward either from a health and safety**

3.11	<p><b>perspective and/or a legislative perspective and it is recommended that these are taken forward using non-recurrent capital financing.</b> These include upgrades to a number of council facilities to ensure DDA compliance, fleet investment to ensure the Council’s fleet estate remains ‘fit for purpose’ and on the road in order to ensure continued service delivery and new mobile ventilation units for St. George’s Market.</p> <p>Members are asked to agree that necessary procurement processes (including the invitation of tenders and/or the use of appropriate ‘framework’ arrangements) be initiated for the any non-recurrent projects for 2019.2020 as required with contracts to be awarded on the basis of most economically advantageous tenders received and full commitment to deliver</p>
3.12	<p><b><u>Financial &amp; Resource Implications</u></b></p> <p><i>Financial</i> – IT programme- Asset Management System - that a maximum budget of up to £150,000 is ring-fenced for this project.</p> <p>IT Programme – Customer Focus – New Telephony System - that a maximum budget of up to £150,000 is ring-fenced for this project.</p> <p>The Director of Finance and Resources has confirmed that these allocations are within the affordability limits of the Council.</p> <p><i>Resources</i> – Officer time to deliver as required and staff resources to deliver the IT projects system and non-recurrent projects</p>
3.13	<p><b><u>Equality or Good Relations Implications/ Rural Needs Assessment</u></b></p> <p>No implications</p>
4.0	<p><b>Appendices – Documents Attached</b></p>
	<p>None.</p>