

PLYMOUTH CITY COUNCIL

Subject: Capital Programme approvals
Committee: City Council
Date: 10 October 2011
Cabinet Member: Councillor Bowyer
CMT Member: Director for Corporate Support
Author: Nicola Kirby, Senior Democratic Support Officer (Cabinet)
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Ref:

Key Decision: No

Part: I

Executive Summary:

This report sets out the proposals recommended by Cabinet on 23 August and 13 September 2011, for capital programme approval.

The capital programme for the year has been increased since the budget was agreed at Council in March, by approved new expenditure on a replacement payroll system (£1.99m) and improvements to Western Approach car park (£0.35m). With the further schemes and re-profiling recommended in this report, the projected capital spend for 2011/12 is now £103.475m, and £28.664m for 2012/13 which demonstrates continued investment and growth in line with the Council's corporate priorities.

Corporate Plan 2011 – 2014:

This report is linked to delivering the priorities set out in the Council's corporate plan. Targeting the Council's resources in a planned manner in order to align expenditure with key priorities will maximise the benefits to residents and businesses in Plymouth.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

With the further schemes and re-profiling recommended, the projected capital spend is now £103.475m for 2011/12 and £28.664m for 2012/13.

Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

The public sector is facing reduced revenue and capital resources which has been identified as a key risk within the Council's Strategic Risk register.

Recommendations & Reasons for recommended action:

The City Council is recommended –

- (1) to approve the new capital schemes for investment as detailed below, amounting to £3.351m additional capital spend for 2011/12 –

	£000	£000	£000	£000	Schemes
	11/12	12/13	13/14	14/15	
(1)	2,135	-	-	-	Purchase of replacement refuse vehicles
(2)	140	-	-	-	Aiming High for Disabled Children
(3)	50	700	-	-	Capitalised maintenance works to West Hoe Pier
(4)	160	398	-	-	Saltram Countryside Park - Phase I
(5)	100	176	1,029	1,542	Plymouth Connect Local Sustainable Transport schemes
(6)	89	-	-	-	Royal Parade Pedestrian Crossing
(7)	65	-	-	-	Honicknowle Multi Use Games Area and Plan Hub
(8)	50	-	-	-	Neswick Street (Stonehouse) Play Area
(9)	13	-	-	-	Radford Quarry
(10)	14	-	-	-	Russell Avenue Tennis Courts
(11)	35	-	-	-	Brickfields Athletics Stand
(12)	500	-	-	-	Refurbishment of Armada Way toilets
(13)		3,148			Increased provision for replacement MRF (subject to soft market testing)
	3,351	4,422	1,029	1,542	Total of new Schemes

- (2) that officers report back to Cabinet and the City Council on the current most efficient method of funding the five year capital programme based on existing spending plans

Alternative options considered and reasons for recommended action:

The proposals have been referred by Cabinet for funding. If capital funding is not approved, the schemes will not proceed (unless alternative funding sources become available).

Background papers:

Cabinet reports:

Joint Performance and Finance Report – Cabinet 23 August 2011 – the report may be viewed using the following link -

<http://www.plymouth.gov.uk/mgInternet/mgConvert2PDF.aspx?ID=30517>

Plymouth Connect – Local Sustainable Transport Fund Cabinet 23 August 2011 – the report may be viewed using the following link -

<http://www.plymouth.gov.uk/mgInternet/mgConvert2PDF.aspx?ID=30495>

Royal Parade Crossing Review - Cabinet 23 August 2011 – the report may be viewed using the following link -

<http://www.plymouth.gov.uk/mgInternet/mgConvert2PDF.aspx?ID=30519>

Refurbishment of Armada Way Toilets – Cabinet 13 September 2011 – the report may be viewed using the following link -

<http://www.plymouth.gov.uk/mgInternet/mgConvert2PDF.aspx?ID=30837>

Waste and recycling improvements – Cabinet 13 September 2011 – the report may be viewed using the following link -

<http://www.plymouth.gov.uk/mgInternet/mgConvert2PDF.aspx?ID=30832>

Waste and recycling improvements – Cabinet 13 September 2011 – confidential report (Part 2) by virtue of Categories 3(a) and (d) of paragraph 10.4 of Part 5 of Plymouth City Council's Constitution.

Sign off:

Fin	CDR/CorS1112 011.30.09.11	Leg	DS 12937	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Tim Howes											

1.0 New Capital Schemes referred from Cabinet on 23 August 2011

1.1 Cabinet agreed (minute 35a refers) that the City Council is recommended to approve the new capital schemes for investment as detailed in Table 5 (in the written report) amounting to £2.851m additional capital spend for 2011/12 –

	£000	£000	£000	£000	Schemes
	11/12	12/13	13/14	14/15	
(1)	2,135	-	-	-	Purchase of replacement refuse vehicles
(2)	140	-	-	-	Aiming High for Disabled Children
(3)	50	700	-	-	Capitalised maintenance works to West Hoe Pier
(4)	160	398	-	-	Saltram Countryside Park - Phase I
(5)	100	176	1,029	1,542	Plymouth Connect Local Sustainable Transport schemes
(6)	89	-	-	-	Royal Parade Pedestrian Crossing
(7)	65	-	-	-	Honicknowle Multi Use Games Area and Plan Hub
(8)	50	-	-	-	Neswick Street (Stonehouse) Play Area
(9)	13	-	-	-	Radford Quarry
(10)	14	-	-	-	Russell Avenue Tennis Courts
(11)	35	-	-	-	Brickfields Athletics Stand
	2,851	1,274	1,029	1,542	Total of new Schemes for approval in Oct 2011

Further details relating to the individual schemes are set out below.

1.2 (1) Purchase of replacement refuse vehicles

It is proposed to purchase 15 new vehicles at an estimated cost of £2.135m which will replace the need to hire in externally owned vehicles. The revenue savings from this will be available to repay the unsupported borrowing required to purchase the vehicles and are estimated to generate net savings of at least £0.5m (excluding residual vehicle values) in total over 5 years. It will also give the council flexibility over its management and retention of these owned vehicles after the initial assumed useful life of five years.

1.3 (2) Aiming High for Disabled Children

These grant funded projects, which are being finalised, will contribute to the enhancement and improvement of the short break experience of disabled children and young people, at a capital cost of £0.140m.

1.4 (3) Capitalised maintenance works to West Hoe Pier

This proposed project could be undertaken in Spring 2012, after undertaking preparatory works comprising site investigation, design and contract arrangements in advance during the last quarter of the 2011/12 financial year. The capital costs will be £0.050m in 2011/12 and £0.700m in 2012/13.

1.5 (4) Saltram Countryside Park - Phase 1

Phase 1 of Plym Valley works at Saltram will be 100% funded by displaced New Growth Point grant. Phase 1 (£0.558m) works will be used as match funding to support a wider scheme of works in the Plym Valley likely to be in the region of £6.5m and part funded from Heritage Lottery Funding (for which a phase 1 bid is being submitted later in 2011). Phase 1 works will include improvements to entrances at Marsh Mills and the Ride, and new routes in from Plympton St Maurice. Phase 2 works at Saltram will be included in the initial project proposal for £6.5m Plym Valley works.

1.6 (5) Plymouth Connect Local Sustainable Transport schemes (minute 38 of Cabinet on 23 August 2011 refers)

The scheme relates to part of the overall Plymouth Connect Project to provide a strategic cycle network including bringing back into use the Laira Rail Bridge, partly funded by Department for Transport.

Following approval, in March 2011, for the submission of a bid for funding from the Department for Transport's Local Sustainable Transport Fund for the Plymouth Connect Scheme costing £6.359m, the Department of Transport had advised that the Council had been successful in securing the £4.33 million of capital and revenue funding sought from the Local Sustainable Transport Fund between 2011/12 and 2014/15.

The balance of the funding consisted of £0.75m from the Section 106 Agreement for the Morley Park development and an allocation of £1.21m from the Council's Local Transport Plan Capital Programme Integrated Block between 2011/12 and 2014/15.

Plymouth Connect consisted of a package of walking and cycling infrastructure improvements along the Eastern Corridor, linking to the Waterfront and to Devonport and Stonehouse. The design and development work associated with the highway infrastructure improvements and personalised travel planning was programmed to commence from October 2011, with delivery during 2012/13 through to 2014/15.

Cabinet agreed that the Plymouth Transport and Highways develop and deliver the Plymouth Connect scheme on the basis of the outline set out in the officer's written report.

1.7 (6) Royal Parade Pedestrian Crossing (minute 40 of Cabinet on 23 August 2011 refers)

Following a recent court case into a fatal collision between a pedestrian and a heavy goods vehicle in 2010, a review of the Royal Parade pedestrian crossing has been undertaken with the police.

The outcome of the review, supported by the police, is that the crossing itself is working appropriately, but that a series of measures to improve the environment around the crossing, and increase its 'visibility' could be undertaken.

The total cost of the proposals is £0.089m and capital funding will need to be made available for this work to be completed in the current financial year.

Cabinet agreed that the following works were introduced in an incremental, phased manner, to enhance the setting and visibility of the crossing -

- provide a surface contrast to funnel pedestrians to the area between the road studs demarking the crossing. This would be delivered by introducing a buff surface for the length of the zig zags either side of the crossing – highlighting the crossing;
- changing the colour of the poles to aid identification and location for crossing;
- change the tactile paving to burnt red;
- introduce seating or planters on the pavement areas either side of Royal Parade to provide a visual pointer towards the crossing point;
- review the light timings to seek a reduction in the call time and duration of the green man, to make the crossing more appealing to users;
- discuss with the Department for Transport the provision of count down signs to make the crossing more appealing and better inform users.

1.8 (7) Honicknowle Multi Use Games Area and Plan Hub

Provision of a multi use games area at the open green space opposite Stirling House on Plymouth City Council owned land and relocation of the existing play equipment, at a capital cost of £0.065m. Plymouth City Council is to take on accountable body status on behalf of Honicknowle Commnet.

1.9 (8) Neswick Street (Stonehouse) Play Area

Refurbishment of the Plymouth City Council owned Neswick Street Play Park, at a capital cost of £0.050m. Plymouth City Council is to take on accountable body status on behalf of Friends of Wyndham Square.

1.10 (9) Radford Quarry

Improvements to the car park at Oreston Recreation Ground, at a capital cost of £0.013m.

1.11 (10) Russell Avenue Tennis Courts

Improvements and upgrading of existing tennis courts at a capital cost of £0.014m.

1.12 (11) Brickfields Athletics Stand

Urgent work is needed to bring the stand up to the required health and safety standards before the site is passed to Everyone Active to be managed, at a capital cost of £0.035m.

2.0 **New Capital Schemes referred from Cabinet on 13 September 2011**

2.1 Refurbishment of Armada Way Toilets (minute 54 of Cabinet refers)

A written report was submitted to Cabinet on proposals to refurbish the public toilets in Armada Way, and introduce a 20p charge for use.

The Armada Way toilets are the busiest public toilets in Plymouth, situated in the heart of the retail centre, used by visitors and residents. The additional capital investment of £0.500m will add a further requirement to capital receipts for funding. The proposals will also add an ongoing budget pressure of £0.235m each year and will impact on the approved delivery plans to achieve savings. The proposals will provide for an additional full time employee to support cleaning and maintenance at the toilets.

Cabinet, subject to Council approval of the change to the capital programme, agreed the refurbishment of the Armada Way toilets and the introduction of a charge of 20p for use. A review will take place six months after the introduction of charging for use, to inform a review of the other toilets.

The City Council is recommended to approve the change required to the capital programme.

2.2 Potential upgrade of the existing Materials Recycling Facility

In order to accommodate strategic glass recycling and also refurbish/replace the existing facility there would be a significant additional capital investment required. Cabinet have approved that officers undertake a soft market testing exercise to establish the most appropriate solution and until this is complete an additional provision of £3.148m is proposed for inclusion in the FY 12/13 Capital Programme on top of the existing provision. This will be reviewed once the preferred delivery route is established.

3.0 **Funding of the Capital Programme**

3.1 The funding of the capital programme is constantly under review by officers as funding streams become more certain and the outcome of grant bids are determined

3.2 It is important that the most efficient use of resources is made and therefore this requires review and flexibility of the use of both borrowing and capital receipts, linked with grant and S106 funding. The exact funding of the capital programme is not determined until the end of the financial year dependent on the level of receipts and grants received during the year and the final capital expenditure

- 3.3 It is recommended that officers report back to Cabinet and the City Council on the current most efficient method of funding the five year capital programme based on existing spending plans.