

Agenda Item	5
Report No	PED 3/12

**PLANNING AND DEVELOPMENT SERVICE CAPITAL PROGRAMME**

**Report by Director of Planning and Development**

**SUMMARY**

This report proposes specific capital projects for 2012/13 and draft projects for subsequent years of the Capital Programme to 2016/17.

The Planning and Development Service Capital Programme supports the Council's Single Outcome Agreement commitments to help build a competitive, sustainable and adaptable Highland economy and to help sustain Highland communities.

**1. BACKGROUND**

1.1 The Council's six year capital programme was presented to full Council on 12 May 2011 resulting in approval of a three year programme (2011/12, 2012/13 and 2013/14) and the remaining three years being noted as indicative and dependent on the outcome of future Government spending reviews. In August the PED Committee agreed a Future Strategy for the Planning and Development Service Capital Programme 2012/13–2016/17 to give strategic direction for the capital programme and the means by which individual projects will be identified and brought forward for approval at the January 2012 PED Committee.

1.2 The Strategy identified five key themes to which the capital programme should contribute:

- Sustainable economic growth
- Tourism
- Natural, built and cultural assets
- Strong communities
- Health

It also identified that the capital programme should be directed to the following project types:

- Quality public space enhancements
- Sense of place projects – reinforcing special local character
- Town and village entrance environments and gateway features
- Access to and within the countryside
- Interpretation and visitor signage
- Planning and Development Service asset upgrades

1.3 It is recognised that the 2013/14 – 2016/17 capital programme will require to be confirmed in accordance with the Programme of the new Highland Council administration post May 2012.

## 2. PROPOSALS

- 2.1 The proposed projects contained within this report have primarily been based upon areas of need identified within Local Plans and the Highland Wide Local Development Plan. Priority has been given to Caithness & Sutherland in 2012/13, as per the Strategy agreed to in August 2011. Priority has also been given to the upgrade of sites for which the Planning and Development Service has direct responsibility. All projects deliver on the key themes and project types as listed in paragraph 1.2 above.
- 2.2 The proposed allocation of capital is summarised in Appendix 1 and described below. The proposed scope of project work at each site is given in Appendix 2, this being more clearly defined in early years' projects than in latter ones recognising the need to secure alignment with the Programme of the new Highland Council administration post May 2012.
- 2.3 It is proposed that at this stage in the capital programme, Committee agrees to flexibility of expenditure between projects within a particular geographic area to allow for more or less expenditure at a particular site, subject to scrutiny through the usual Capital Monitoring reporting process. Past experience has shown that a rigid application of a fixed capital allocation to a particular project, made in advance of detailed project design or external income opportunities, is not always appropriate to the nature of the projects undertaken by the Service. Flexibility will allow the team to be responsive to such circumstances, whilst still delivering timely capital expenditure.
- 2.4 **Caithness, Sutherland & Easter Ross  
£600k to 2016/17**
- An allocation of £200k for Planning and Development Service Site Upgrades will deliver improvements at **Duncansby, Dunnet** and **Chanorry Point**. The Council has direct land ownership in each of these locations, which all have the potential to make an increasing contribution to local economies through tourism. The two Caithness sites have the potential to contribute to a significant local tourism hub. Investment at all three sites should enable partnership working with other stakeholders in order to deliver better overall outcomes and will benefit in particular the growing coastal tourism sector.
  - An allocation of £300k for Town & Village Regeneration will deliver further improvements in both **Wick** and **Thurso**, demonstrating ongoing Council commitment to supporting these settlements, both of which were unsuccessful in securing funding from the recent Scottish Government Town Centre Regeneration Fund. These allocations will all contribute to the provision of quality public spaces and sense of place thereby strengthening communities and supporting economic development. Also a package of works is proposed in the village of **Helmsdale**, in advance of the 'Kildonan Clearances 2013 Initiative', which is expected to attract significantly increased numbers of overseas visitors.
  - An allocation of £100k for projects yet to be identified in Caithness, Sutherland and Easter Ross in 2016/17.

2.5 **Inverness, Nairn, Badenoch & Strathspey**  
**£685k to 2016/17 including anticipated 2011/12 carry forward.**

- An allocation of £50k for **Inverness City Gateways** will support ongoing delivery of this project, which will commence in 2012/13 utilising capital of approximately £170k carried forward from the existing programme, as previously reported to this Committee.
- An allocation of £100k will support delivery of streetscape works in **Inverness Academy Street** in accordance with the objectives of the City Centre Development Brief.
- Civic space improvements in **Nairn** will be undertaken using capital of approximately £140k carried forward from the existing programme, also previously reported to this Committee.
- An allocation of £125k will support the delivery of the A96 Coastal and Landward Trails as part of the wider development of the A96 corridor.
- An allocation of £100k for projects yet to be identified in Inverness, Nairn, Badenoch & Strathspey in 2016/17, but it is intended to initiate discussions with the Cairngorm National Park Authority and other stakeholders with a view to identifying appropriate projects.

These allocations will all contribute to the provision of quality public spaces and sense of place thereby strengthening communities, supporting economic development and promoting health.

2.6 **Ross, Skye & Lochaber**  
**£615k to 2016/17 including anticipated 2011/12 carry forward.**

- An allocation of £275k for North East Skye P&D Site Upgrades will deliver improvements at **Kilt Rock, Leallt Gorge, Raasay** and **Kyle of Lochalsh**, which will complement major improvements currently underway at Storr Woodland (carry forward approx. £90k). The Council has direct land ownership in each of these locations, which all have the potential to make an increasing contribution to fragile local economies through tourism.
- An allocation of £150k to a **Wester Ross National Scenic Area (NSA)** Project will deliver improvements across a range of sites in order to benefit visitor experience within this area of outstanding natural and cultural heritage.
- An allocation of £100k for projects yet to be identified in Ross, Skye & Lochaber in 2016/17.

2.7 **Pan Highland Projects**  
**£550k to 2016/17 including anticipated 2011/12 carry forward.**

- An allocation of £350k, in addition to approximately £50k carried forward from the existing programme, will deliver **visitor management** improvements throughout Highland in support of both tourism and local communities.

- An allocation of £150k will deliver improvements which contribute to both **Green Networks and Core Paths**, thereby supporting access to and within the countryside throughout Highland.

## 2.8 SUMMARY

In total, the above proposals will deliver capital projects of £2.45 million over the next five years, with broadly similar levels of expenditure in each of the Council's administrative areas. The scope of the projects aligns with the purpose of the Planning and Development Service Capital Programme as per the Future Strategy agreed by the August 2011 PED Committee.

## 3. Implications

- 3.1 Resource: The Core Projects are funded from the Capital Programme with external funding secured in addition whenever possible. The scope of projects is tailored to the funds available and therefore there are no additional resource implications for the Council.
- 3.2 Legal: In order to satisfy the Council's Prudential Controls, where projects involve work on sites not within Council ownership or control, appropriate leases or agreements will be entered into.
- 3.3 Equality: Equality issues are considered for each project as an integral part of the project management process. The main area of relevance is the consideration of all abilities access.
- 3.4 Climate Change: Climate Change issues are currently addressed in an ad hoc manner and in the future will be introduced as an integral part of the project management process.
- 3.5 Risk: Risk implications vary due to the wide range of projects undertaken and consideration of risk is an integral part of the project management process. If significant risks are foreseen, these are reported to Senior Management for inclusion as appropriate in the Service Risk Register.

## 4. RECOMMENDATION

- 4.1 That Committee:
- (i) Agree the allocation of capital and scope of projects as presented in the report.
  - (ii) Agree flexibility in allocation of expenditure in accordance with paragraph 2.3 and subject to scrutiny through the usual Committee Capital Monitoring reporting process.

Designation: Director of Planning & Development

Date: December 21<sup>st</sup> 2011

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**APPENDIX 1      PROPOSED CAPITAL ALLOCATION**

P&D CAPITAL PROGRAMME		TOWN & COUNTRYSIDE REGENERATION PROJECTS						
		2012/13	2013/14	2014/15	2015/16	2016/17	TOTAL	
<b>Caithness, Sutherland &amp; Easter Ross</b>						100	100	
Site Upgrades		100	50	50			200	
	<i>Duncansby Head</i>	£	£					
	<i>Dunnet P&amp;D Sites</i>	£	£					
	<i>Chanonry Point</i>		£	£				
Town & Village Regeneration		300					300	
	<i>Helmsdale Village</i>	£					0	
	<i>Wick</i>	£					0	
	<i>Thurso</i>	£					0	
<b>Area Sub Total</b>							<b>600</b>	
<b>Inverness, Nairn, Badenoch &amp; Strathspey</b>						100	100	
Inverness City Gateways		(170)	50				220	
Inverness Academy Street			50	50			100	
Nairn Town Centre Regeneration			(140)				140	
A96 Coastal & Landward Trails				50	75		125	
<b>Area Sub Total</b>							<b>685</b>	
<b>Ross, Skye &amp; Lochaber</b>						100	100	
NE Skye Site Upgrades			150	50	75		275	
	<i>Kilt Rock</i>		£					
	<i>Leallt Gorge</i>		£					
	<i>Storr</i>	(90)	£				90	
	<i>Raasay</i>			£	£		0	
	<i>Kyle Prospect</i>		£				0	
Wester Ross NSA Project				100	50		150	
<b>Area Sub Total</b>							<b>615</b>	
<b>Pan Highland</b>								
Visitor Management		(50)	100	100	100	50	400	
Green Networks & Core Paths					100	50	150	
<b>Area Sub Total</b>							<b>550</b>	
<b>Total including 2011/12 slippag</b>		<b>710</b>	<b>540</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>2450</b>	

Figures in brackets denote 2011/12 carry forward.

"£"denotes target year of project expenditure - actual sum flexible within generic project sum.

## **APPENDIX 2: PROPOSED SCOPE OF PROJECTS**

### **CAITHNESS, SUTHERLAND & EASTER ROSS: P&D SITE UPGRADES (£200k)**

#### Duncansby

Countryside car park in Council ownership (P&D account).

Enhancements to visitor experience: stone dyking, major interpretative feature, improved signage, shelter, path upgrades (subject to landowner consent).

#### Dunnet

Countryside car parks in Council ownership (P&D account) at Dunnet Head, Dunnet Pavilion and Dunnet mid-sands. Council ownership of dunes and Dunnet Pavilion Countryside Ranger base.

Enhancements to visitor experience: stone dyking, major interpretative feature, improved signage, shelter, path upgrades (subject to landowner consent).

#### Chanonry Point

Countryside car park in Council ownership.

Major visitor attraction for wildlife watching.

Enhancements to visitor experience: stone dyking, major interpretative feature, improved signage, shelter, path upgrades (subject to landowner consent).

## **CAITHNESS, SUTHERLAND & EASTER ROSS: TOWN & VILLAGE REGENERATION (£300k)**

### Helmsdale

Village centre car parks and toilet block in Council ownership.

In 2013 Helmsdale will host *Kildonan Clearances 2013* which is a local initiative based upon the 200<sup>th</sup> anniversary of large scale clearances from the Strath. This event is expected to attract a significant increase in visitors, particularly from overseas.

In advance of 2013 it is anticipated that the existing toilet block, which is in very poor condition, will be replaced by a local Comfort Scheme. This will leave a village centre site in need of remediation and it is hoped to coordinate works with TEC Services to demolish the toilet block and upgrade the site to provide a high quality public space.

The package of capital works in Helmsdale may also include a Kildonan Strath viewing platform, provision of interpretation, a descendant's wall, path network upgrades, wheel chair access to war memorial and linkage to emigrant's statue, and improvements to Coupers Yard, which is held on the P&D account.

A complete funding package for the above has yet to be secured, but it is hoped to secure a LEADER contribution to the project and there appears to be the potential for other local partnership working.

### Wick

A package of capital works was identified within the Town Centre Regeneration Fund bid in 2009. The bid was unsuccessful so that, whilst significant enhancements have been made to a number of vennels in the town centre utilising P&D capital, further work is still required for the upgrade of other public thoroughfares within the town centre. Works may include interpretative art / public feature.

In addition, the centrally located Coghill Footbridge, within the Core Path Network, is in a deteriorating condition and it is proposed that this is upgraded, subject to confirmation of ownership by the Council. A legal search is currently underway. After upgrade, TECS have confirmed that the bridge would be adopted and maintained by TEC Services.

### Thurso

Thurso Precinct was upgraded in 2008 utilising P&D capital. A package of capital works was identified when bidding for Town Centre Regeneration Funds in 2009, but the bid was unsuccessful so that works were not completed.

Further investment will complement the 2008 work by delivering further improvements to public thoroughfares in the town centre. Works may also include interpretative art / public feature; improved access to esplanade; landscaping boating ponds and vicinity.

## **INVERNESS, NAIRN, BADENOCH AND STRATHSPEY (£685k)**

### Inverness City Gateways (£220k)

The P&D Service is initiating the production of an Inverness City Gateways (ICG) Strategy which will inform not only short term project work, but also other medium and long term developments and, potentially also supplementary planning guidance.

Funds within the existing capital programme (approximately £170k) will deliver a Gateway demonstration project, the detail and location/s for which will be determined as the ICG Strategy is developed. Additional capital (£50k) is intended to support further extension of the Gateway concept as seed funding for future joint working / external funding opportunities that may arise once the ICG Strategy is established.

### Inverness Academy Street (£100k)

This allocation will enable P&D Service to contribute to works in support of the City Centre Development Brief in Academy Street. Detailed scope of works to be determined.

### Nairn Town Centre Regeneration (£140k)

This project will utilise capital of approximately £140k carried forward from the current capital programme for the delivery of civic space as identified in Town Centre Development Brief. Detail cannot be finalised until conclusion of current Council land sales, which situation has prevented implementation of this project short term. It is proposed that this capital allocation is carried forward until detailed scope can be determined, which is unlikely before 2013/14.

### A96 Coastal and Landward Trails (£125k)

This project will support the delivery of the A96 coastal and landward trails with expenditure intended to address gaps in the provision of these trails and other related improvements. Works may include path upgrade and creation and the provision of quality open spaces within the network of trails. Detailed scope requires further investigation.

## **ROSS, SKYE & LOCHABER: P&D SITE UPGRADES (£275k)**

### Kilt Rock

Countryside car park in Council ownership (P&D account).

Major visitor attraction in need of enhancement and with potential to contribute to a small hub/network of improved NE Skye sites. Works to improve visitor experience including rationalisation of existing interpretation, surface upgrades. Installation of major feature, such as viewing platform.

### Leallt Gorge

Parking, paths and viewpoint in Council ownership (part P&D account).

Visitor attraction in need of enhancement and with potential to contribute to a small hub/network of improved NE Skye sites. Works to improve visitor experience including rationalisation of existing interpretation and path upgrades.

### Raasay

Local Plan identifies need for improvements in connection with tourism and heritage. Raasay Battery (Scheduled Ancient Monument) in Council ownership (P&D account). Recent significant Council investment in ferry terminal could deliver further benefits through improvements on the island which increase visitor numbers. Detailed scope requires further investigation.

### Kyle of Lochalsh

Kyle Prospect provides a centrally located public space in a location with high visitor numbers. In the heart of the space are steps, in Council ownership, requiring significant upgrade and currently closed for safety reasons. Upgrade of these steps will complement a previous environmental improvement project undertaken by the P&D Service.

### Storr

It is anticipated that £90k will be carried forward from the current capital programme for completion of site upgrade works at Storr Woodland. Work includes removal of exotic conifers and establishment of native woodland; public access improvements and path upgrades; provision of improved parking facilities and rationalisation of interpretation. Storr Woodland receives in excess of 50000 visitors per annum and has significant potential to contribute to a small hub/network of improved NE Skye sites.

### Wester Ross National Scenic Area (£150k)

The land and seascape of Wester Ross is a major natural and cultural asset capable of attracting significant numbers of visitors to the area. The outstanding beauty of the landscape is of National significance recognised by the National Scenic Area (NSA) designation. The Service has already been responsible for drafting a pilot management plan for the area which aims to increase awareness and understanding of the NSA designation and encourage enjoyment of the area in support of economic development. The detailed scope of this project requires further investigation, but it is anticipated that it will comprise works at a number of sites in Council ownership, where it will deliver a variety of improvements to visitor experience. A series of projects will be developed over a number of sites, prioritising those in Council ownership, where it will deliver awareness of the NSA designation through improvements including interpretation, signage, gateways and other visitor management requirements.

### **VISITOR MANAGEMENT (£400k)**

This project encompasses both visitor signage and interpretation, but is also intended to cover the wider scope of visitor management, which may include the provision of other related infrastructure, for example, improved parking facilities or shelter. It is intended that this allocation is used flexibly for stand alone project work requirements or to support delivery of visitor management elements within other specified projects.

The outcome of a recently completed evaluation of existing interpretation facilities throughout Highland will be reported to PED Committee in March 2012 and, subject to agreement, this will inform priorities for expenditure on interpretation.

### **GREEN NETWORKS & CORE PATHS (£150k)**

Green networks comprise the network of green spaces and green corridors within and around settlements and linking out into the wider countryside. The importance of green networks, for both recreation and tourism is recognised within the Highland Wide Local Development Plan with specific reference to Portree, Fort William, Inverness/Nairn, Dingwall/Invergordon, Dornoch/Helmsdale and Thurso/Wick. It is anticipated that a capital allocation will enable support for the development and delivery of green networks, with detailed scope requiring further investigation.

The Highland Wide Local Development Plan also identifies major development potential along the A96 corridor, recognising specifically the need for green networks comprising coastal and landward trails with linkages between the two. It is anticipated this capital

allocation will enable support for the development and delivery of these trails, with detailed scope requiring further investigation.

The Council has a statutory duty to maintain Core Paths within its ownership, which maintenance is undertaken through the revenue budget. However, from time to time Core Paths capital investment for upgrade is required and it is intended that such works, as they arise, be funded through this capital allocation.