

**THE HIGHLAND COUNCIL**

**PLANNING, ENVIRONMENT & DEVELOPMENT COMMITTEE**

**20 May 2009**

Agenda Item	5
Report No	PED 36/09

**MONITORING OF CAPITAL EXPENDITURE TO 30 April 2009**

**Report by Director of Planning and Development**

**SUMMARY**

This report outlines the Expenditure and Income to 30 April 2009 for the 2009/10 Capital Programme. The Planning and Development Service Capital Programme and use of the Vacant and Derelict Land Fund supports the Administration's commitment to economic development, environmental improvement and working with Highland residents in shaping the future of their communities.

**1. Core Programme**

1.1 One month into the new financial year, there is no actual expenditure to report to date for 2009/10.

Certain 2009/10 projects are already underway.

- Phase one of Nairn Streetscape is due for completion by the end of June.
- Dingwall Streetscape is due to go out to tender by the end of May for completion in the autumn.
- The design phase for restructuring Storr Woodlands on Skye is underway and will be followed by an application for statutory approval and funding through the Scotland Rural Development Programme.
- Community engagement will commence in June in connection with Community Woodlands (Carrbridge), Beauly Square Improvements and Wick High Street Regeneration.

1.2 Subject to confirmation from Finance, we can report that actual expenditure for 2008/09 was £820k, which represents 62% of budget (compared to £802k, 61% forecast to this Committee in March 2009). It is still proposed to carry forward an under spend of around £370k to financial year 2009/10 to meet legally committed contracts and other projects, as reported previously to this Committee.

1.3 Members will recall that the Capital Programme has a total of £460k allocated for Dingwall High Street (£60k in 2008/09 (of which £52k carried forward into 2009/10), £250k in 2009/10 and £150k in 2011/12). In order to secure economies of scale in any contract let and to accelerate the streetscape works as part of the Council's response to the economic downturn, Committee is requested to accelerate the £150k in 2010/11 into the current financial year. This accelerated spend will be managed within the current 2009/10 programme.

1.4 In 2005 Members agreed to increase the Planning and Development Service Capital Programme by allocating £50k each to Inverness and Fort William in the event that local businesses decided to pursue and vote in favour of a Business Improvement Districts (BID) within their city/town centres. The Inverness allocation will be utilised in the current financial year on city centre signage in support of the

approved Inverness BID. While it is understood that the concept of a Business Improvement District has been discussed by the business community in Fort William, it has been dismissed and is not being actively progressed. There are however, projects within the Town Centre which seek to improve its attractiveness and viability that could utilise these programmed funds. Members are asked to remove the BID approval precondition attached to this £50k allocation and allow the funds to be directed to Fort William town centre works. All of the Ward 22 Members support this request.

## **2. Vacant and Derelict Land Fund**

- 2.1 One month into the new financial year, there is no actual expenditure to report to date for 2009/10.

A re-profiled cash flow together with the end of year return was submitted to the Scottish Government on the 6th of May. Prior to this submission the Scottish Government indicated that it would be acceptable to carry over the unspent 2008/09 budget into 2009/10 and 2010/11.

- 2.2 A short update on each of the projects identified in the approved Delivery Plan is contained in Appendix 1.

## **3. RECOMMENDATION**

- 3.1 Committee is recommended to note the contents of this report and to approve the changes to the Capital Programme noted in paragraphs 1.3 and 1.4.

Signature:

Designation: Director of Planning & Development

Date: 6<sup>th</sup> May 2009

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## **Appendix 1: Vacant and Derelict Land Fund Project Update**

### **1. Carsegate Industrial Estate (Inverness)**

- 1.1 Phase II study expected to be complete by the 31st of July 2009. If the sampling results indicate a risk from contamination then Phase III remediation will be required which will in turn dictate when on site works can be pursued.

### **2. Harbour Road (Inverness)**

- 2.1 Phase II study expected to be complete by the 17th of July 2009. If the sampling results indicate a risk from contamination then Phase III remediation will be required which will in turn dictate when on site works can be pursued.

### **3. Longman East (Inverness)**

- 3.1 Project boundary has been extended to include a greater portion of the former landfill. Phase I Study expected to be complete by early May 2009.

### **4. South Head (Wick)**

- 4.1 The Highland Council await a complete VDLF application pack from Pentland Housing Association, which will indicate where abnormal development costs occur and inform the level of VDLF assistance.

### **5. Harbour Quay (Wick)**

- 5.1 The Highland Housing Alliance intend to submit proposed development costs for a mixed use development to the Council for consideration in May 2009 which in turn will inform the use of VDLF for any future site acquisition.

### **6. Larnach (Wick)**

- 6.1 The Highland Housing Alliance submitted a VDLF Application pack to the Council on Friday the 1<sup>st</sup> of May and is currently being assessed.

### **7. Old Distillery site (Alness)**

- 7.1 As more information comes to light regarding this site it is becoming apparent that there is less likelihood of VDLF support being required. If this does prove to be the case alternative projects will be explored in Alness in the first instance.

### **8. Seabank Tank Farm (Invergordon)**

- 8.1 The commissioning of feasibility/delivery mechanism scoping work is being investigated prior to engaging with landowner.

### **9 Bone Mill (Invergordon)**

- 9.1 The marketing of the adjacent tyre garage has provided an opportunity for a more comprehensive redevelopment of this site. Once sale has been concluded further dialogue between the Council and the successful purchaser will take place.