

# Agenda



## Meeting of West Dunbartonshire Council

**Date:** Wednesday, 22 February 2017

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**Time:** 17:00

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**Venue:** Council Chamber,  
Council Offices, Garshake Road, Dumbarton

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**Contact:** Craig Stewart  
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Dear Member

Please attend a meeting of **West Dunbartonshire Council** as detailed above. The business is shown on the attached agenda.

Yours faithfully

**JOYCE WHITE**

Chief Executive

Distribution:-

Provost Douglas McAllister  
Councillor Denis Agnew  
Councillor George Black  
Councillor Jim Bollan  
Councillor Jim Brown  
Councillor Gail Casey  
Councillor Jim Finn  
Councillor William Hendrie  
Councillor David McBride  
Councillor Jonathan McColl  
Councillor Michelle McGinty  
Councillor Patrick McGlinchey  
Councillor Marie McNair  
Councillor John Millar  
Councillor John Mooney  
Councillor Ian Murray  
Councillor Lawrence O'Neill  
Councillor Tommy Rainey  
Councillor Gail Robertson  
Councillor Martin Rooney  
Councillor Kath Ryall  
Councillor Hazel Sorrell

Chief Executive  
Strategic Director of Transformation & Public Service Reform  
Strategic Director of Regeneration, Environment & Growth  
Chief Officer of West Dunbartonshire Health & Social Care Partnership

Date of issue: 10 February 2017

# **WEST DUNBARTONSHIRE COUNCIL**

**WEDNESDAY, 22 FEBRUARY 2017**

## **AGENDA**

### **1 APOLOGIES**

### **2 DECLARATIONS OF INTEREST**

Members are invited to declare if they have an interest in any of the items of business on this agenda and the reasons for such declarations.

**Voting:** Members are reminded that restrictions on voting in setting the level of Council Tax introduced by s112 of the Local Government Finance Act 1992 apply. Under these rules Members who are present at the meeting and who are at least two months in arrears with payment of Council Tax, must disclose this fact as soon as practicable after the start of the meeting and refrain from voting on any proposal for setting the level of tax. Failing to do so may involve committing an offence.

Members will also wish to consider the guidance found in paragraphs 3.20 and 3.21 of The Councillors' Code of Conduct.

### **3 MINUTES OF PREVIOUS MEETINGS 9 - 22**

Submit for approval as correct records, the Minutes of Meeting of West Dunbartonshire Council held on:-

- (a) 21 December 2016 (ordinary meeting); and
- (b) 18 January 2017 (special meeting).

### **4 MINUTES OF MEETING OF AUDIT & PERFORMANCE REVIEW COMMITTEE – 14 DECEMBER 2016 23 - 26**

Submit for information and where necessary ratification, the Minutes of Meeting of the Audit & Performance Review Committee held on 14 December 2016.

### **5 OPEN FORUM**

The Council is asked to note that no open forum questions have been submitted by members of the public.

**6 ANTI-AUSTERITY CAMPAIGN – REQUEST FOR DEPUTATION**

In accordance with Standing Order 17 the Council is asked to consider if it wishes to hear a deputation on the above from the Joint Trades Unions.

**7 GLASGOW CITY REGION, CITY DEAL – UPDATE AND EXXON SITE OUTLINE BUSINESS CASE 27 - 206**

A presentation will be given by the Strategic Director – Regeneration, Environment and Growth on the above.

In this regard, submit report by the Strategic Lead – Regeneration noting the progress with the implementation of the Glasgow City Region, City Deal and seeking approval to submit the Outline Business Case (OBC) for the Exxon site to the Cabinet of the City Deal for their approval on 11 April 2017.

**8 GENERAL SERVICES BUDGETARY CONTROL REPORT TO 31 DECEMBER 2016 (PERIOD 9) 207 - 256**

Submit report by the Strategic Lead – Resources advising on the progress of both the General Services revenue budget 2016/17 and the approved capital programme for the period to 31 December 2016.

**9 HOUSING REVENUE ACCOUNT (HRA) BUDGETARY CONTROL REPORT TO 31 DECEMBER 2016 (PERIOD 9) 257 - 274**

Submit report by the Strategic Director – Regeneration, Environment and Growth providing an update on the financial performance to 31 December 2016 (Period 9) of the HRA revenue and capital budgets.

**10 GENERAL SERVICES REVENUE ESTIMATES AND COUNCIL TAX To follow**

Submit report by the Strategic Lead - Resources providing the Council with sufficient information to allow them to agree the General Services Revenue Estimates from 2017/18 to 2019/20 and to set the Council Tax for 2017/18.

PLEASE NOTE: Members are encouraged to contact officers in advance of the meeting if they have any questions or require any further information/ clarification in respect of any issues contained in the report.



**11      HOUSING REVENUE ACCOUNT (HRA) ESTIMATES      275 - 292**  
**2017/18**

Submit report by the Strategic Lead – Housing and Employability seeking approval in respect to setting the housing revenue budget for 2017/18 and the level of weekly rent increase for 2017/18 which is sufficient to fund the revenue budget for 2017/18 and the associated capital investment programme.

PLEASE NOTE: Members are encouraged to contact officers in advance of the meeting if they have any questions or require any further information/clarification in respect of any issues contained in the report.

**12      PRUDENTIAL INDICATORS 2016/17 TO 2025/26 AND      To follow**  
**TREASURY MANAGEMENT STRATEGY 2017/18 TO 2025/26**

Submit report by the Strategic Lead – Resources seeking approval of the proposed Prudential Indicators for 2016/17 to 2019/20 and Treasury Management Strategy (including the Investment Strategy) for 2017/18 to 2019/20.

**13      DUMBARTON COMMON GOOD BUDGET 2017/18      293 - 298**

Submit report by the Strategic Lead – Resources providing an update on the Dumbarton Common Good budget and seeking approval for a revised budget for 2017/18.

**14      STATUTORY MEETING AND COMMITTEE TIMETABLE      299 – 302**

Submit report by the Strategic Lead – Regulatory seeking approval of a date for the statutory meeting of West Dunbartonshire Council and a committee timetable until the summer recess.

**15      WEST DUNBARTONSHIRE SPORTS PITCH PROVISION      303 - 312**

Submit report by the Strategic Lead – Environment and Neighbourhood providing an overview of Sports Pitch provision given the recent interest in the level of availability and updating Council regarding concerns raised about health issues associated with synthetic pitches.

## 16 NOTICES OF MOTION

### **(a) Motion by Councillor Jonathan McColl – Make Fair Transitional State Pension Arrangements for 1950's Women**

Council calls upon the UK Government to make fair transitional state pension arrangements for all women born on or after 6th April 1951, who have unfairly borne the burden of the increase to the State Pension Age (SPA) with lack of appropriate notification.

Hundreds of thousands of women had significant pension changes imposed on them by the Pensions Acts of 1995 and 2011 with little or no notification of the changes. Some women had only two years notice of a six-year increase to their SPA.

Many women born in the 1950's are living in hardship. Retirement plans have been shattered with devastating consequences. Many of these women are already out of the labour market, caring for elderly relatives, providing childcare for grandchildren, or suffer discrimination in the workplace and struggle to find employment.

Women born in this decade are suffering financially. These women have worked hard, raised families and paid their tax and national insurance with the expectation that they would be financially secure when reaching 60. It is not the pension age itself that is in dispute - it is widely accepted that women and men should retire at the same time.

The issue is that the rise in the women's SPA has been too rapid and has happened without sufficient notice being given to those affected, leaving women with no time to make alternative arrangements.

Council calls upon the UK Government to reconsider transitional arrangements for women born on or after 6th April 1951, so that women do not live in hardship due to pension changes they were not told about until it was too late to make alternative arrangements.

Council instructs the Chief Executive to write to the Rt Hon Damian Green MP, Secretary of State for Work and Pensions with a copy of this motion, asking him to implement fair transitional arrangements.

Council further agrees to a request from West Dunbartonshire WASPI (Women Against State Pension Inequality) to illuminate the Titan Crane to highlight their campaign, and asks the Provost and the Clydebanks Property Company to work with the local group to make appropriate arrangements.

**(b) Motion by Councillor Jonathan McColl – Alexandria Job Centre Closure**

Council condemns the decision of the DWP to transfer services from the Alexandria Job Centre Plus (JCP) office to their site in Dumbarton.

Council notes the increased risk of sanctions this would cause for people who could not afford the extra travel expense for mandatory in person visits to the JCP.

Job Centres are a vital component in the network of agencies and organisations assisting people into work and this proposal would be incompatible with the ambition of supporting people to find sustainable employment.

Council supports Martin Docherty-Hughes MP's campaign to oppose this transfer.

Council instructs the Chief Executive to write to Martin Docherty-Hughes MP expressing our support for this campaign.

Council asks the Leader of the Council and Leader of the Opposition to write to Damian Green MP, Secretary of State for Work and Pensions, expressing our concerns and seeking a reversal of this decision.

**(c) Motion by Provost Douglas McAllister – Father Joseph Mills**

This Council notes that Archbishop Tartaglia of Glasgow announced on Friday 3 February 2017 that Father Joseph Mills, Parish Priest of St Mary's Duntocher having reached the age of 75 years, retires in accordance with Canon Law. This Council further notes that Father Joseph Mills was ordained into the priesthood in 1967 and therefore this year marks the 50<sup>th</sup> anniversary of his ordination. Father Joseph Mills has served with great distinction across various parishes in the Glasgow Archdiocese.

However, it is his service in particular, over the last two decades, to St Mary's Duntocher which should be commended by West Dunbartonshire Council. Father Joseph Mills has, as a result of his compassion, love, understanding and kindness been a positive influence in the lives of not only his parishioners, but across the whole spectrum of society in West Dunbartonshire. This Council agrees that as a result of his quite outstanding contribution to the communities of West Dunbartonshire, that he should be offered the Honorary Freemanship of West Dunbartonshire and that any costs associated with organising the appropriate civic occasion to mark such an event will be met through Council reserves.



## **WEST DUNBARTONSHIRE COUNCIL**

At the Meeting of West Dunbartonshire Council held in the Council Chamber, Clydebank Town Hall, Dumbarton Road, Clydebank on Wednesday, 21 December 2016 at 5.00 p.m.

**Present:** Provost Douglas McAllister and Councillors Denis Agnew, George Black, Jim Bolland, Gail Casey, Jim Finn, William Hendrie, David McBride, Jonathan McColl, Patrick McGlinchey, Marie McNair, John Millar, John Mooney, Ian Murray, Lawrence O'Neill, Tommy Rainey, Martin Rooney, Kath Ryall and Hazel Sorrell.

**Attending:** Richard Cairns, Strategic Director – Regeneration, Environment & Growth; Peter Hessett, Strategic Lead – Regulatory; Peter Barry, Strategic Lead – Housing & Employability; Stephen West, Strategic Lead – Resources; and Christine McCaffary, Senior Democratic Services Officer.

**Also Attending:** Chief Superintendent Grant Manders, Divisional Commander and Chief Inspector Donald Leitch, Police Scotland.

**Apologies:** Apologies for absence were intimated on behalf of Councillors Jim Brown and Michelle McGinty.

**Provost Douglas McAllister in the Chair**

### **ANTI-CUTS CAMPAIGN – REQUEST FOR DEPUTATION**

Provost McAllister informed the Council that he had accepted a late request to hear a deputation from the Joint Trade Unions due to its relevance to agenda Item 12 – General Services Budget Preparation 2017/18 to 2019/20 – Budget Update. Having heard the Council agree to hear the deputation, the Provost advised that the deputation would be heard early in the meeting.

### **VARIATION IN THE ORDER OF BUSINESS**

Having heard the Provost, the Council agreed to vary the order of business as hereinafter minuted.

## **MINUTE OF SILENCE**

The Council observed a minute's silence as a mark of respect for the loss of 3 crew members of the Flying Phantom tug boat which sank in the River Clyde on 19 December 2007; for the loss of 3 family members from Dumbarton in the Glasgow bin lorry accident on 22 December 2014 and also for those killed in the recent terror attack on a Christmas Market in Berlin.

## **URGENT ITEM OF BUSINESS**

Provost McAllister informed the Council that he had received an Emergency Notice of Motion and asked the mover of the Motion, Councillor McColl, to state its terms. Having heard Councillor McColl advise that the motion concerned the financial difficulties of Food for Thought, the Provost agreed that the matter would be dealt with at an appropriate point later in the meeting.

## **ANTI-CUTS CAMPAIGN – DEPUTATION**

Provost McAllister invited the Joint Trade Union delegation forward to speak to the meeting. Val Jennings, Unison and Jim Halfpenny, EIS were then heard in support of the anti-austerity campaign and urged political support from the members present, as well as from Westminster and Holyrood.

The Provost thanked Ms Jennings and Mr Halfpenny for their contribution, stating that the Council would take note of what had been said.

## **DECLARATIONS OF INTEREST**

Councillor Rainey declared a non-financial interest in Item 8 – Standards Commission for Scotland: Decision of the Hearing Panel, stating that he would remain in the meeting during discussion and would only take part if he had the need to do so.

## **MINUTES OF PREVIOUS MEETING**

The Minutes of the Special Meeting of Council held on 23 November 2016 were submitted and approved as a correct record.

## **MINUTES OF SPECIAL MEETING OF AUDIT & PERFORMANCE REVIEW MEETING – 1 NOVEMBER 2016**

The Minutes of Special Meeting of the Audit & Performance Review Committee held on 1 November 2016 were submitted and all decisions contained therein approved.

## **PRESENTATION BY POLICE SCOTLAND – POLICING 2026**

A presentation entitled 'Policing 2026' was made by Chief Superintendent Grant Manders and Chief Inspector Donald Leitch, Police Scotland, outlining why the current police model required to change to meet modern demands.

Both officers spoke in relation to community policing and youth engagement and encouraged Elected Members to take part in a formal consultation in January 2017.

In noting the content of the presentation, Members took the opportunity to ask questions on a variety of issues in relation to policing and the community of West Dunbartonshire.

Following the presentation, Provost McAllister, on behalf of Council, thanked Chief Superintendent Manders and Chief Inspector Leitch for attending and presenting to Council. Both officers then left the meeting.

## **OPEN FORUM**

The Council noted that no open forum questions had been submitted by members of the public.

## **GENERAL SERVICES BUDGET PREPARATION 2017/18 TO 2019/20 – BUDGET UPDATE**

A report was submitted by the Strategic Lead – Resources providing information on further efficiency options development by management following the Council meeting on 26 October 2016, together with an update on the planned consultation process.

Councillor Rooney moved:-

Council thanks officers for the report and for all the work they have undertaken in preparation of the 2017/18 budget setting.

The report shows that the Scottish Government has cut our current level of spend on services by £6.2m. However, a number of checks are still required and a revision to the Councils allocation has already increased the reduction to £6.3m.

The Council had assumed a cut of 3% but the Scottish Government has cut the current spending by a greater amount and have masked the cut by assuming a 3% increase in Council Tax and other adjustments such as extra funding going directly to schools.

This Council notes the recommendations in the report as follows:

- (a) Note the update provided at 4.6 of the report regarding the settlement and the risk identified should the offer not be accepted;
- (b) Note the updated projections to 2019/20 after implementing the changes to the draft budget book identified in Appendix 1; and further management adjustments, per Appendix 2, which generate anticipated revenue funding gaps within General Services of £2.196m for 2017/18; £5.298m for 2018/19; and £8.965m for 2019/20;
- (c) Note that the budget changes and management adjustments also produce an improved projection 2016/17 (the current year) of £0.493m;
- (d) Note the further savings options detailed in Appendix 3, which have been generated by the Corporate Management Team for Members' consideration in closing the projected gap along those provided previously to October 2016 Council (Appendix 4);
- (e) Note the updated plans to engage with the public during December 2016 and January 2017; and
- (f) Note that this projected position is subject to amendment as assumptions continue to be clarified and revised between now and Council in February 2017.

However, this Council notes as a result of prudent financial management and taking early decisions in October and again today, the Council has reduced the budget gap and, based on this report and the budgetary control report, is expected to generate significant free reserves by the end of the financial year.

Council notes the position that was reported to the WDC IJB in November 2016 will have changed as a result of the settlement as described in the report. This means that the expected funding gap for the IJB (after using the available £2m funding it has in 2017/18) will reduce to around £428,000.

The Administration fully expects that the 2016/17 budgetary control position will continue to improve and as a result, it is the intention of this Labour Administration that it will close the budget gap, including the remaining gap within the IJB, by using our free reserves.

The use of reserves means that we will not need to support any of the savings options presented by officers. Therefore, there is no requirement for a public consultation on these.

In addition, this Council agrees to provide, from the reserves, £10,000 to Food For Thought and a further £10,000 to West Dunbartonshire Foodshare to support them in the great work that they do in helping vulnerable citizens of West Dunbartonshire.

The Council also gives a commitment to continue to provide £50,000 per year for the next ten years to the Antonine Sports Centre in Duntocher. This commitment will allow the organisation to continue to benefit from the support



already provided but also gives them the certainty they need to plan and develop their services over a longer period.  
The formal budget setting will take place in February as planned and elected members will have the opportunity to support the Labour Administration's budget or to set out their own specific proposals.

## **ADJOURNMENT**

Following a request from Councillor McColl, Council agreed to a recess to allow consideration of Councillor Rooney's motion.

The meeting resumed at 6.14 p.m. with all those Members noted in the sederunt present.

As an amendment Councillor McColl moved:-

Council agrees that we will not close the budget gap by making cuts to services and therefore rules out the acceptance of ANY of the officers' savings options. To be clear, this means that any budget presented in February that accepts officers' savings options would require a suspension of standing orders.

Council further calls on officers to bring a detailed report to the February budget meeting to allow elected members to approve or reject each of the management adjustments, some of which would be damaging for local services were they accepted.

Council authorises the Leader of the Council to respond to the letter from the Finance Secretary, accepting the draft settlement offer.

Council notes that the current settlement offer is a draft document, and given the political makeup of the Scottish Parliament, the Scottish Government is not in a position to set its own budget and requires the agreement of other Party groups.

Therefore, Council resolves to write to all Scottish Party Leaders, asking that they work together in a constructive manner to set a Scottish Budget that meets the needs of the people of Scotland.

Councillor McGlinchey asked if Councillor Rooney would accept the following sentence as an addendum to the motion:-

To be clear, this means that any budget presented in February that accepts officers' savings options would require a suspension of standing orders.

Councillor Rooney confirmed his acceptance to the addendum, and his motion was then seconded by Councillor McGlinchey.

Councillor Agnew then seconded Councillor McColl's amendment.

As a second amendment Councillor Bollan, seconded by Councillor Black moved:-

In welcoming, in principle, the Labour Administration's commitment to a standstill budget including no cuts in pay or conditions for staff, Council agrees that the management adjustments noted in Appendices 2 and 3 for 2017/2018 be not implemented as part of the budget proposals. Any cuts/management adjustments already taken for 2017/2018 will be reversed. We further commit as a Council to resist further Austerity detriment inflicted upon us by the Tory Government.

On a vote being taken between the second amendment (Councillor Bollan) and the first amendment (Councillor McColl), 3 Members voted for the second amendment and 6 for the first amendment.

On a further vote being taken between the first amendment (Councillor McColl) and the motion (Councillor Rooney), 7 Members voted for the first amendment and 11 for the motion. Councillor Rooney's motion was accordingly declared carried.

### **STANDARDS COMMISSION FOR SCOTLAND: DECISION OF THE HEARING PANEL OF THE COMMISSION**

A report was submitted by the Strategic Lead – Regulatory inviting Council to consider the decision of the Standards Commission for Scotland in respect of Councillor Rainey.

Councillor McBride, seconded by Councillor Sorrell moved:-

This Council does not accept the decision of the Standards Commission and ruling regarding Cllr Tommy Rainey. This Council has full support in the integrity and honesty in all the actions and duties of Cllr Tommy Rainey as a West Dunbartonshire Councillor. Cllr Rainey sought and followed legal advice during the Planning Committee and behaved with transparency throughout. In showing our full support we agree with the content of the statement by Cllr Rainey below and note religious observance does not require to be notified in Councillors Register of Interest.

### **Statement on Standards Commission Ruling**

I do not consider that the discharging of my religious obligations at St Patrick's Church, Dumbarton amounted to a non-financial interest which I should have declared at the Planning Committee meeting, an opinion that was supported by our legal officer on the day. I am therefore extremely disappointed that the Standards Commission reached this conclusion. I do not agree with the decision.

The purpose of declaring an interest is to promote openness in the role of a councillor and all councillors are given guidance of what they should declare; i.e. their public declaration of interests. This does not include religious affiliations.

I am pleased to note that the report to the Standards Commission stated that my actions, together with my request for legal advice from an appropriate officer, demonstrated transparency and an absence of any intention to conceal my link with St Patrick's Church.

The Standards Commission also accepted that I made no personal gain nor had any involvement whatsoever in the pre-planning negotiations between the church and the council, or in any organisation or committee which deals with the affairs of St Patrick's Church. I am simply a parishioner who happens to be a member of the church choir.

My decision at the Planning Committee to support the planning application to create a new park and ride facility at Strathleven Place was based solely on the merits of the application and the considered recommendations made by the professional council officer contained within the report to the committee. From the evidence presented to the Planning Committee I formed a view that additional parking in the vicinity of Dumbarton town centre and Dumbarton Central railway station is needed. My attendance at St Patrick's Church had no bearing whatsoever on my reasons to approve the planning application.

It is disappointing to note that the Standards Commission should take such an all-encompassing view of an association with a body. I am proud to be a member of the community of St Patrick's Church and a life-long member of the community of Dumbarton. It is a concern to me that the implications of the Standards Commission decision leave councillors with no clear guidance on where to draw the line.

I am also grateful for the many expressions of support I have received since the Standards Commission decision was announced.

Cllr Tommy Rainey.

As an amendment Councillor Black moved:-

This Council does accept the decision of the Standards Commission.

Councillor McColl asked if Councillor Black would accept the following sentence as an addendum at the start of his amendment:-

Council notes that Councillor Rainey chose not to appeal the decision of the Standards Commission.

Councillor Black confirmed his acceptance to the addendum and his amendment was seconded by Councillor McColl.

On a vote being taken, 6 members voted for the amendment and 10 for the motion, which was accordingly declared carried.

## **GLASGOW CITY REGION CITY DEAL - UPDATE**

A report was submitted by the Strategic Lead – Regeneration providing an update on the progress with the implementation of the Glasgow City Region City Deal.

After discussion and having heard the Strategic Director - Regeneration, Environment & Growth in answer to Members' questions, the Committee noted the progress with the implementation of the Glasgow City Region City Deal.

## **GENERAL SERVICES BUDGETARY CONTROL REPORT TO 31 OCTOBER 2016 (PERIOD 7)**

A report was submitted by the Strategic Lead – Resources advising on the progress of the General Service revenue budget 2016/17 and the approved capital programme for the period to 31 October 2016.

After discussion and having heard the Strategic Lead – Resources and Strategic Lead – Housing & Employability in answer to Members' questions, the Committee agreed:-

- (1) to note that the revenue account currently shows a projected annual favourable variance of £1.091m (0.51% of the total budget);
- (2) to note that the capital account shows a projected annual favourable variance of £21.569m (20.18% of the budget) and a projected project life adverse variance of £3.055m (0.97% of project life budget); and
- (3) to approve the virements noted at paragraph 4.10 and detailed in appendix 9 of the report.

## **HOUSING REVENUE ACCOUNT (HRA) – BCR PERIOD 7**

A report was submitted by the Strategic Director – Regeneration, Environment & Growth providing an update on the financial performance of the HRA revenue and capital budgets for the period to 31 October 2016.

The Council agreed:-

- (1) to note the projected favourable revenue variance of £0.621m (1.5%); and
- (2) to note the position advised in relation to the capital budget which is currently projecting an in-year favourable variance of £8.874m (31.22%), of which £7.974m relates to project re-phasing and an in-year underspend of £0.900m.

## **REVIEW OF FINANCIAL REGULATIONS: DEBT WRITE-OFF**

A report was submitted by the Strategic Lead – Resources seeking approval of a change to the Financial Regulations in relation to the delegation of powers of debt write-off.

Councillor Ryall moved:-

That Council agree to approve a change to the Financial Regulations in relation to the delegation of powers of debt write-off, namely that the approved level of delegation for write-off to the Strategic Lead – Resources be changed to £5000.

At this point Councillor McBride moved the suspension of Standing Order 6(c) to allow the remaining business on the agenda to be considered beyond 8.30 p.m. The Council agreed accordingly.

Councillor McColl asked if Councillor Ryall would be willing to accept as an addendum that approval from the Leader of the Council and the Leader of the Opposition be obtained for write-offs of £5000.

Having heard Councillor Ryall advise that she was unwilling to accept the addendum, Councillor McColl stated that he was prepared to withdraw the addendum if Councillor Ryall's motion included that an annual update report on this matter would be submitted to the Corporate Services Committee for information.

Councillor Ryall confirmed her agreement to the second addendum and her motion was then seconded by Councillor McColl.

As an amendment Councillor Black, seconded by Councillor Bollan moved:-

The status quo - the sum remains at £1000.

On a vote being taken, 2 members voted for the amendment and 18 for the motion.

## **NOTICE OF MOTION**

### **Motion by Councillor Jonathan McColl – Tie Campaign**

Councillor McColl moved:-

Council affirms that all young people in West Dunbartonshire and across Scotland have the right to study in a learning environment which is fully inclusive, tolerant and accepting of LGBTI+ identities, and which is free of homophobic and transphobic bullying.

Council notes the invaluable contribution of the Time for Inclusive Education (TIE) campaign in raising awareness around homophobia and transphobia,

and further notes that this year's Pride Glasgow event was themed around the campaign and inclusive education more generally.

West Dunbartonshire Council resolves to work with the Tie campaign and other external stakeholders, including equalities organisations and the Scottish Government, to ensure that homophobic and transphobic bullying in all of our schools is effectively tackled and that West Dunbartonshire's classrooms actively promote equality and inclusivity for ALL young people.

A report will be brought to the Educational Services Committee to ensure that Teacher, Church and Parent representatives have the opportunity to discuss the issues raised in this motion and have final approval of its implementation.

As an amendment Councillor McGlinchey moved the motion, with the exception of the last paragraph which he replaced by the following:-

A report will be submitted to the Educational Services Committee for information to ensure that Teacher, Church and Parent representatives have the opportunity to discuss the issues raised in this motion.

At this point, Councillor McColl withdrew his motion and seconded Councillor McGlinchey's amendment, which was then agreed by the Council.

### **URGENT ITEM OF BUSINESS**

#### **Emergency Motion by Councillor Jonathan McColl – Food for Thought**

Councillor McColl moved:-

Council agrees to allocate up to £10,000 from free reserves to Food for Thought to allow them to continue operating their services in West Dunbartonshire.

Having heard the Strategic Lead – Regulatory clarify that this sum was not in addition to the £10,000 already agreed at Item 12 – General Services Budget Preparation 2017/18 to 2019/20 – Budget Update, the Council approved the motion.

### **COMPLIMENTS OF THE SEASON**

Provost McAllister extended compliments of the season to all and wished everyone a happy and healthy new year.

The meeting closed at 8.45 p.m.

## **WEST DUNBARTONSHIRE COUNCIL**

At a Special Meeting of West Dunbartonshire Council held in the Council Chamber, Clydebank Town Hall, Dumbarton Road, Clydebank on Wednesday, 18 January 2017 at 5.00 p.m.

**Present:** Provost Douglas McAllister and Councillors Denis Agnew, George Black, Jim Bolland, Jim Brown, Gail Casey, Jim Finn, William Hendrie, David McBride, Jonathan McColl, Michelle McGinty, Patrick McGlinchey, Marie McNair, John Mooney, Lawrence O'Neill, Tommy Rainey, Gail Robertson, Martin Rooney, Kath Ryall and Hazel Sorrell.

**Attending:** Keith Redpath, Chief Officer, West Dunbartonshire Health & Social Care Partnership Board; Peter Hissett, Strategic Lead – Regulatory; Soumen Sengupta, Head of Strategy, Planning & Health Improvement and Christine McCaffary, Senior Democratic Services Officer.

**Apologies:** Apologies for absence were intimated on behalf of Councillors John Millar and Ian Murray.

**Provost Douglas McAllister in the Chair**

### **PROVOST'S REMARKS**

Having heard Provost McAllister, the Council agreed to relocate the meeting to the Grand Hall after Item 1 on the agenda had been dealt with, in order to accommodate the large number of public who were in attendance.

The meeting reconvened at 5.07 p.m. in the Grand Hall, with all those shown on the sederunt present.

The Provost then welcomed everyone to the meeting, thanking the public for the fantastic turnout and show of support to St. Margaret of Scotland Hospice.

### **MINUTE OF SILENCE**

After hearing the Provost advise of the recent death of Mrs Josephine Ewing, former Head Teacher of St Eunan's and St Mary's Primary Schools, Clydebank, the Council observed a minute's silence as a mark of respect.

## **NOTICE OF MOTION**

The Provost then spoke of the exceptional service provided by St Margaret of Scotland Hospice, stating that the Leader of the Council, Councillor Rooney, had asked that his motion be withdrawn to allow only Councillor Agnew's motion to be considered.

### **Motion by Councillor Denis Agnew - St Margaret of Scotland Hospice**

Councillor Agnew spoke of the excellent work carried out by the Hospice and its staff, expressing his support and stressing the importance of everyone backing the Hospice now and in the future.

Councillor Agnew then moved:-

This Council agrees to commit to support St Margaret of Scotland Hospice in its endeavours to retain its charitable status and not be placed in a situation whereby future patients will be means tested.

This Council further believes that the hospice should be recognised as a stand-alone centre of excellence, and that the 28 beds for patients with complex medical needs at St Margaret of Scotland Hospice should continue to be funded by Greater Glasgow and Clyde Health Board (GG & CHB), and not be subject to Integrated Joint Board funding decisions.

Councillor McNair then spoke of her first-hand knowledge of the exceptional work carried out by the Hospice and why the Council had to add its support to the campaign in order to secure a bright future for the Hospice.

At this point in the meeting the Provost invited any declarations of interest from the Members present. Councillor McColl declared an interest being a member of West Dunbartonshire Health & Social Care Partnership Board.

Councillor Black was then also heard in support of the Hospice, stating that its patients should not be subjected to means testing.

Councillor Casey, as Chair of West Dunbartonshire Health & Social Care Partnership Board, was also heard express her full support to the Hospice, stating that she would not accept that patients would be means tested in the future.

Councillor McColl spoke of his disappointment that the Health Board was imposing this change on the Hospice, and echoed his colleagues' full support to the Hospice and the campaign going forward.

The Provost advised that in normal circumstances voting would not be required when an amendment to a motion had not been moved, however wishing to show the strength of support to the Hospice he asked Members in support of Councillor Agnew's motion to raise their hand.



On a show of hands, the Council unanimously agreed to support the motion.

The meeting closed at 5.35 p.m.

DRAFT



## **AUDIT & PERFORMANCE REVIEW COMMITTEE**

At a Meeting of the Audit & Performance Review Committee held in Committee Room 3, Council Offices, Garshake Road, Dumbarton on Wednesday 14 December 2016 at 2.04 p.m.

**Present:** Councillors George Black, Jonathan McColl, Ian Murray, Gail Robertson, Martin Rooney and Lay Members Mr Stevie J. Doogan and Ms Eilidh McKerry.

**Attending:** Angela Wilson, Strategic Director – Transformation & Public Service Reform; Richard Cairns, Strategic Director – Regeneration, Environment & Growth; Stephen West, Strategic Lead – Resources; Colin McDougall, Audit and Risk Manager; Jennifer Ogilvie, Section Head (Treasury and Capital); Stephen Daly, Customer Services Manager; and Craig Stewart, Committee Officer.

**Also Attending:** Ms Carol Hislop, Senior Audit Manager and Ms Karen Cotterell, Senior Auditor, Audit Scotland.

**Apologies:** Apologies for absence were intimated on behalf of Councillors Jim Brown, Patrick McGlinchey and Tommy Rainey. An apology was also intimated from Joyce White, Chief Executive.

**Councillor Jonathan McColl in the Chair**

### **DECLARATIONS OF INTEREST**

It was noted that there were no declarations of interest in any of the items of business on the agenda.

### **MINUTES OF PREVIOUS MEETING**

The Minutes of Special Meeting of the Audit & Performance Review Committee held on 1 November 2016 were submitted and approved as a correct record, subject to the sederunt being changed to reflect that Alan Douglas, Manager of Legal was not in attendance at the meeting.

## **TREASURY MANAGEMENT MID-YEAR REPORT 2016/17**

A report was submitted by the Strategic Lead - Resources providing an update on treasury and prudential indicators during 2016/17.

After discussion and having heard the Strategic Lead - Resources, the Committee agreed:-

- (1) to note the treasury management and prudential stewardship information within the report;
- (2) to note the 2016/17 revised estimates of treasury and prudential indicators as advised within the report (Tables A, B, C, D, E, F, H, M and N); and
- (3) to note that this report was submitted to Council on 26 October 2016.

## **AUDIT ACTION PLANS**

A report was submitted by the Strategic Lead - Resources advising of:-

- (1) recently issued Internal Audit action plans; and
- (2) progress made against action plans issued contained within Internal Audit and External Audit reports.

After discussion and having heard the Strategic Director – Transformation & Public Service Reform and relevant officers in further explanation and in answer to Members' questions, Councillor McColl, moved:-

Committee notes the contents of the report.

Committee agrees that future action plan reports will include a summary to put the action plans in context, and highlight the risks being mitigated. The format of the summary will be determined by officers in consultation with the Convener and the Committee may request changes to this at a future date.

Councillor Black asked if Councillor McColl was willing to accept as an addendum to his motion, the following statement from him:-

*I am dismayed that the external auditor has effectively rubber stamped the findings of the internal auditor.*

*The original report to Audit and Performance Review Committee was littered with references to practice which was not fit for purpose, the auditor wrote that "The Council's Financial regulations were not adhered to, standing orders were not observed, best value was not adhered to either. He also referenced the potential for fraud and corruption.*

*In debate the auditor accepted that there was no evidence of criminal wrongdoing which is not the same as “there was no criminal wrongdoing”.*

*The response to my requests for information were not all satisfactory and only my persistence in seeking answers from officers has brought much of this into the public domain. I therefore intend to submit the report to police Scotland with a request for a criminal investigation.*

Councillor McColl confirmed his acceptance of the addendum to his motion which was then seconded by Councillor Black.

Councillor Rooney, having failed to obtain a seconder for a proposed amendment, asked that his dissent be recorded in respect of this matter.

As an amendment, Councillor Murray, seconded by Councillor Robertson, moved:-

Committee notes the contents of the report.

Committee agrees that future action plan reports will include a summary to put the action plans in context, and highlight the risks being mitigated. The format of the summary will be determined by officers in consultation with the Convener and the Committee may request changes to this at a future date.

Committee further notes the following statement from Councillor Black:-

*The original report to Audit and Performance Review Committee was littered with references to practice which was not fit for purpose, the auditor wrote that “The Council’s Financial regulations were not adhered to, standing orders were not observed, best value was not adhered to either. He also referenced the potential for fraud and corruption.*

*In debate the auditor accepted that there was no evidence of criminal wrongdoing which is not the same as “there was no criminal wrongdoing”.*

*The response to my requests for information were not all satisfactory and only my persistence in seeking answers from officers has brought much of this into the public domain. I therefore intend to submit the report to police Scotland with a request for a criminal investigation.*

During consideration of this item, Ms Hislop, Senior Audit Manager, Audit Scotland was also heard in answer to Members’ questions.

On a vote being taken, 1 Member voted for the amendment, 1 Member abstained and 2 voted for the motion which was therefore declared carried.

## **INTERNAL AUDIT PLAN 2016/17 HALF YEAR PROGRESS REPORT TO 30 SEPTEMBER 2016**

A report was submitted by the Strategic Lead - Resources advising of progress at the half year against the Audit Plan 2016/17.

The Committee agreed to note the contents of the report.

### **CAPITAL POST PROJECT REVIEW PILOT**

A report was submitted by the Strategic Lead - Resources providing an update on capital post project reviews undertaken within the pilot phase covering the period 1 April 2016 to 30 September 2016.

After discussion and having heard the Strategic Director – Transformation & Public Service Reform and relevant officers in further explanation and in answer to Members' questions, the Committee agreed:-

- (1) to note the capital projects that were selected for inclusion in the pilot;
- (2) to note the outcome of the pilot reviews;
- (3) to note the next list of projects recommended for review; and
- (4) that a copy of the report be passed to Members of the Infrastructure, Regeneration & Economic Development Committee, to highlight the lessons learned from the post project review pilot.

### **SCOTTISH PUBLIC SERVICES OMBUDSMAN COMPLAINTS REPORT 2015/16**

A report was submitted by the Strategic Lead – Communications, Culture and Communities presenting the Scottish Public Services Ombudsman (SPSO) report on complaints handling by West Dunbartonshire Council for the year 1 April 2015 – 31 March 2016.

After discussion and having heard the Strategic Director – Transformation & Public Service Reform and the Customer Services Manager in further explanation and in answer to a Member's questions, the Committee agreed to note the contents of the report.

The meeting closed at 3.05 p.m.

## **WEST DUNBARTONSHIRE COUNCIL**

### **Report by the Strategic Lead for Regeneration**

**Council: 22 February 2017**

**Subject: Glasgow City Region City Deal – Update and Exxon Site Outline Business Case**

#### **1. Purpose**

- 1.1** To note the progress with the implementation of the Glasgow City Region, City Deal and seek approval to submit the Outline Business Case (OBC) for the Exxon site to the Cabinet of the City Deal for their approval on 11 April 2017.

#### **2. Recommendations**

- 2.1** It is recommended that Council:

- i) notes the progress of the Glasgow City Region City Deal;
- ii) notes publication of the Regional Economic Strategy and action plan;
- iii) approves the attached Outline Business Case;
- iv) agrees that the Outline Business Case is presented to the Glasgow City Region City Deal Cabinet for approval on 11 April 2017;
- v) approves City Deal funding of £2.948m towards development of the Final Business Case at the end of 2019, subject to approval of the Outline Business Case by the City Deal Cabinet;
- vi) notes the financial risk associated with submitting the Outline Business case in relation to the estimated cost of £2.948m further at risk investment by the Council to work-up the Final Business Case; and
- vii) approves £0.150m in advance of Cabinet approval on 11 April 2017 to progress various site studies and design works.

#### **3. Background**

- 3.1** The Glasgow City Region City Deal Infrastructure programme equates to £1.13bn of investment for 20 projects over a ten year period. These projects are progressing and have reached various stages from Strategic, Outline and Full Business cases stages of approval.

- 3.2** The Outline Business Case highlights the next stage of the project development and seeks City Deal funding to support the infrastructure investment to realise the development potential of the Exxon site at Bowling. The site is crucial to West Dunbartonshire's future economic development and will make a significant contribution to economic growth across the City Region. The Council aims to capture, in its development, higher value economic activities, building on its strategic accessibility, riverside location and unique environmental assets.

#### **4. Main Issues**

- 4.1** The Economic Strategy for the City Region was formally launched by the City Deal Cabinet on 13 February 2017.
- 4.2** The Outline Business Case for the Exxon site project is presented to the Council for approval and contained in appendix 1.
- 4.3** The action plan for the creation of both a single Enterprise and Jobs hub and a single economic knowledge and data hub for the City region will be presented to the City Deal Cabinet at its April 2017 meeting and an update will be provided at a future meeting of the Council.

#### **5. Glasgow City Region Programme Updates**

- 5.1** The following project was approved by Cabinet on 14 February 2017:
- a) South Lanarkshire Council, Outline Business Case for the Larkhall Community Growth Area (CGA). The project is seeking £1.985m towards development of the Full Business Case and forms part of an overall City Deal funding of £20.1m towards the total project budget of £50.5m. The project will provide a new CGA of up to 1,000 new houses, the supporting improvements for access to the off-site road network, enhancements to the primary and secondary school estate, improved community facilities and sustainable improvements to the local environment.

#### **5.2 Commission on Economic Growth**

- 5.2.1** The Commission on Economic Growth chaired by Professor Muscatelli has been established and they are reviewing their remit and establishing their scope of services/objectives.



### **5.3 Economic Delivery Group Update**

- 5.3.1** The Economic Delivery Group (EDG) has been closely involved in the development of the economic strategy and targets and the associated action plan as referred to in para 4.1 above. The EDG have also overseen the production of a 'dashboard' that will facilitate the tracking of the performance of the City Region economy against the targets in the Regional Economic Strategy. Work on finalising that dashboard is expected to be completed by April 2017.

### **5.4 Finance Group Update**

- 5.4.1** The grant conditions for the 2016/17 Infrastructure Grant contained several points which were delaying the signing of the grant. A meeting between officers from the PMO, Glasgow City Council, and the Scottish Government took place recently to discuss and address the points and a revised infrastructure grant offer letter is anticipated.
- 5.4.2** The Assurance Framework is under review and a proposal of the areas to be reviewed within the Assurance Framework has been passed to the Scottish and UK Government's. The Scottish Government have highlighted an issue with "value for money" and require assurance that this is not a move away from Treasury Green Book guidance. The PMO are looking to revise the Assurance Framework for presentation at the April 2017 Cabinet meeting.
- 5.4.3** Grant allocations for 2016/17 have been prepared based on the latest submissions from Member Authorities and align to anticipated capital spend. There will be further iterations of this prior to the year-end closure.

### **5.5 Labour Market Working Group (LMG) Update**

- 5.5.1** Two Case managers are now in place in WDC to deliver the City Deal ESA Support Programme (Working Matters). There have been 95 clients engaged to date. The Council has worked with these clients, supporting them to develop an action plan based on their specific barriers, for example, supporting participants to address debt and benefits issues (Money Advice) and general issues around confidence ( STEPS to Excellence). In addition, participants take part in activities to develop basic skills (Adult Literacy), develop and improve proficiency in ICT (Digital Friends) and improve vocational related skills through a range of other SQA accredited courses.
- 5.5.2** The Council continues to work in partnership with the PMO at Glasgow City Council, with quarterly compliance visits and 6 weekly operational meetings. The two Case managers also took part in a development session in Glasgow on 25 January 2017.

**5.5.3** Consultants had been commissioned to conduct an on-going evaluation of the project, and would provide three separate evaluation project reports on the performance of the project and highlighting any lessons learned. The first of which was recently completed, with the 2 remaining evaluation reports were scheduled to be provided in late October 2017 and 2018. It was agreed at 1 February 2017 Chief Executives meeting that the challenges and issues facing the Working Matters project as a result of low client referral numbers from the DWP would be raised through the Glasgow City Region Programme Liaison Group.

## **6. West Dunbartonshire Council City Deal Project**

**6.1** The Exxon City Deal project for WDC has funding of £27.897m over the next seven years. The project has progressed to an Outline Business Case (OBC) which is being presented to the Council for approval.

**6.2** The process and timescale for approval of the Exxon project business case is as follows:

- a) The Strategic Business Case was produced and approved by Council on 24 June 2015 and then by the City Deal Cabinet on 18 August 2015;
- b) The Outline Business Case will be presented for approval to Cabinet on 11 April 2017, subject to Council approval; and
- c) The Final Business Case will be proposed for approval in December 2019.

**6.3** To ensure the project progresses as currently planned there is a need to progress the various studies and design elements of works associated with the development of the masterplan. The funding to date of £0.500m has been fully committed and a shortfall of approximately £0.150m is required in advance of the approval from the Cabinet on 11 April 2017 to continue these important phases of work. This expenditure will form part of the funding being sought through the OBC.

**6.4** A meeting took place on 15 December 2016 with Exxon to progress the Heads of Terms in relation to the site acquisition. Discussions have also taken place with SEPA regarding an appropriate solution to flooding for the site, these discussions are continuing.

**6.5** Initial discussions have now taken place with the owners of adjacent sites whose land might potentially be required for the delivery of the project. The precise implications of this will not be known until technical studies into the options for accessing the site from both West and East are completed. This work is expected to be completed by the end of April 2017. Once technical options are finalised these will be discussed with the relevant landowners.

- 6.6** In the February 2017 a Members monthly bulletin provided a briefing in relation to the Exxon Site -Tree Clearance. This was in order to carry out the remediation works, large areas within the site will be required to be cleared of vegetation and trees by Exxon. A tree felling licence has been submitted to the Forestry Commission.

## **7. People Implications**

- 7.1** There are a number of senior officers involved in the City Deal initiative across services of the Council and as part of the project board.
- 7.2** As part of a significant Capital Investment team project, further time from existing staff will be involved in the project development and subsequent delivery over the next six years duration of this important project.

## **8. Financial Implications**

- 8.1** The Outline Business Case is seeking a further £2.948m from the City Deal to progress the works towards a Final Business Case due at the end of 2019. This will include further design works related to location of final road access solutions and rail crossing, the conclusion of all feasibility studies and planning requirements, together with finalising the masterplan and any land acquisition requirements. The programme can be found in the outline business case at table 8.2 Project Work Programme, page 111.
- 8.2** The capital plan update provided to Council in a separate report to this Committee shows the anticipated spend of this funding spread across the following financial years:
- 2017/18      £1.198m; and
  - 2018/19      £1.750m.

Under the agreed funding regime with the UK and Scottish Governments 86% of these costs and total expected cost of the project will be grant funded, with 14% to be funded by the Council. Should this be approved by Council and the City Deal Cabinet then this spend will be at risk of the Council, should the project not proceed past the next stage or if the project did not attain the expected level of Gross Value Added on full implementation.

- 8.3** As advised at 6.3 above, there is a requirement to provide £0.150m of capital funding to progress study works at the Exxon site, at risk, in advance of the approval of the Outline Business Case by the City Deal Cabinet at 11 April 2017 to ensure study works continues as planned. Once the business case is approved then the funds would be part of the £2.948m referred to above and be subject to grant funding. Should this be approved by the Council then this spend will be at risk of the Council, should the project not be approved by the City Deal Cabinet.

## **9. Risk Analysis**

- 9.1** There are a number of risks associated with the project in particular that Council spends funds identified, at risk, and the project does not get Cabinet approval or fails to deliver the anticipated GVA outcomes. A detailed risk analysis including mitigations in relation to the risks is presented in the Outline Business Case attached in Appendix 1.

## **10. Equalities Impact Assessment (EIA)**

- 10.1** An Equalities Impact Assessment has been produced and is included within the OBC.

## **11. Strategic Environmental Assessment**

- 11.1** A baseline Environmental Impact Assessment has taken place for the Exxon site and surrounding access points and forms part of the OBC.

## **12. Consultation**

- 12.1** Consultation with all key stakeholders has progressed as we developed the Outline Business Case and will continue as the Full Business Case is developing.

## **13. Strategic Assessment**

- 13.1** This report contributes to the Council's Strategic Priorities and in particular towards economic growth and employability

**Jim McAloon**  
**Strategic Lead, Regeneration**  
**Date: 7 February 2017**

---

**Person to Contact:** Michael McGuinness- Manager, Economic Development, Council Offices, Garshake Road, Dumbarton, G82 3PU. Telephone: 01389 737415  
e-mail: [michael.mcguinness@west-dunbarton.gov.uk](mailto:michael.mcguinness@west-dunbarton.gov.uk)

**Appendices:** Appendix 1 - Outline Business Case

**Background Papers:** Glasgow City Region City Deal – Council updates on the following dates: 21 December 2016, 26 October 2016, 31 August 2016, 29 June 2016, 27 April 2016, 24 February 2016, 16 December 2015, 25 August 2015.

**Wards Affected:** All



# Exxon Site Development Project

## Draft Outline Business Case

February 2017



## Document Control Sheet

**Project Name:** West Dunbartonshire Council – Glasgow City Region City Deal

**Project Ref:** 30953

**Report Title:** Draft Outline Business Case for Exxon Site Development Project

**Date:** 06/02/2017

	Name	Position	Signature	Date
<b>Prepared by:</b>	Raymond MacIntyre	Principal Economist	RMcl	28/11/16
	Nick Skelton	Equity Director	NS	29/11/16
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<b>Reviewed by:</b>	Dougie McDonald	Partner	DMcD	22/12/16
<b>Approved by:</b>	Dougie McDonald	Partner	DMcD	06/02/17
<b>For and on behalf of Peter Brett Associates LLP</b>				

Revision	Date	Description	Prepared	Reviewed	Approved
1	05/12/16	First Full Draft for Project Board	RMcl	NS/DMcD	DMcD
2	22/12/16	Updated Draft with PB Inputs	RMcl	NS/DMcD	DMcD
3	06/02/17	Draft for Council	RMcl	NS/DMcD	DMcD

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## Business Case Approval Criteria

The City Deal PMO's Business Case Appraisal Criteria states that 'Business Cases will be appraised in relation to the extent to which all requirements have been fully achieved. This OBC has been structured to specifically address the appraisal criteria as set out in the Assurance Framework and the additional programme economic case questions taken from the latest Programme Business Case. The Table below provides the paragraph references where each of the business case requirements is addressed in this document.

Business case section	Sub-section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
Strategic case	Strategic Need	Has the problem and the need that will be met by the project been clearly described, quantified (where relevant) and evidenced?	P12-28 Section 2.2
		Has the rationale for the intervention/for new investment been identified?	P28 Para 2.2.32
		Has the case for why the project is needed now been provided?	P29 Para 2.2.36
		Has the consequence of not delivering the project i.e. the 'Do nothing' option been explained?	P29-32 Para 2.2.41 et al
	Strategic and Policy Context for the Project	Has the fit with UK, Scottish, Regional and Local policy been demonstrated?	P33-46 Section 2.3
		Has the fit with the strategic objectives of the City Deal Programme been demonstrated?	P47 Para 2.3.19
	Existing Arrangements	Have existing arrangements including those which currently deliver comparable outputs been outlined	P47-48 Section 2.4
	Project Objectives and Contribution to the City Deal	Has a clear description of the project and its objectives been provided?	P48-50 Section 2.5
		Have SMART objectives been provided (Specific, Measurable, Assignable, Realistic, Time-related)?	P51 Table 2.12
	Project Summary	Has a clear description of what the project will deliver been provided?	P52-57 Section 2.6
		Has a clear explanation of how the project differs to any current interventions/existing arrangements been provided?	P52-57 Section 2.6
		Has a clear description of how the project will be implemented including what the money will be spent on, been provided?	P52-57 Section 2.6
		Has a clear case been made for how the project addresses all the areas of need?	P58 Figure 2.26
		Has a clear description of what constitutes success been provided?	P59 Table 2.13
		Has any evidence demonstrating the success from similar projects been provided (including	P59-60 Para 2.6.29

Business case section	Sub-section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
		monitoring and evaluation evidence, lessons learned or pilots)?	
	Dependencies and Constraints	Have internal factors on which the successful delivery of this project are dependent been identified?	P60-64 Section 2.7
		Have external factors on which the successful delivery of this project are dependent been identified?	P60-64 Section 2.7
		Have factors that place demands on the project (constraints) been identified?	P60-64 Section 2.7
	Stakeholders	Have the main stakeholder groups and their contribution or interest in the project been identified?	P65-69 Section 2.8
		Have conflicts between stakeholder groups and their demands been identified?	P65-69 Section 2.8
	Risk	Have internal risks been identified?	P70 and Appendix D
		Have external risks been identified?	P70 and Appendix D
		Have mitigation plans been developed for all risks?	P70 and Appendix D
		Have all risks been included on the project risk register?	P70 and Appendix D
		Have all risks been appropriately scored?	P70 and Appendix D
<b>Economic Case</b>	Options appraisal	Is there a reasonable range of options?	P71-78 Sections 3.2 – 3.6
	Preferred option	Has evidence been provided on the Value for Money of the preferred option?	P85 and P87 Section 4.5 and Section 4.7
	Benefits	Have project benefits been clearly described?	P82-85 Section 4.3
		Have project benefits been quantified where appropriate?	P82-85 Section 4.3
		Has the timescale for the realisation of benefits been provided?	Appendix C
		Have assumptions been identified?	Appendix E
		Have clear measurement, monitoring and evaluation plans been identified to track the delivery of each stated benefit?	P112 Section 8.6 and Appendices A and C
	Sensitivity and risks	Has appropriate economic risks been identified?	P83 Section 4.4

Business case section	Sub-section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
<b>Commercial Case</b>	Commercial Aspects	Does the delivery specification address the requirements of the stated parties including other project funders which have been identified	P89-90 Section 5.2
		Have commercial risks been identified, managed and allocated?	P91-93 Section 5.4 and Appendix D
		Have alternative arrangements been identified where required private sector funding does not meet expectations in the market at the required time?	P90-91 Section 5.3
		Where payments are to be made to external parties, are planned payment processes clear?	P90-91 Section 5.3
	Procurement	Has the procurement strategy been clearly stated?	P93 Section 5.5
		Has the proposed approach been clearly justified?	P94 Para 5.5.7
		Have robust contracting arrangements been demonstrated?	P94 Para 5.5.9
		Have clear contractual key milestones and delivery dates been provided?	P95 Para 5.5.10
		Have community benefits through procurement been identified?	P95 Para 5.5.11
<b>Financial Case</b>	Financial appraisal	Has evidence been provided demonstrating that full budget funding has been secured and budgeted for by all parties?	P96-100 Sections 6.2 & 6.3
		Have benefit and monitoring evaluation costs been included?	P97 Table 6.1
		Have the impacts on income/expenditure a/c and on balance sheet been provided if applicable?	P100 Table 6.2
		Have potential cost over runs been provided for?	P97 Table 6.1
		Have any guarantees been provided?	N/A
		Have financial risks been identified, managed and allocated?	P101 Section 6.7 and Appendix D
<b>Sustainability Case</b>	Sustainability case	Are the proposals sustainable and do they contribute to the wider sustainability agenda?	P102-104 Chapter 7
<b>Management Case</b>	Project management and governance	Have project roles and responsibilities been clearly stated?	P105-107 Sections 8.2 & 8.3
		Have robust project governance arrangements been clearly stated in relation to approval processes within the Member Authority?	P105 Section 8.2

Business case section	Sub-section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
		Have robust project management arrangements been clearly stated in relation to the operational delivery of the project?	P105 Section 8.2
		Has the body (or bodies) which will deliver the project been clearly identified?	P105 Section 8.2
		Has evidence been provided demonstrating that the delivery body have the relevant skills and capacity for delivery?	Appendix B
	Risk management	Has a detailed risk management plan been developed for all elements of risk?	P107-108 Section 8.3
	Legal matters	Have the following legal issues been considered and, where relevant, described: State Aid; Competition; Vires, Consents and Permissions (excluding planning but including other governmental bodies, statutory undertakers and regulators); Third Party Arrangements (including with developers and funders and confidentiality); Legal Challenge; Ownership of and right to use tangible (heritable and non-heritable) and intangible assets (including Common Good, CPO, licenses, title restrictions); Does the Business Case detail how other relevant issues not listed above have been addressed, or state that there are none? Does the section note whether any issues have been listed in the project Risk Register?	P108-109 Section 8.4
	Project schedule	Has a detailed project schedule been provided?	P111 Figure 8.2
		Are there clear delivery dates and detailed milestones?	P112 Para 8.5.2
		Is the proposal practically deliverable and what are the delivery plans?	P113 Section 8.7
	Project Monitoring	Have project monitoring arrangements been clearly set out (who, when, how and costs)?	P112-113 Section 8.6 and Appendix C

**Business Case Appraisal Criteria Sign-off:**

(Signature) .....

(Date) .....

(Position) Richard Cairns, West Dunbartonshire Council  
Strategic Director Regeneration Environment and Growth, Project Sponsor



## Executive Summary

### Introduction

This document sets out the Outline Business Case for West Dunbartonshire Council's project under the terms of the Glasgow City Region – City Deal. The project involves the provision of access and supporting infrastructure for the redevelopment of the former oil terminal at Bowling - the Exxon site development project. In due course, it is the Council's intention to rename the project to better reflect the geographical location and intended future use of the site.

The Outline Business Case for £27.897m of funding to support infrastructure investment to realise the development potential of the Exxon site at Bowling is compelling. While ownership of the site presently remains with Exxon, it is the Council's intention to acquire it as soon as possible. Draft Heads of Terms have been presented by the land owner to the Council. These are currently the subject of negotiation between the parties.

The site is crucial to West Dunbartonshire's future economic development and will make a significant contribution to economic growth across the City Region. The Council aims to capture, in its development, higher value economic activities, building on its strategic accessibility, riverside location and unique environmental assets.



West Dunbartonshire faces several economic challenges, including relatively low levels of employment, relatively fewer businesses and lower than average earnings. There are high levels of public sector dependency for employment as well as significant out-commuting to the wider Glasgow city region. Despite a relatively well-educated labour force, there is a shortage

of higher value employment opportunities in West Dunbartonshire. The shortage of work opportunities locally is a significant barrier to the area's economic growth. There is a clear need to stimulate greater economic activity in West Dunbartonshire to sustainably increase levels of employment, income and Gross Value Added (GVA) and to build economic resilience. The Glasgow City Region – City Deal Infrastructure Fund provides the opportunity to address these issues and create opportunities for the future, both in West Dunbartonshire and across the City Region.

## Strategic Need for the Project

West Dunbartonshire performs below average when considering key macro-economic indicators for the Glasgow City Region City Deal area and Scotland. There is a lack of jobs in West Dunbartonshire with job density only at 0.61 per head (compared with the City Region average of 0.77 and the Scottish average of 0.80) and a high dependence on the public sector. The area has a smaller business base (0.035 per head of working age population in 2014) than the Glasgow City Region City Deal area (0.037) and Scotland (0.052).

Overall skill levels of West Dunbartonshire residents are marginally below sub-regional and national comparators but a relatively skilled workforce is still available in the area. However, the population of West Dunbartonshire is both falling and ageing.

Addressing these issues through the creation of additional employment land opportunities will have a significant impact across West Dunbartonshire and the wider City Region area.

The Exxon site is of the scale required to meet project objectives and is in single ownership, albeit that other land is required for access. The site would be the largest concentration of potential employment land in West Dunbartonshire. Should access and other constraints be addressed, a high quality, well located site would be available within the next 7-10 years. The site has the potential to offer a broad range of development and employment opportunities in the medium to long term. City Deal funding offers the opportunity to address the site constraints in a comprehensive manner.

## Current Position

The 61.71 hectare site is owned by Exxon and formerly accommodated Exxon's Bowling Oil Terminal until its decommissioning, which began in 1997. Given flood risks and known ground conditions on the site, the maximum developable area, including for roads and development plots, is 19.10 hectares with the remaining areas retained as greenspace. Remediation of contaminated land by the current owners and provision of suitable enabling infrastructure would allow the economic development potential of the site to be unlocked.

## Options

The options appraisal consisted of three parts: options for the location of a sizeable economic investment site, options for the use of the site (economic activity) and options for access to the site (infrastructure requirements).

A high level site option appraisal has been prepared based on the project objectives and the required contribution to GVA for the entire City Deal. These aim to achieve a step change in the volume and value of economic activity in West Dunbartonshire through a combined focus on those sectors presently performing well and other growth sectors. The project seeks to develop the momentum generated by areas such as Lomondgate and the Vale of Leven Industrial Estate for the period beyond 2024.

Project options of suitable scale in West Dunbartonshire are limited to Lomondgate, Vale of Leven Industrial Estate and the Exxon site. Each of the options has a supportive planning designation. At this stage, a high level option appraisal has been undertaken, based on: site



area; long term capacity to meet the needs of West Dunbartonshire's economy; capacity to generate additional GVA; and availability.

From the high level options appraisal, the Exxon site development project is best placed to meet project objectives through investment in the necessary access and supporting infrastructure.

## Project Scope

The project will entail delivery of road access and the supporting infrastructure required to enable development of the site.

One of the fundamental infrastructure requirements is the construction of road network accesses at the eastern and western extents of the site linked by a spine road through the site which will enable it to be opened up for development.

The site requires substantial investment in site preparation prior to development taking place including decontamination works (which will be completed by the current owners prior to transfer to WDC), creation of new roads infrastructure, flood, environmental and drainage mitigation.

The project consists of:

- 1.95km of new spine road with associated drainage and lighting infrastructure;
- 1.32km of upgraded existing public road (A814);
- a new junction on the A82 at Dumbuck with closure of the existing junction;
- a remodelled junction on the A82 at Dunglass;
- an enhanced routing of 475m of the National Cycle Network Route 7 in the vicinity of the site;
- a new underpass of the Glasgow – Dumbarton Railway at the western access to the site;
- a remodelled railway overbridge at the eastern access to the site;
- flood mitigation works;
- environmental mitigation works (but not remediation); and
- site drainage works.

## Forecast Cost and Contingency

The estimated project cost is £27.897 million. This includes allowances for construction cost inflation, optimism bias and contingency which provides mitigation against programme risks.

It is anticipated that the Council's share of the investment will be £3.817m, with the remainder being funded by grant from the UK and Scottish Governments through the City Deal.

## Proposed Team and Project Management Arrangements

An experienced multi-disciplinary management team has been formed within West Dunbartonshire Council to deliver the project. External consultancy support has been and will be appointed where necessary. A City Deal Project Board meets on a four weekly basis to oversee project delivery.

## Project Contribution to the City Deal Economic Case

Generating additional large scale employment opportunities in West Dunbartonshire and significantly increasing its GVA are the project's core objectives. The GVA that requires to be delivered by the project is £19.976 million, based on 2011 calculations.

The project directly contributes to the economic outcomes set out in the City Deal Infrastructure Fund: Economic Case by delivering a significant uplift in GVA, net additional employment<sup>1</sup> and net additional tax revenues beyond that required to satisfy the City Deal GVA requirement.

It is anticipated that when the main development scenario is completed, it will provide:

- 44,200m<sup>2</sup> of occupied industrial and commercial floorspace;
- 689 net additional full time equivalent (FTE) positions;
- additional GVA of at least £64.77m per annum; and
- the estimated £23.42m construction phase will also support 135 person years of construction employment and provide £12.17m construction GVA.

In determining the benefits, it is assumed that the major infrastructure works will start on site early in 2021 with work completed in 2024 from when development plots can be created.

The site will be developed and occupied over many years before the full benefits of the site will be realised.

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<sup>1</sup> Net additional employment impacts take account of jobs taken up by people outwith the region. Existing workers or jobs would have been created without the Project. Jobs supported by supply chain and workers spending are also included in net additional impacts.

# 1 Introduction

## 1.1 West Dunbartonshire City Deal Project

- 1.1.1 This document sets out the Outline Business Case for West Dunbartonshire Council's project under the terms of the Glasgow City Region City Deal. The project involves the redevelopment of the former oil terminal at Bowling - the Exxon site development project. In due course, it is the Council's intention to rename the project to better reflect the geographical location and intended future use of the site.
- 1.1.2 The Outline Business Case for £27.897m of funding to support infrastructure investment to realise the development potential of the site at Bowling is compelling. While ownership of the site presently remains with Exxon, it is the Council's intention to acquire it as soon as possible. A Technical Due Diligence exercise reported in May 2015 to assist the Council with the acquisition. Draft Heads of Terms have been presented by the land owner to the Council. These are currently the subject of negotiation between the parties.
- 1.1.3 The site is the location of the former Bowling Oil Terminal located between Dumbarton and Clydebank and is shown in the aerial photograph in Figure 1.1 below. It is currently disused having been levelled in 1997. It is currently still in the ownership of Exxon but, through the proposals set out in this document to release it as a major new development site, it is intended that it will transfer in ownership to West Dunbartonshire Council.

Figure 1.1 Exxon Site Aerial View



- 1.1.4 There is a clear need to stimulate greater economic activity in West Dunbartonshire as there is a high degree of dependency on the public sector in the local economy and on out-commuting to the wider Glasgow city region. There is also a shortage of employment in higher value positions in West Dunbartonshire despite the presence of a reasonably well educated labour market. A lack of job opportunities is currently a significant barrier to economic growth in the area. Addressing these issues through the creation of additional employment land opportunities will have a significant impact across West Dunbartonshire and the wider City Region area.

- 1.1.5 As existing sites are built out to their capacity, the Exxon site has been identified as crucial to the economic development needs of West Dunbartonshire in the medium to longer term as a requirement for additional strategic development locations is anticipated. The site provides the ideal opportunity to facilitate this additional development as it is located in a highly accessible location adjacent to the A82 Trunk Road and within close proximity to the Erskine Bridge which provides access to the M8, Glasgow Airport and the wider strategic road network.
- 1.1.6 The project entails the delivery of roads access and supporting infrastructure required to enable the development of this strategically important site including, crucially, new road accesses at the eastern and western extents along with a spine road which will link the two accesses and open up the site for development.
- 1.1.7 The site does face some significant constraints and challenges which affect its ability to be brought back into effective economic use. The ongoing programme of remediation works across the site will be completed by the current owners prior to transfer to the Council. The transfer itself will be dependent on a mutually acceptable end-state being agreed and delivered.
- 1.1.8 There are a number of environmental designations in existence adjacent to the site including a Site of Special Scientific Interest (SSSI), a Special Protection Area (SPA) and a Ramsar Site (wetlands of international importance) which all have implications for the extent of the developable land as well as requiring mitigation measures to ensure environmental impacts are minimised.
- 1.1.9 The site is also constrained by its current transport links and new accesses are required. The site is bounded by the River Clyde, the Glasgow to Dunbartonshire and Argyll railway line, National Cycle Route 7 and the A82 Trunk Road. It consequently has potential to have excellent transport links.
- 1.1.10 The funding sought through the Glasgow City Region City Deal is required to deliver the transport, environmental and flood mitigation infrastructure works required to ready the site for development.

## 1.2 Business Case

- 1.2.1 This document represents the **Outline Business Case (OBC)** for the project. The Glasgow City Region City Deal Assurance Framework<sup>2</sup> defines the purpose of the OBC as part of a cycle during which the maturity and level of analysis of a project is developed, and its readiness for delivery and implementation advanced. The purposes of the OBC are described by the guidance as:
- identify the spending option which optimises value for money (VFM);
  - preparing the scheme for procurement; and
  - put in place the necessary funding and management arrangements for the successful delivery of the scheme.

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<sup>2</sup> Glasgow and Clyde Valley City Deal, The Glasgow and Clyde Valley Cabinet, Assurance Framework, 10 March 2015.

- 1.2.2 The Business Case has been compiled to meet the requirements of the Glasgow City Region City Deal Assurance Framework and seeks to ensure the proposed project meets the key criteria including:

- providing a framework for informed decision making in planning and management of the project, the City Deal Programme and subsequent benefits realisation;
- providing a clear and concise record of the current status of the project and decisions made to date, and
- providing a consistent approach of reporting across the City Deal Programme, which is especially important in light of the Independent Panel which will appraise the economic impact of the investments at the city region level.

- 1.2.3 The Assurance Framework sets out the key requirements of the Business Case. This document has been structured to ensure transparency of the processes applied and an auditable account of the proposals. This document has been split into the following sections which track requirements as set out within the Assurance Framework:

- **Strategic Case** - To document why the project is required, what the project is, how it fits in with the City Deal Infrastructure Fund Programme and the wider local and national policy context and how it is intended to be implemented.
- **Economic Case - Options Appraisal** - To demonstrate how the preferred solution has been chosen and that all potential options were identified and compared, resulting in a preferred option that achieves all objectives and delivers best value for money.
- **Economic Case – Appraisal of Preferred Option** - To identify the economic impact of the project.
- **Commercial Case** - To document the involvement of other parties, and identify any challenges or risks this may present.
- **Financial Case** - To identify the forecast capital and revenue expenditure and income over the period of the project.
- **Sustainability Case** - To assess whether the proposals are themselves sustainable and how they contribute to the wider sustainability agenda.
- **Management Case** - To identify the team that will deliver the project, the proposed procurement process and the project schedule.

## 2 Strategic Case

### 2.1 Introduction

- 2.1.1 The Strategic Case for the project was set out in the Strategic Business Case (SBC) approved by the City Deal Cabinet in August 2015.
- 2.1.2 Here, the strategic need for the project, its key features and how it fits with the City Deal are updated and confirmed.
- 2.1.3 The headings and subheadings below match the set Business Case Appraisal Criteria.

### 2.2 Strategic Need

#### KEY POINTS

- West Dunbartonshire's economic performance is below average for many macro-economic performance indicators for the Glasgow City Region City Deal area and Scotland.
- There is a lack of jobs in West Dunbartonshire with job density only at 0.61 per head and a high dependence on the public sector. The Glasgow City Region City Deal has 0.77 jobs per head and Scotland 0.80.
- The area has a smaller business base than the Glasgow City Region City Deal area and Scotland. West Dunbartonshire had 0.035 businesses per head of working age population in 2014, compared to 0.037 for the Glasgow City Region City Deal area and 0.052 for Scotland.
- On average skill levels of residents are marginally lower than sub-regional and national comparators but a skilled workforce is still available in the area.
- The population of West Dunbartonshire is not only decreasing but is also ageing.

#### The 'problem and the need'

- 2.2.1 This section provides a summary of the socio-economic baseline conditions within West Dunbartonshire and sets the context within which the longer term impact of the proposed development will be measured. The baseline also delivers a current and prospective overview of the area, identifying constraints and barriers to growth as well as opportunities for development. These represent the foundation for assessing the need that will be met by the proposed development.
- 2.2.2 To ensure a thorough understanding of the socio-economic context in West Dunbartonshire, the baseline position is considered against the Glasgow City Region City Deal area and the national picture which are used to benchmark the local performance. Information is provided on the following socio-economic indicators:
  - Gross Value Added (GVA);
  - Employment performance and key sectors;
  - Business demography;
  - Demography;
  - Earnings;
  - Occupations and skills;
  - Unemployment;
  - Deprivation.



- 2.2.3 The results of the socio-economic analysis are summarised in the form of a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of the West Dunbartonshire economy and presented in Table 2.1 below.

Table 2.1 SWOT Analysis of West Dunbartonshire Economy

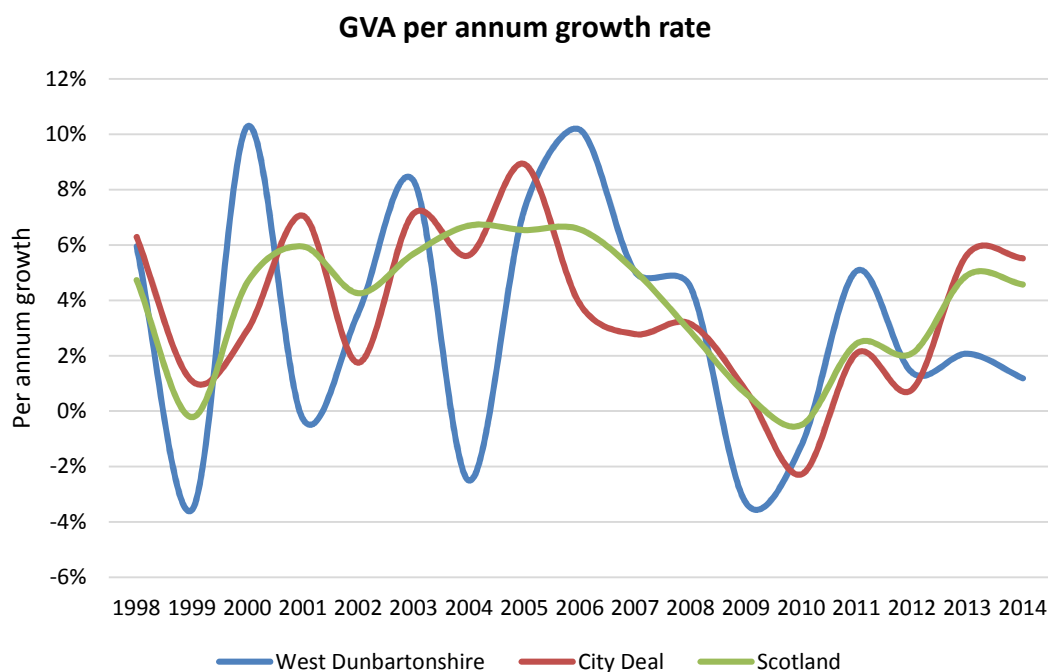
Socio – economic STRENGTHS	Socio – economic WEAKNESSES
<p><b>Location</b> – the area has good links to the motorway network, Glasgow airport and to the city of Glasgow; it also benefits from its proximity to Loch Lomond and Trossachs National Park.</p> <p><b>Environment</b> – the area has some of the most outstanding countryside in lowland Scotland, with around 40% of land classified as open countryside.</p>	<p><b>Population</b> – the area's population has been declining since 1987 as opposed to Scotland's population which has risen over this period.</p> <p><b>Life expectancy</b> – life expectancy at birth is lower than the Scottish average.</p> <p><b>Skills</b> - on average, skills levels of residents are lower than sub-regional and national comparators.</p> <p><b>Economic performance</b> – West Dunbartonshire continues to suffer from high levels of deprivation, high levels of unemployment and a smaller business base than the Glasgow City Region City Deal area and Scotland.</p> <p><b>Out-commuting</b> - there is a net outflow of residents to jobs elsewhere.</p>
Socio – economic OPPORTUNITIES	Socio – economic THREATS
<p><b>Regeneration initiatives</b> – Clydebank Riverside, Dumbarton Waterfront, Strathleven and Alexandria are all examples of urban renewal where new homes, jobs and services can be created for the benefit of all.</p>	<p><b>Population ageing</b> – the age group that is projected to increase the most in size in West Dunbartonshire is the 75+ age group while the population aged under 16 is projected to decline over the next 20 years.</p> <p><b>Population projections</b> – the population of West Dunbartonshire is projected to fall.</p>

### Gross Value Added

- 2.2.4 Gross Value Added (GVA) is a key measure of wealth creation within an economy and represents the value of goods and services, less the cost of the inputs to produce them. Regional GVA estimates are compiled using the Nomenclature of Units for Territorial Statistics (NUTS), a framework established to provide a uniform regional breakdown of a country. Due to limited availability of data at local authority level, GVA is presented at NUTS3 level, the lowest spatial area for which GVA data exists, which consists of individual counties and unitary authorities.
- 2.2.5 In 2014, the economy of the NUTS3 region of East Dunbartonshire, West Dunbartonshire and Helensburgh & Lomond was worth around £3.2bn, or less than 3% of the whole Scotland

economy and approximately 8% of the Glasgow City Region City Deal<sup>3</sup> area economy. The East Dunbartonshire, West Dunbartonshire and Helensburgh & Lomond economy has grown on average by 3.5% per year since 2000, below the national growth rate of 4.2% as shown in Figure 2.1 below.

Figure 2.1 GVA Per Annum Growth Rate (1997-2014)



Note: 'West Dunbartonshire' in the above Figure represents the NUTS3 region of East Dunbartonshire, West Dunbartonshire and Helensburgh & Lomond

- 2.2.6 Figure 2.1 shows the volatility of the annual growth rate. Table 2.2 and Figure 2.2 below present the data as averages over the pre and post 2007 periods and show that the impact of the recession narrowed the gap in GVA growth rates. The average growth per year declined from 5.1% to 1.4% after 2007 and the East Dunbartonshire, West Dunbartonshire, Helensburgh & Lomond area experienced a weaker growth compared to both the Glasgow City Region City Deal and national averages.

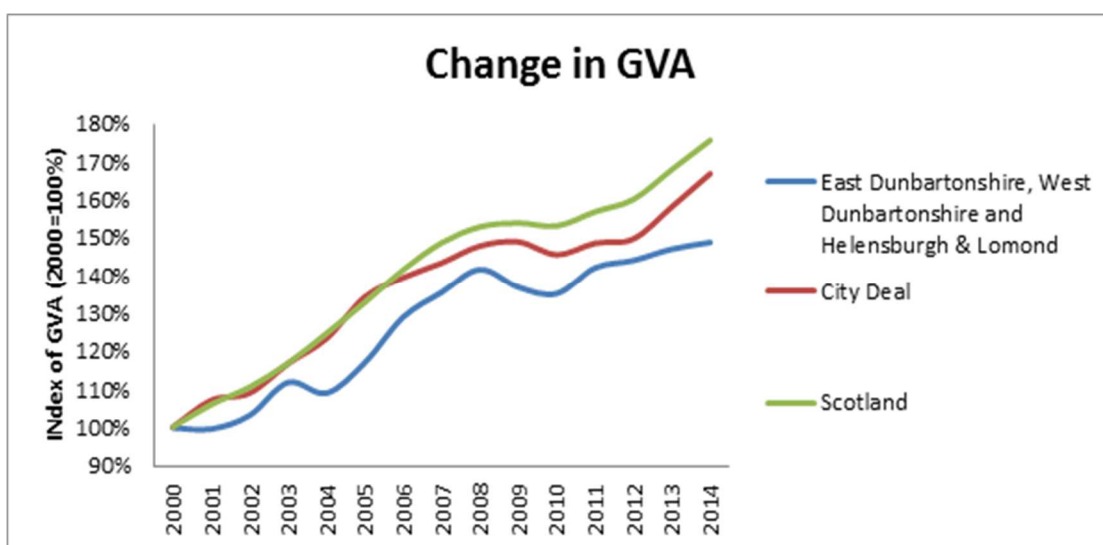
<sup>3</sup> Considering the breakdown of GVA data into NUTS3 regions, the Glasgow City Region City Deal area also includes Helensburgh & Lomond in addition to the eight local authorities of East Dunbartonshire, West Dunbartonshire, Glasgow City, Inverclyde, East Renfrewshire, Renfrewshire, North Lanarkshire and South Lanarkshire.



Table 2.2 Gross Value Added (GVA) Comparisons

Area	GVA £billion		Average growth per year		
	2000	2014	2000 - 2014	2000 – 2007	2007 - 2014
East Dunbartonshire, West Dunbartonshire, Helensburgh & Lomond	2.2	3.2	3.5%	5.1%	1.4%
Glasgow City Region City Deal	24.1	40.3	4.8%	7.0%	2.4%
Scotland	70.3	123.5	5.4%	3.5%	2.6%

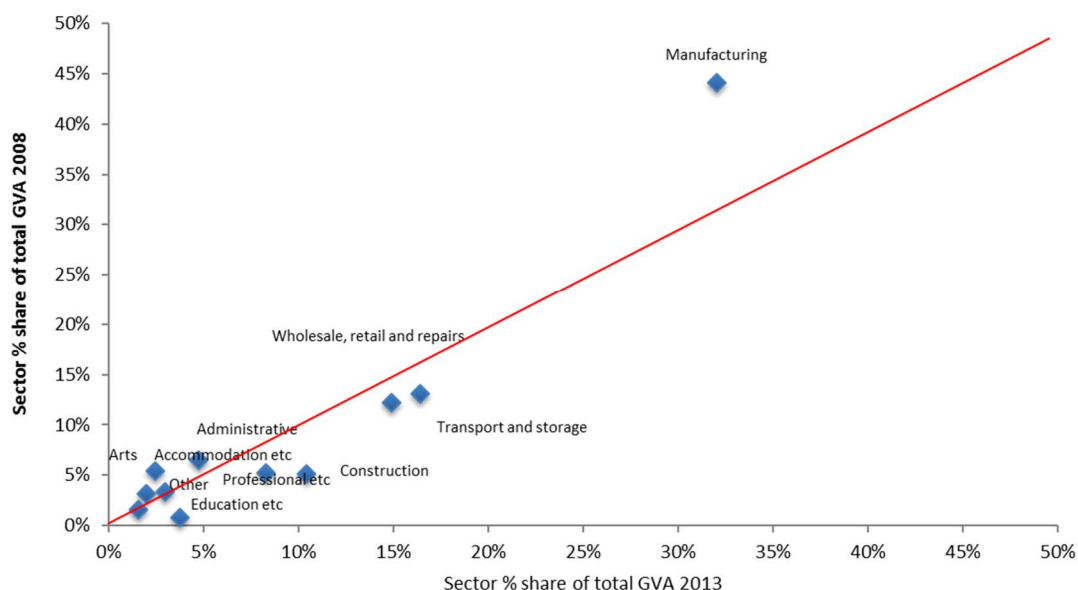
Figure 2.2 Change in GVA Per Annum Growth Rate



### Industrial Structure

- 2.2.7 Figure 2.3 shows the change in sector contribution to total GVA in the West Dunbartonshire NUTS3 area over the period 2008 to 2013. Manufacturing remains the largest GVA contributor to the area's economy. All sectors that are below the red line registered a decrease in their share of total GVA, such as transport and storage and wholesale and retails, whilst all sectors that are above the red line registered an increase in their share of total GVA, such as accommodation and food.

Figure 2.3 Change in Share of NUTS3 Region GVA by Sector, 2008 - 2013



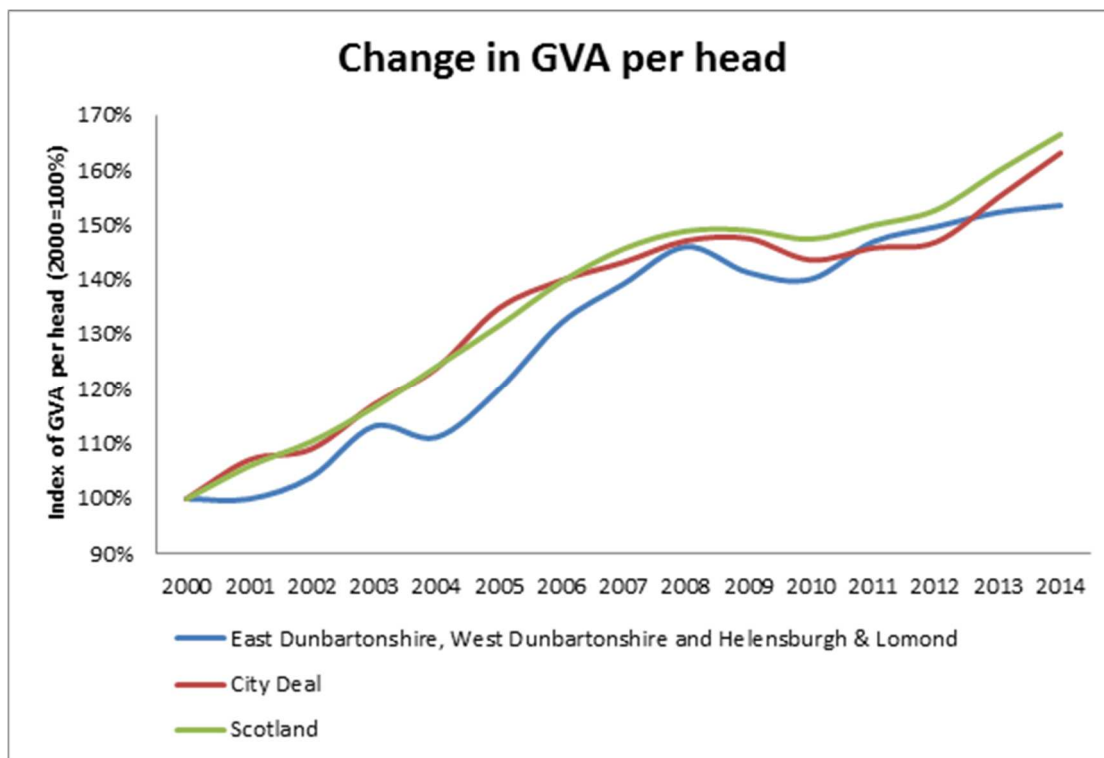
### Gross Value Added per Head of Population

- 2.2.8 GVA per head of population is a way of viewing the relative performance of the local economy within the national picture. It is a measure of how much output is being produced per person living within the economy irrespective of whether those individuals are working or not; it is therefore a reflection of the wealth of an area rather than the productivity of its workers.
- 2.2.9 As shown in Table 2.3 and Figure 2.4 below, in 2014, GVA per head in the East Dunbartonshire, West Dunbartonshire, Helensburgh & Lomond area stood at £14,532, below the Glasgow City Region City Deal area and national averages of £22,100 and £23,102 respectively. Between 2000 and 2014 GVA per head growth in the East Dunbartonshire, West Dunbartonshire, Helensburgh & Lomond area was below the national and regional average. Analysis of the data also shows that before the recession GVA per head growth in the West Dunbartonshire area was more resilient than nationally but initial recovery growth fell back below the Scotland average.

Table 2.3 Gross Value Added (GVA) per Head of Population Comparisons

Area	GVA per head £		Average growth per year		
	2000	2014	2000 - 2014	2000 - 2007	2007 - 2014
East Dunbartonshire, West Dunbartonshire, Helensburgh & Lomond	9,467	14,532	3.82%	5.60%	1.47%
Glasgow City Region City Deal	13,103	22,100	4.51%	6.56%	1.98%
Scotland	13,888	23,102	4.74%	3.37%	2.04%

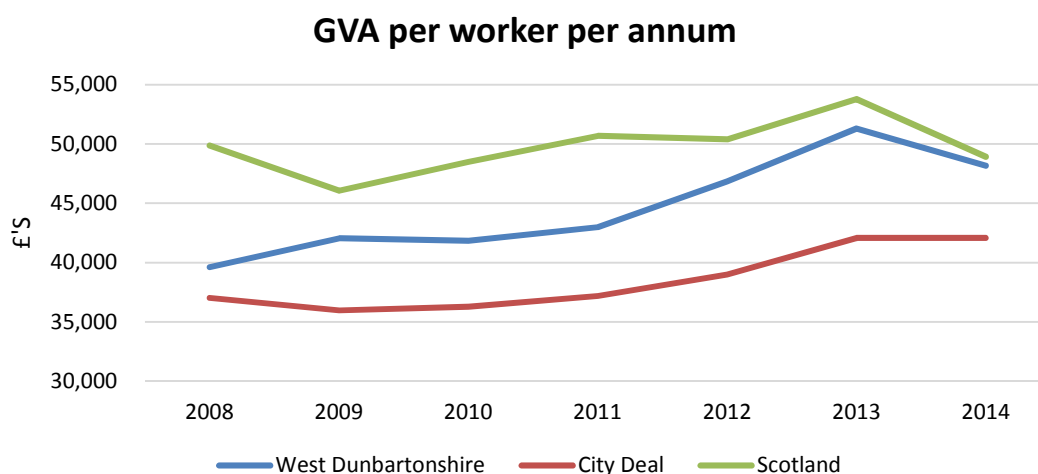
Figure 2.4 Change in GVA per Head of Population



### Labour Productivity – Gross Value Added per worker

- 2.2.10 It is recognised that achieving higher rates of productivity growth are essential to the growth and stability of the West Dunbartonshire economy. Productivity differences are driven by the size and structure of an economy, the levels and quality of its factors of production including capital investment, skills and infrastructure, as well as how efficiently such factors are utilised. Figure 2.5 provides a comparison of GVA per worker.

Figure 2.5 GVA Per Worker Per Annum



Note: 'West Dunbartonshire' in the above Figure represents the NUTS3 region of East Dunbartonshire, West Dunbartonshire and Helensburgh & Lomond

- 2.2.11 Labour productivity measures the level of GVA output per employee in the economy. GVA per worker in West Dunbartonshire has been steadily increasing since 2010 as shown in Figure 2.5. In 2014, West Dunbartonshire labour productivity overall was approximately 93% of the Scotland average and 122% of the Glasgow City Region City Deal area average. Table 2.4 provides details of the industrial sectors in West Dunbartonshire that have above average labour productivity levels. In 2014, the sectors that recorded higher productivity than nationally were manufacturing, transport and storage, business support services, accommodation and food services. The sectors that have a significantly lower labour productivity levels than nationally are retail, education, human health and social work activities and primary industries.

Table 2.4 West Dunbartonshire Labour Productivity Levels (2014)

Industrial Sector	Labour Productivity as a % of Glasgow City Region City Deal area average	Labour Productivity as a % of Scotland average
Accommodation and food service activities	114%	106%
Administrative and support service activities	155%	124%
Arts, entertainment and recreation	77%	81%
Construction	81%	87%
Education, human health and social work activities	83%	48%
Information and communication	77%	88%
Manufacturing	216%	208%
Other service activities	117%	155%
Primary Industries	40%	29%
Professional, Scientific and Technical Activities	117%	107%
Transport and storage	153%	139%
Wholesale, retail and repairs	68%	63%
<b>Overall</b>	<b>115%</b>	<b>98%</b>

### Employment Performance and Key Sectors

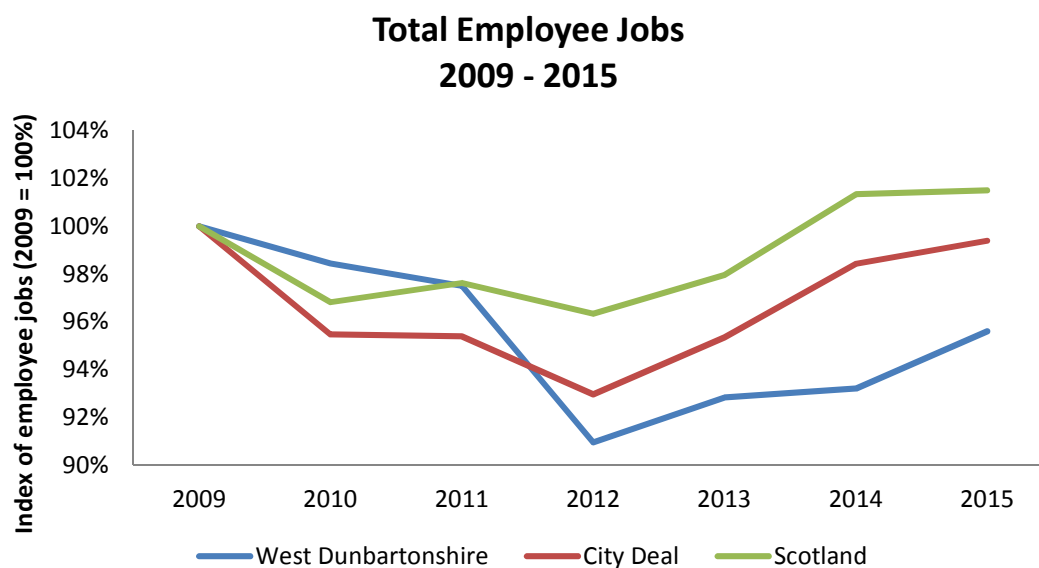
- 2.2.12 The total number of employee jobs (i.e. excluding self-employed, government supported trainees and HM Forces) in West Dunbartonshire was around 30,700 in 2015, having experienced a decline of approximately 1,400 jobs or 4% since 2009, following the beginning of the recession. As shown in Table 2.5, this decrease is significantly higher than the decline experienced in the Glasgow City Region City Deal area (-1%).

Table 2.5 Overview of Employment Performance (Source: ONS BRES 2009 – 2015)

	2015 Number	Change 2009 - 2015		General Trend
		Absolute	%	
West Dunbartonshire	30,690	-1,410	-4%	↓
Glasgow City Region – City Deal	829,745	-5,055	-1%	↓
Scotland	2,443,000	36,200	2%	↓

2.2.13 Figure 2.6 shows the yearly change in total employee jobs in West Dunbartonshire between 2009 and 2015 compared with the Glasgow City Region City Deal area and Scotland. The number of employee jobs in West Dunbartonshire followed a steady decline from 2009 to 2012. A slower recovery than the regional and national recovery is evident from 2012. While employment in manufacturing showed some recovery in 2012 due to the expansion and relocation of Aggreko at Lomondgate, the number of jobs in the services sector decreased considerably.

Figure 2.6 Index of Employee Jobs, 2009 = 100% (Source: ONS BRES 2009 – 2015)



2.2.14 The major employment sectors in West Dunbartonshire include 'public administration, education and health', 'wholesale and retail' and 'financial and other business services', which account for approximately 72% of total employment within the area, higher than both the Glasgow City Region City Deal and Scotland averages of 68% and 64% respectively as shown in Table 2.6.

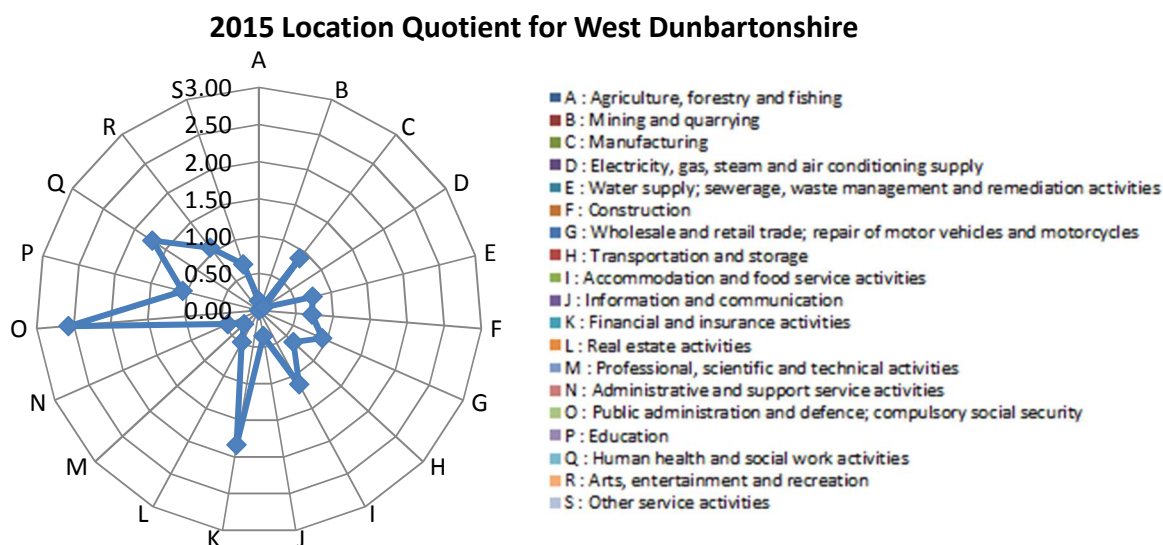
Table 2.6 Employee Jobs by Industry as Percentage of Total Employee Jobs

Industry	W. Dunbartonshire	Glasgow City Region City Deal	Scotland
Primary Services (A-B: Agriculture and Mining)	0.1%	0.1%	2.8%
Energy and Water (D-E)	0.5%	1.9%	1.4%
Manufacturing (C)	7.3%	6.5%	7.3%
Construction (F)	3.3%	5.6%	5.3%
Wholesale and Retail, Including Motor Trades (G)	14.7%	14.3%	14.6%
Transport Storage (H)	2.9%	4.6%	4.2%
Accommodation and Food Services(I)	8.1%	6.9%	8.1%
Information and Communication (J)	1.5%	2.8%	2.5%
Financial and Other Business Services(K-N)	13.7%	21.5%	18.6%
Public Admin, Education and Health (O-Q)	44.0%	31.9%	30.8%
Other Services (R-S)	3.9%	4.0%	4.2%

(Source: ONS BRES 2015)

2.2.15 The location quotients in Figure 2.7 below indicate that West Dunbartonshire is highly dependent on public administration and defence.

Figure 2.7 Location Quotients by Industry (Source: ONS 2015)

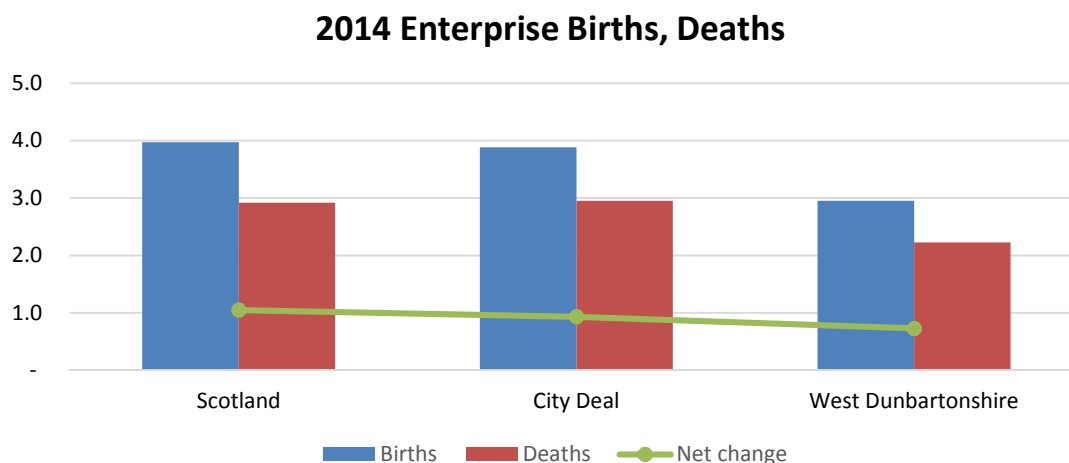


### Business Demography

2.2.16 In 2014, there were around 1,900 active companies in West Dunbartonshire. The number of active businesses increased by around 15% between 2009 and 2014, 4% more than the increase experienced by businesses in the wider Glasgow City Region City Deal area or Scotland (both 11%). A look at start-up and insolvency data for West Dunbartonshire reveals that there have been fewer start-ups (per 1,000 population) than regionally and nationally but at

the same time insolvencies (per 1,000 population) have been slightly lower than for regional and national comparators. Hence, in 2014, there was a net gain of 0.73 businesses (per 1,000 population) in the area compared to 0.93 and 1.05 (per 1,000 population) for the Glasgow City Region City Deal area and Scotland as shown in Figure 2.8.

Figure 2.8 Enterprise Births, Deaths and Net Change per 1000 Population (Source: ONS Business Demography 2014)



- 2.2.17 Start-up and insolvency data for West Dunbartonshire also reveals that the area has a positive track record in terms of business survival. Business demography data for 2013 indicates that once businesses are up and running they are more likely to survive in the short to medium term. Also, in comparison to the Glasgow City Region City Deal area and Scotland survival rates, businesses in West Dunbartonshire have slightly more chances of subsisting as shown in Table 2.7.

Table 2.7 Overview of Business Survival Rates 2008 – 2013

Year	Location	Births	1 Year %	2 Year %	3 Year %	4 Year %	5 Year %
2009	West Dunbartonshire	165	90.9%	75.8%	60.6%	45.5%	42.4%
	City Deal	4,920	91.2%	73.3%	58.7%	46.8%	40.4%
	Scotland	14,725	90.8%	74.4%	60.1%	48.8%	42.1%
2010	West Dunbartonshire	185	89.2%	73.0%	59.5%	51.4%	
	City Deal	5,085	84.7%	70.6%	53.5%	44.1%	
	Scotland	15,530	85.5%	72.5%	57.1%	48.3%	
2011	West Dunbartonshire	185	94.6%	75.7%	56.8%		
	City Deal	5,385	93.4%	74.9%	59.0%		
	Scotland	16,940	93.9%	77.6%	62.8%		
2012	West Dunbartonshire	200	95.0%	80.0%			
	City Deal	5,580	91.1%	73.7%			
	Scotland	17,385	91.8%	75.9%			
2013	West Dunbartonshire	250	94.0%				
	City Deal	6,990	93.7%				
	Scotland	21,540	94.0%				

2.2.18 The following section discusses West Dunbartonshire's labour market. This considers demography, travel-to-work and commuting patterns, earnings, skills and occupations, as well as unemployment.

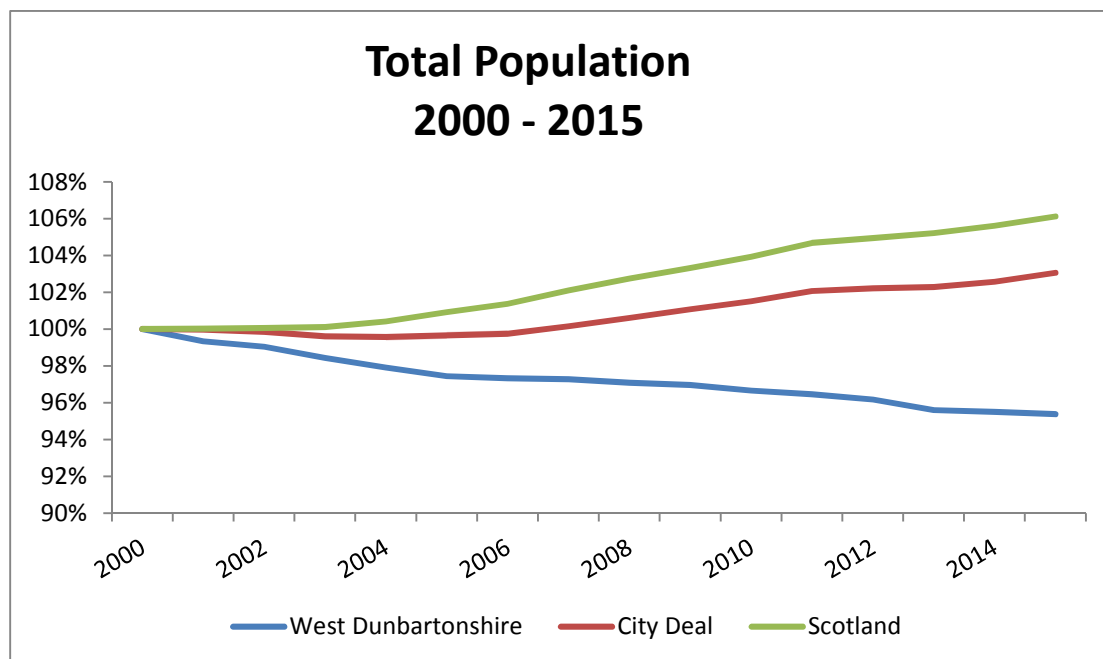
### Demography

2.2.19 According to 2015 mid-year population estimates, there were approximately 85,500 people living within West Dunbartonshire, equating to only 5% of the overall population of the Glasgow City Region City Deal area. Figure 2.9 shows the evolution of the population in the area compared to that of the Glasgow City Region City Deal area and Scotland between 2000 and 2015. As opposed to the national and regional increasing population trends, the population of West Dunbartonshire has been steadily decreasing since 2000. This may suggest that the area



is not fulfilling its potential in terms of either attracting or retaining people who can contribute to its economy. This may be attributable to a shortage of housing and/or jobs supply in the area.

Figure 2.9 Index of Population, 2000 = 100% (Source: GRoS Mid-Year Population Estimates)



2.2.20 Furthermore, the proportion of young people (aged 0–15) in West Dunbartonshire has decreased by 18% between 2000 and 2015, compared to 11% in the Glasgow City Region City Deal area and 7% in Scotland (see Figure 2.10). This was accompanied by a rise of 7% in the number of people of pensionable age and old people in the same period, which is lower than the Glasgow City Region City Deal area rise of 9% but smaller than the national rise of 22%.

Figure 2.10 Change in Population Age Structure 2000 – 2015

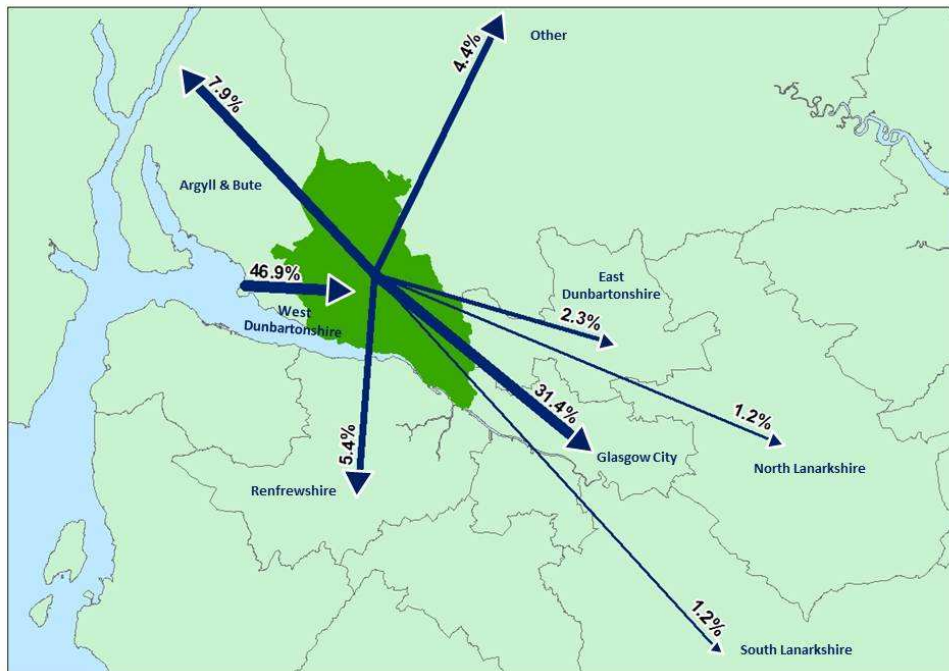


(Source: GRoS Mid-Year Population Estimates)

## Travel-to-Work

- 2.2.21 Notwithstanding issues related to the age of the data (it's from 2001), travel-to-work patterns provide an indicator of local economic activity. As shown in Figure 2.11 below, West Dunbartonshire experiences a net daily outflow of over 7,000 people (10,567 in-commuters and 17,724 out-commuters) to neighbouring areas indicating a lack of suitable employment opportunities in the Council area.

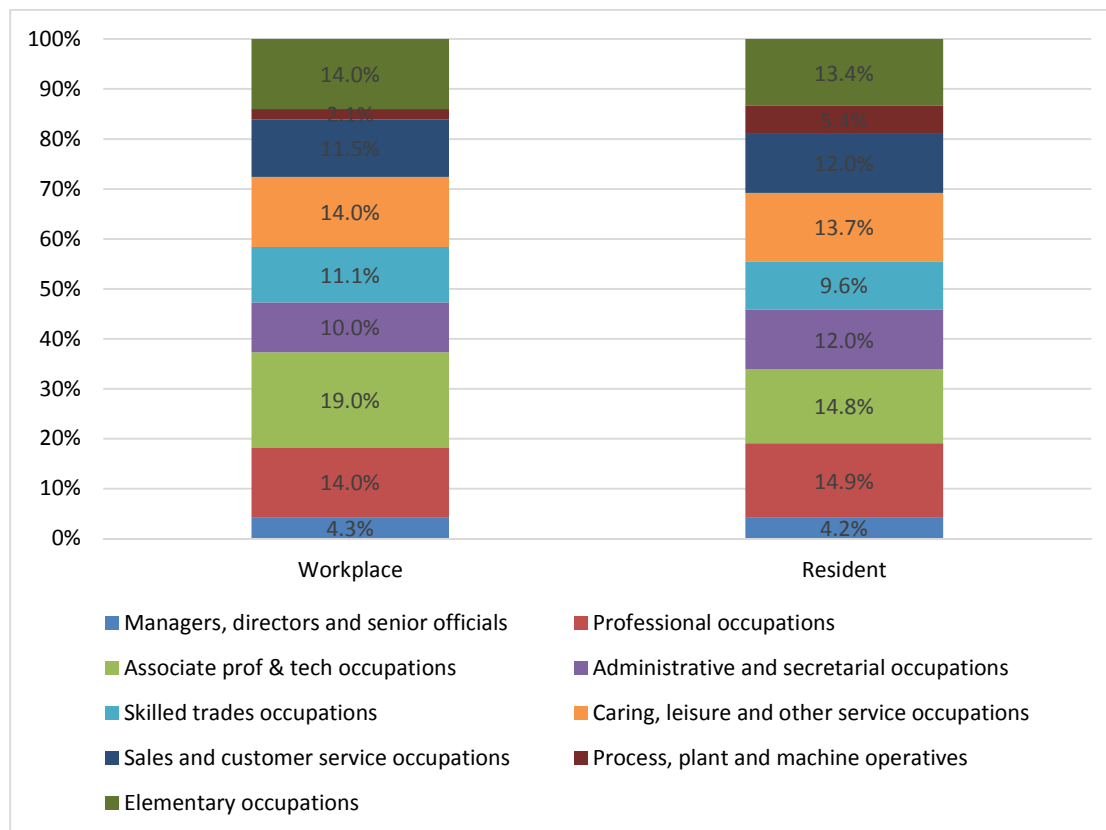
Figure 2.11 Commuter Outflows from West Dunbartonshire



## Occupation and Skills

- 2.2.22 There are clear disparities between the occupational structure of West Dunbartonshire residents and those who work in the authority area. On average, those working in West Dunbartonshire are more skilled than those who live in the area as shown in Figure 2.12.

Figure 2.12 Resident and Workplace Occupations (2015)



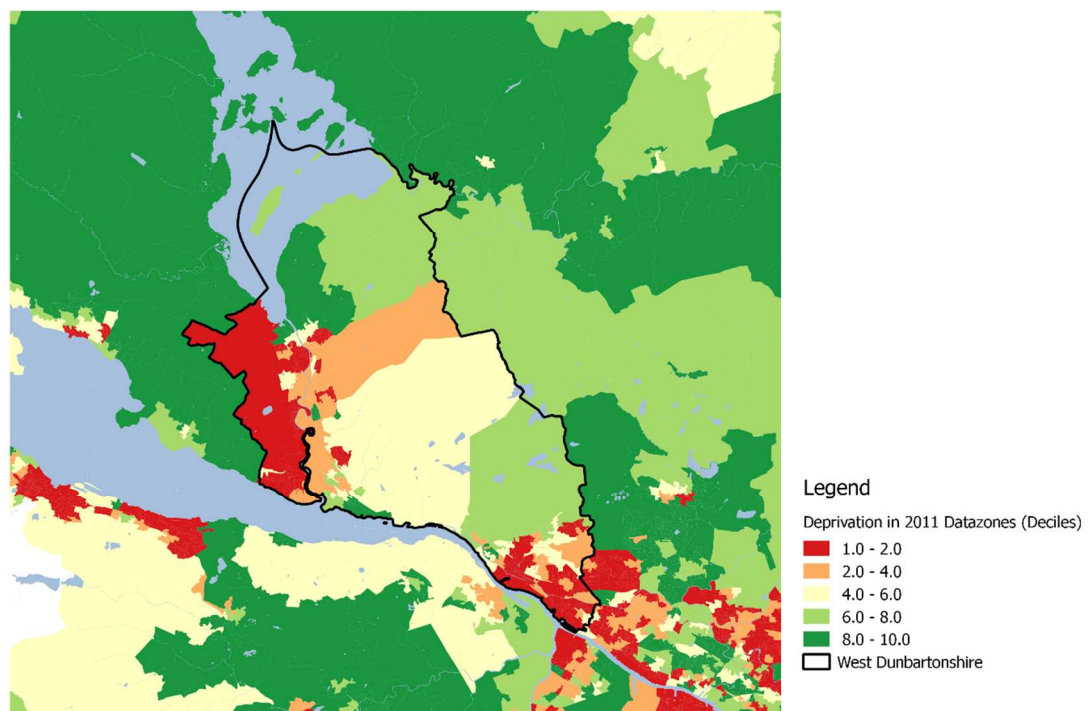
2.2.23 Table 2.8 shows the level of qualification of residents of West Dunbartonshire compared with those of residents of the wider Glasgow City Region City Deal area and Scotland. Although reasonably well educated, on average, the residents of West Dunbartonshire are less qualified than the residents in the region and nationally. The proportion of people with no qualifications in the area (14.4%) is slightly higher than that in the Glasgow City Region City Deal area (11.4%) and significantly higher than that in Scotland (9.0%).

Table 2.8 Qualifications of West Dunbartonshire Residents

Individual Levels	West Dunbartonshire	Glasgow City Region City Deal	Scotland
NVQ4 & Above	31.9%	41.6%	42.5%
NVQ3	16.3%	16.2%	16.8%
NVQ2	18.2%	15.0%	16.6%
NVQ1	11.1%	9.6%	9.2%
Other qualifications	8.1%	6.2%	5.9%
No qualifications	14.4%	11.4%	9.0%

2.2.24 More details on levels of education and skills within West Dunbartonshire can be gained by examining the SIMD levels of deprivation relating to education, skills and training. In Figure 2.13, areas of darker shading represent areas which suffer from higher deprivation in education, skills and training.

Figure 2.13 SIMD - Education, Skills and Training Deprivation (2016)

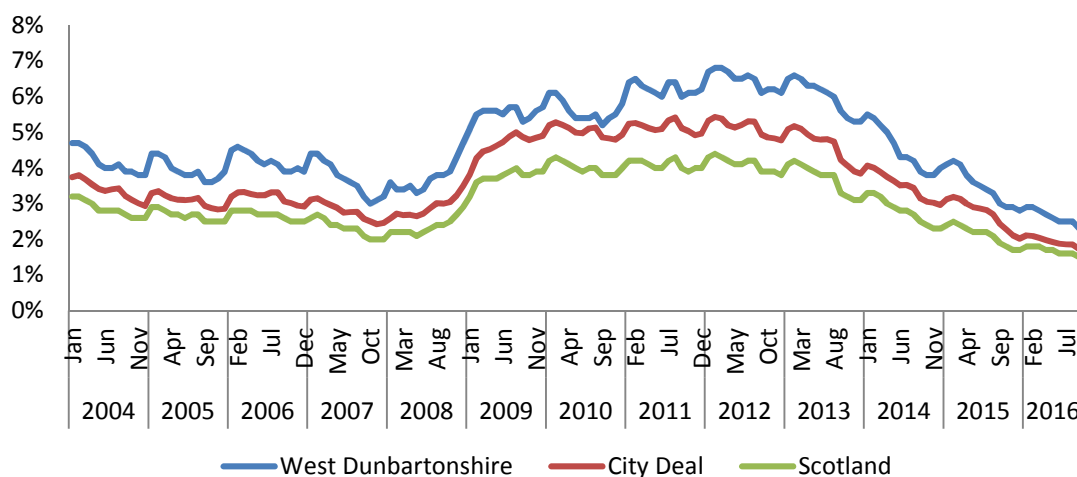


2016 Data based on 2011 datazones

### Unemployment

2.2.25 Figure 2.14 shows the proportion of the working age population claiming Job Seekers Allowance (JSA). The change in the proportion claiming benefits in West Dunbartonshire is broadly similar to the regional and national situation. Currently, the claimant rate for West Dunbartonshire is at 2.3% and is higher than both the Glasgow City Region City Deal area and Scotland averages of 1.7% and 1.5% respectively.

Figure 2.14 Job Seekers Allowance Claimant Rate

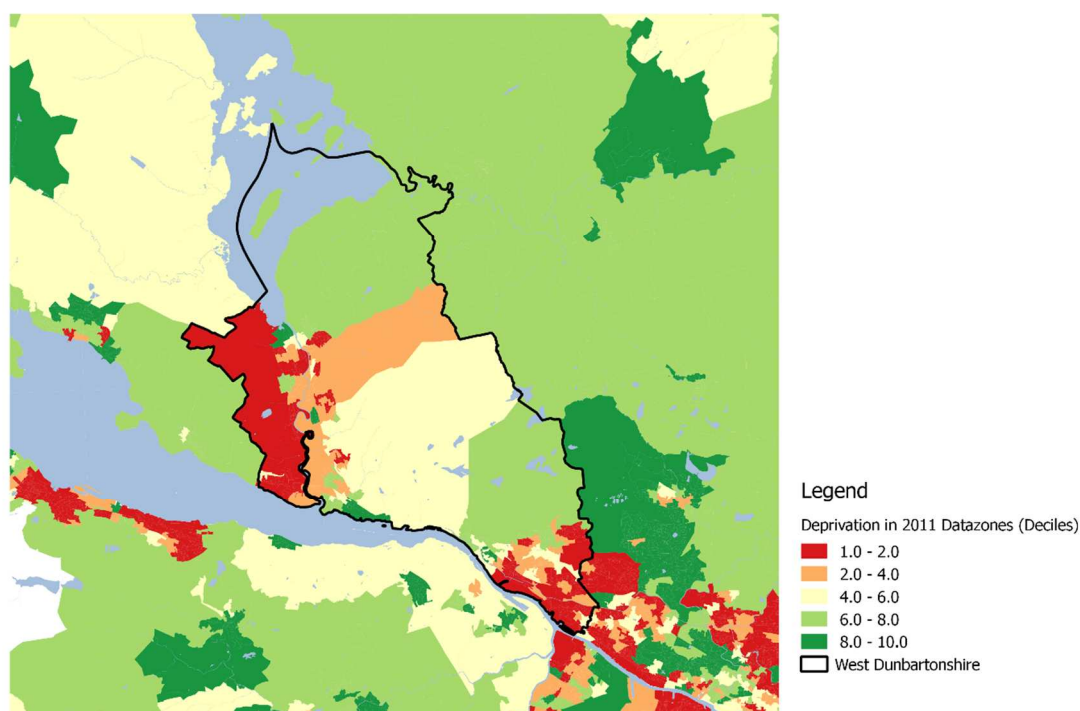


- 2.2.26 When looking at JSA claimants by age, the majority of claimants in the area are between 25 and 49 years (1,040 people or 51%). However, as a proportion of total residents of the same age, people aged between 18 and 24 make up the highest proportion in the area (520 people, or 26% of claimants). This accounts for 6.5% of the resident population, compared to 3.6% at the national level.
- 2.2.27 In terms of duration, most claims in West Dunbartonshire are for up to 6 months, but there is a higher proportion of claims over 12 months than the national average. The number of claims over 5 years is also above the national average suggesting the need for the creation of a range of opportunities, perhaps construction related, for the long term unemployed.

### Deprivation

- 2.2.28 The 2016 Scottish Index of Multiple Deprivation (SIMD) provides the most recent assessment of deprivation at district and super output area (SOA) across Scotland. The index is compiled using seven deprivation 'domains' including income, employment, health, education, skills and training, access to housing and services and geographic access and crime.
- 2.2.29 Figure 2.15 below shows that although the overall levels of deprivation in West Dunbartonshire are relatively low, there are a few SOAs within the 10% worst performing areas nationally. More specifically, 20 SOAs in the area that represent approximately 16.5% of the total and cover a population of 13,720 people. These are located mainly to the south of the area around Clydebank, Dalmuir and to the north and north-west near Balloch and Dumbarton.

Figure 2.15 Scottish Index of Multiple Deprivation (2016)



2016 Data based on 2011 datazones

### Summary of Economic Performance

2.2.30 The socio-economic assessment of West Dunbartonshire paints a picture of an area suffering from persistent economic and structural challenges that characterise those areas formerly dependent on heavy industry. The performance of the area prior to the recession was below the Scottish average. At the moment, the area is not showing very strong signs of recovery and is facing a number of challenges in terms of:

- **Macro-Economic performance:** the GVA growth rate is below the Glasgow City Region City Deal and Scotland averages and labour productivity is also lower than the national average;
- **Employment performance:** current employment in West Dunbartonshire is dominated by the service sector, and specifically, by public services and retail and catering; job density is at 0.61 meaning that there is less than one job for every resident aged 16-64, a lower value than the regional and national comparators;
- **Business demography:** the area has a smaller business base than the Glasgow City Region City Deal area and Scotland;
- **Labour market:** on average, skill levels of residents are lower than regional and national comparators and there are higher levels of unemployment than nationally; and
- **Population:** the population of West Dunbartonshire is not only decreasing but is also ageing.

2.2.31 These problems can be addressed through development of the Exxon site as set out below.

### **Rationale for Intervention**

2.2.32 Addressing the fundamental challenges of the West Dunbartonshire economy requires strong future employment opportunities. These require appropriate sites and within the next 7-10 years currently available sites are expected to be fully occupied. A new strategic site is required.

2.2.33 The Exxon site is allocated for industrial/business opportunities in the proposed Local Development Plan (LDP). The strategy for the site includes *“the re-development of the Esso Bowling site primarily to increase the business and industry opportunities within West Dunbartonshire”*.

2.2.34 The West Dunbartonshire Council Adopted Local Plan identifies the site as a Specialised Economic Development location and provides a reasoned justification:

*“The Glasgow and the Clyde Valley Joint Structure Plan 2000 designated the former ESSO Bowling Terminal as a Potential High Amenity Single User site. This was on the basis of the guidance in NPPG 2. However, this has now been superseded by SPP 2 which indicates that the existing supply of proven safeguarded sites should be able to meet future requirements. The Structure Plan 2006, in cognisance of SPP2, deletes all Potential Single User sites including Bowling. The site is therefore considered suitable for multiple economic development uses. However, it is recognised that the remediation and access costs of developing the site for business uses will require other mixed uses to facilitate development of the site. The site is within a Core Economic Development Area (CEDA). The site has not been placed in the Marketable Industrial Land Supply but areas within the terminal site may be added to the supply as proposals for the site to be redeveloped are brought forward.”*

2.2.35 As demonstrated in Section 2.3 below, the rationale for the intervention is also justified through the Strategic planning context as set out in Scottish Planning Policy and National Planning Framework 3 which support the regeneration and development of the site.



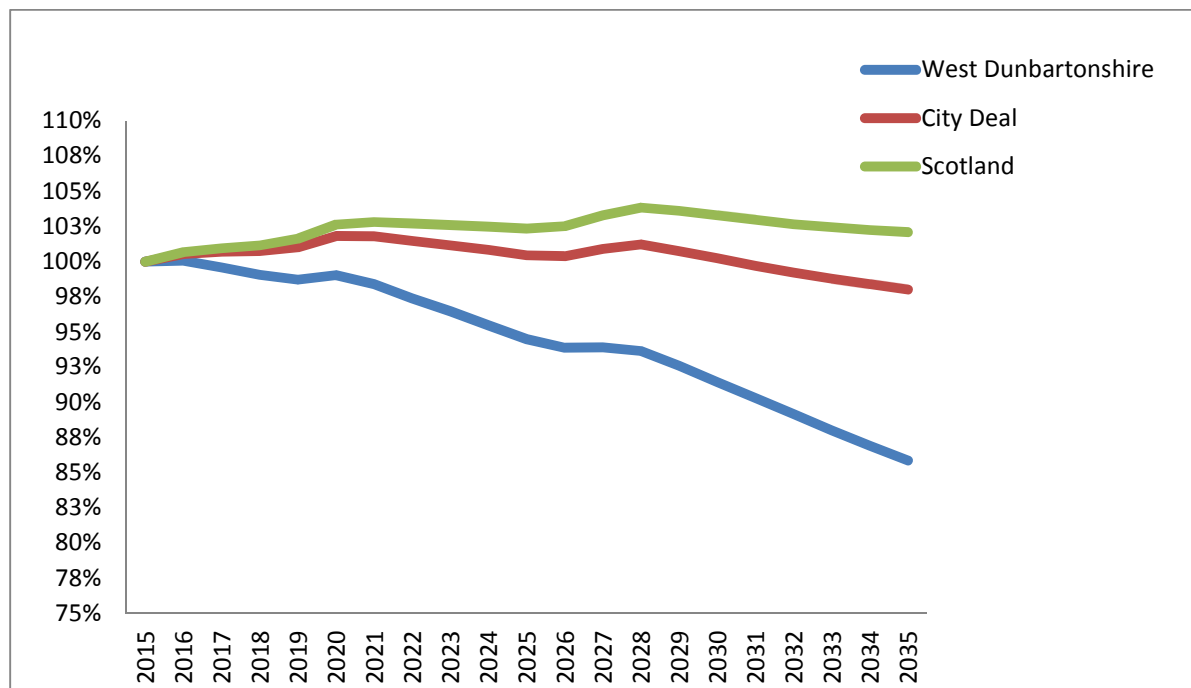
## Why the Project is Needed Now

- 2.2.36 The proposed West Dunbartonshire Local Development Plan highlights an increasing requirement for additional employment land over the Plan period and beyond, based on take up rates over the previous 10 years.
- 2.2.37 Project options of suitable scale in West Dunbartonshire are limited to Lomondgate, Vale of Leven Industrial Estate and the Exxon site. Each of the options has a supportive planning designation.
- 2.2.38 Lomondgate has successfully developed the BBC's presence at its Dumbarton studios, while also safeguarding and securing the headquarter presence of Aggreko in West Dunbartonshire. Chivas recently announced a £40m expansion of its activities. Development of the remaining components is anticipated in the next 3-5 years. If the sites are available, West Dunbartonshire has shown it can attract jobs. While the momentum generated by its development will increase demand for floorspace in West Dunbartonshire, other large scale opportunities will also be required to realise the required step change in economic activity.
- 2.2.39 The Vale of Leven Industrial Estate is home to major international companies such as Chivas and Diamond Power and is in several ownerships. Comprehensive development opportunities are limited by the pattern of available plots and the existing buildings. Access to the A82 is indirect (via Lomondgate Interchange). Despite formation of an industrial Business Improvement District in 2014, the estate needs to address long term promotional challenges. The capacity for additional development of the scale required by the project is limited.
- 2.2.40 Based on: site area; long term capacity to meet the needs of West Dunbartonshire's economy; capacity to generate additional GVA; and availability, the Exxon site meets the expected future need.

## What Would Happen Without the Project? (The Counterfactual)

- 2.2.41 The site currently makes limited contribution to economic activity in the area (only periodic decontamination works) as all commercial activity has ceased. **It cannot be brought back into effective use without investment in enabling infrastructure.**
- 2.2.42 Under the counterfactual scenario the site will continue as disused brownfield land and, as demonstrated above, the latent demand for land that is anticipated to occur in West Dunbartonshire post 2020 will not be able to be satisfied by this site. This will most likely lead to a widening of the jobs deficit that exists in West Dunbartonshire with an associated pressure on neighbouring areas as residents either commute to them to take up the employment opportunities that they offer or residents move away from West Dunbartonshire to more prosperous economic areas. With working age population already forecast to fall, as shown in Figure 2.16, this could compound a negative trend in West Dunbartonshire.

Figure 2.16 Forecast Change in Population of Working Age



2.2.43 The forecast in terms of GVA presented in Figures 2.17, 2.18 and 2.19 shows that although GVA in West Dunbartonshire is expected to increase from 2015 to 2031, this increase will be lower than the regional and national rates. Exploring further and looking at the changes in the structural composition of the economy in West Dunbartonshire we expect that the public sector and retail sector will continue to expand while manufacturing and construction are likely to contract. In addition, the annual average growth rate in productivity (expressed as GVA per total FTE jobs) is estimated to be significantly higher than the average rate for Scotland and the Glasgow City Region City Deal area for agriculture and significantly lower for finance and insurance.

Figure 2.17 Forecast Change in GVA

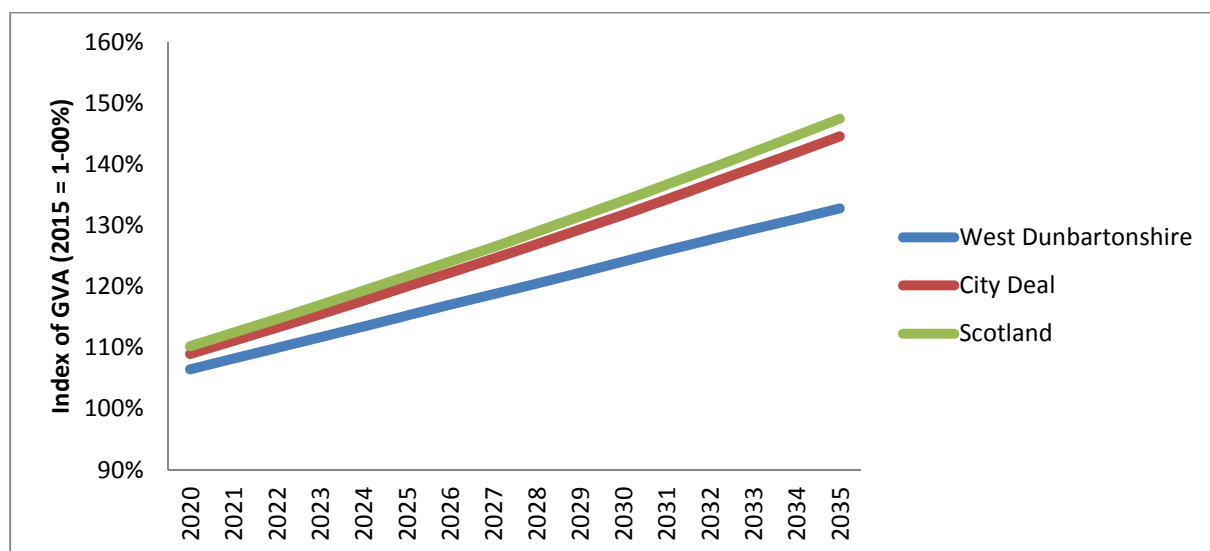
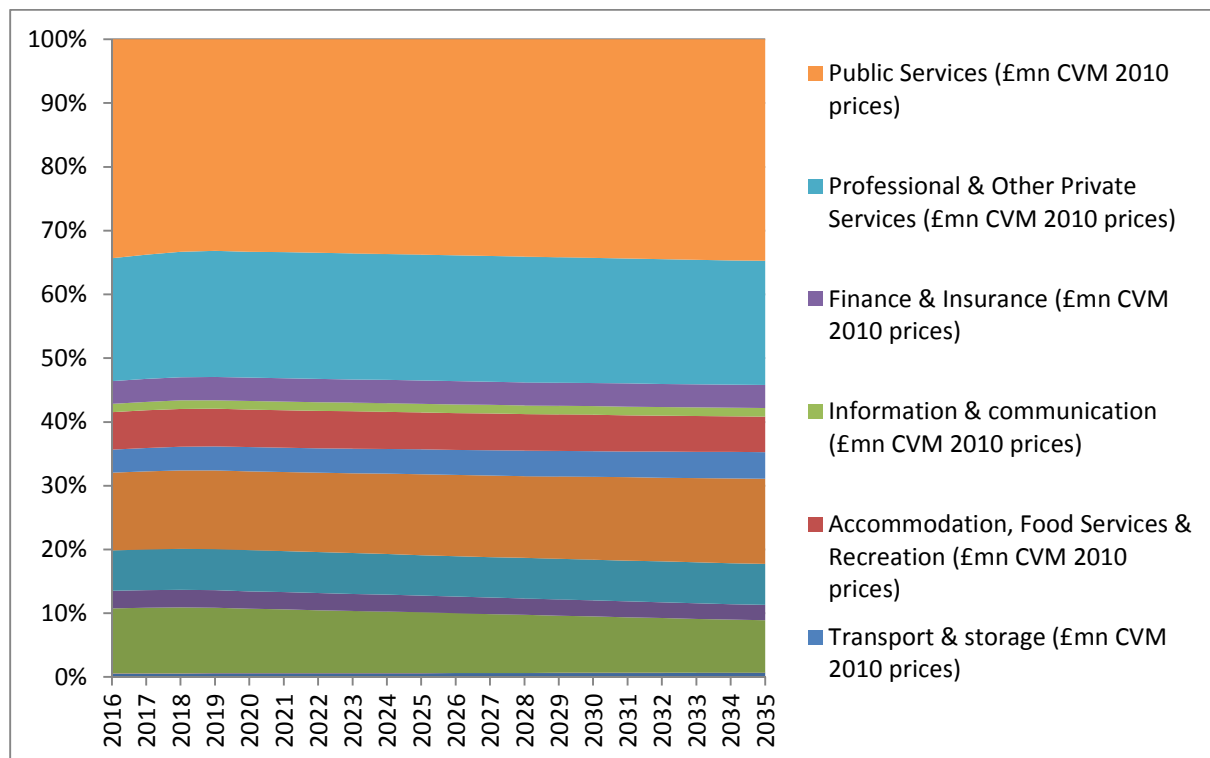




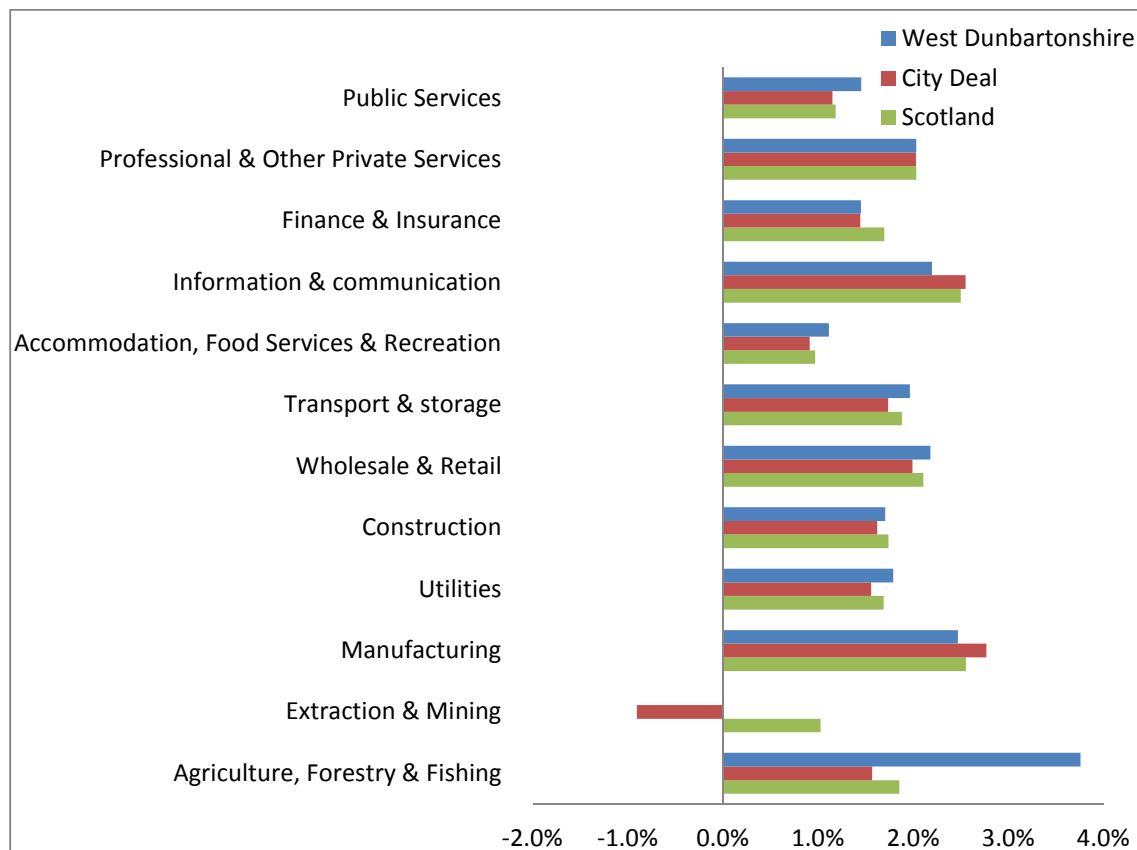
Figure 2.18 Forecast Change in Chained Volume Measure (CVM) by Industry in West Dunbartonshire



2.2.44 Chained Volume Measures are defined as a series of economic data from successive years, put in real terms by computing the production volume for each year in the prices of the preceding year, and then 'chain linking' the data together to obtain a time-series of production figures from which the effects of price changes have, at least in theory, been removed. In other words, from the raw GDP or GNP data, which reflect changes in both production volume and prices, a series is obtained which reflects only production volume.

2.2.45 Figure 2.18 shows that without the project a very stable range of industry will result. The project is required to effect a structural change in the economy.

Figure 2.19 Average Annual Growth Rate of Sectoral Productivity 2015 - 2035



2.2.46 It can be seen from Figures 2.17, 2.18 and 2.19 that the counterfactual scenario will have an adverse impact on the economy of West Dunbartonshire and that there are significantly more benefits to be realised by enabling the site to be brought into a developable state.

2.2.47 Private sector investment to the extent required to provide the necessary access, flood risk mitigation and associated infrastructure is unlikely to be forthcoming, especially as the site cannot be used for housing – a restriction of the Title.

2.2.48 **In the absence of City Deal funding the investment required to ensure the site is brought back to economic use would be very difficult to find.** Previous attempts have been made to interest the market in the site without success.

## 2.3 Strategic and Policy Context for the Project

### KEY POINTS

- The project is justified through the Strategic planning context set out in Scottish Planning Policy and National Planning Framework 3 which support the regeneration and development of the site.
- The proposed Local Development Plan (LDP) identifies a need for further allocations of industrial land to maintain a 10-year supply. Take up rates have increased in the last three years reducing the supply of available employment land from 13.2 years to 9.6 years.
- The proposed LDP identifies the site as one of West Dunbartonshire's 'changing places' to increase the business and industry opportunities within the Council area.
- The West Dunbartonshire Council Adopted Local Plan identified the site as a Specialised Economic Development area.

- 2.3.1 This section of the Business Case explains how the project aligns with the vision, objectives and policies of relevant national, regional and local policy documents and with the City Deal.

### Strategic fit with National Policy

#### Scottish Government Strategic Objectives and Outcomes

- 2.3.2 The Government has five objectives that underpin its core purpose - to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. Objectives are set as follows:

- **Wealthier and Fairer** - Enabling businesses and people to increase their wealth and more people to share fairly in that wealth.
- **Healthier** - Helping people to sustain and improve their health, especially in disadvantaged communities, ensuring better, local and faster access to health care.
- **Safer and Stronger** - Helping communities to flourish, becoming stronger, safer places to live, offering improved opportunities and a better quality of life.
- **Smarter** - Expanding opportunities to succeed from nurture through to lifelong learning ensuring higher and more widely shared achievements.
- **Greener** - Improving Scotland's natural and built environment and the sustainable use and enjoyment of it.

- 2.3.3 In addition to the five National Objectives, the Scottish Government has set Sixteen National Outcomes which help to articulate more fully the Government's Purpose. They allow priorities to be clearly understood and provide a clear structure for delivery.

- 2.3.4 Of the 16 National Outcomes, the proposed Exxon site development contributes to 6 as follows:

- **We live in a Scotland that is the most attractive place for doing business in Europe** – The proposed development will help diversify the local and regional business base and provide robust and reliable physical infrastructure that helps businesses grow and compete internationally.
- **We realise our full economic potential with more and better employment opportunities for our people** – The proposed development can provide high quality

employment opportunities and make a positive contribution to increasing the prosperity and wealth of West Dunbartonshire.

- **We are better educated, more skilled and more successful, renowned for our research and innovation** – The proposed development will help reduce economic inactivity and provide the type of accommodation that may be attractive to companies offering high quality learning and development opportunities to encourage skills development.
- **We have tackled the significant inequalities in Scottish society** – The proposed development can contribute to improving access to the labour market for the poorest and most disadvantaged and tackle the significant inequalities in the area.
- **We live in well-designed, sustainable places where we are able to access the amenities and services we need** – The proposed development will represent an environmentally, socially and economically sustainable place providing easy access to a range of workplaces and services for people in the area and attracting and retaining the skills and talent required to achieve sustainable economic growth.
- **We value and enjoy our built and natural environment and protect it and enhance it for future generations** – The proposed development will have significant positive land-use impacts on the local community, and on the natural and built environment.

2.3.5 Scotland's Economic Strategy was published by Scottish Government on 3<sup>rd</sup> March 2015. It sets out an overarching framework for a more competitive and fairer Scotland and forms the strategic plan for existing and all future Scottish Government policy. The Strategy is based on two key pillars: increasing competitiveness and tackling inequality.

2.3.6 Table 2.9 below provides a summary of how the proposed development fits with the main national policy and/or strategy documents.

Table 2.9 Project fit with National Policies and Strategies

Policy/Strategy Document	Status and Purpose of Document	Relevance for Proposed Project
Scotland's Economic Strategy	Published by Scottish Government on 3 <sup>rd</sup> March 2015. Sets out an overarching framework for a more competitive and fairer Scotland and forms the strategic plan for existing and all future Scottish Government policy.	<p>The Strategy is based on two key pillars: increasing competitiveness and tackling inequality and there are four broad priority areas where actions will be targeted:</p> <ul style="list-style-type: none"> <li>Investment: invest in people, infrastructure and assets in a sustainable way;</li> <li>Innovation: foster a culture of innovation and research and development;</li> <li>Inclusive growth: promote inclusive growth and create opportunity through a fair and inclusive labour market and regional cohesion; and</li> <li>Internationalisation: enable Scotland to take advantage of international opportunities to boost trade and investment, influence and networks.</li> </ul> <p>The Strategy supports business growth in Scotland's key sectors with a distinct competitive advantage: Food and Drink, Financial and Business Services, Life Sciences, Energy, Tourism and Creative Industries and encourages innovation and performance in more locally-traded sectors, such as retail and care sectors.</p>
Scottish Enterprise Business Plan 2014 - 2017	Published by Scottish Enterprise in April 2014. Sets out the priorities and areas of focus of Scottish Enterprise and what they will deliver during 2014 – 17.	<p>The Business Plan builds on the growth opportunities identified in Scotland's Economic Strategy and focuses on the following sectors in Scotland:</p> <ul style="list-style-type: none"> <li>Energy – Oil and gas;</li> <li>Energy – Renewable and low carbon technologies;</li> <li>Food and drink;</li> <li>Life sciences;</li> <li>Tourism;</li> <li>Creative industries;</li> </ul>

Policy/Strategy Document	Status and Purpose of Document	Relevance for Proposed Project
		<ul style="list-style-type: none"> <li>Financial and business services; and</li> <li>Technology and engineering (including aerospace, defence and marine).</li> </ul> <p>In addition, there are a number of sectors that make an important contribution to Scotland's economy and where specific opportunities for further growth exist. These include:</p> <ul style="list-style-type: none"> <li>Forest and timber technologies;</li> <li>Construction;</li> <li>Textiles; and</li> <li>Chemical sciences.</li> </ul>
Scottish Planning Policy	Published by Scottish Government on 23 <sup>rd</sup> June 2014. Non-statutory document that sets out the purpose of planning and the principles underpinning the planning system.	<p>The SPP supports the Scottish Government's commitment to increasing sustainable economic growth and sustainable development. The planning outcomes included in the SPP are shared with the NPF 3 (see NPF 3 vision statement above).</p> <p>The ones believed to be relevant are presented below together with the supporting planning principles:</p> <p>a. a successful, sustainable place:</p> <ul style="list-style-type: none"> <li>promote rural development;</li> <li>support business and employment;</li> <li>enable delivery of new homes;</li> <li>value the historic environment;</li> </ul> <p>b. a natural, resilient place:</p> <ul style="list-style-type: none"> <li>value the natural environment;</li> </ul>

Policy/Strategy Document	Status and Purpose of Document	Relevance for Proposed Project
		<ul style="list-style-type: none"> <li>maximise the benefits of green infrastructure;</li> <li>manage flood risk and drainage;</li> <li>c. a connected place: <ul style="list-style-type: none"> <li>promote sustainable transport and active travel.</li> </ul> </li> </ul>
National Planning Framework 3	Published by Scottish Government on 23 <sup>rd</sup> June 2014. Statutory document that provides a framework for the spatial development of Scotland as a whole and sets out the Government's development priorities for the next 20 to 30 years.	<p>The vision of this long-term spatial strategy is to build a Scotland which is:</p> <ul style="list-style-type: none"> <li>a successful, sustainable place;</li> <li>a low carbon place;</li> <li>a natural, resilient place; and</li> <li>a connected place.</li> </ul> <p>The Strategy is supportive of regeneration of the Glasgow City Region to address nationally significant and longstanding issues of disadvantage. As part of delivering the regeneration plan, the NPF identifies Central Scotland Green Network including West Dunbartonshire as a National Development. The aim in the area is to improve quality of place, address environmental inequalities and enhance health and well-being. The re-use of vacant land is identified as a priority.</p>
A Manufacturing Future for Scotland	Published by Scottish Government 15 <sup>th</sup> February 2016	<p>Action Plan to work with industry to:</p> <ul style="list-style-type: none"> <li>Deliver concrete initiatives to boost productivity including leadership, employee engagement and skills, energy efficiency and the adoption of circular economy approaches across the manufacturing sector.</li> <li>Stimulate innovation and investment in Scottish manufacturing sectors to better compete globally.</li> </ul> <p>Manufacturing jobs in Scotland are typically high-skilled and well-paid. Sector specific support can therefore support regional growth, address employment and wage imbalances and establish high value supply chain linkages.</p>

## Strategic fit with Regional Policy

- 2.3.7 Table 2.10 below provides a summary of how the Council's project fits with the main regional policy and/or strategy documents.



Table 2.10 Project fit with Regional Policies and Strategies

Policy/Strategy Document	Status and Purpose of Document	Relevance for Proposed Project
Approved Glasgow and Clyde Valley Strategic Development Plan (SDP)	Approved with modifications by Scottish Ministers on 29 <sup>th</sup> May 2012 and published by Clydeplan on 13 <sup>th</sup> July 2012. Statutory document that sets out a Spatial Vision and related Spatial Development Strategy to 2035.	Establishes a spatial vision which supports: <ul style="list-style-type: none"> <li>■ economic recovery and employment growth;</li> <li>■ regeneration and renewal focus through the recycling of vacant and derelict land; and</li> <li>■ green infrastructure.</li> </ul> Priorities include: <ul style="list-style-type: none"> <li>■ sustainable development locations at Clyde Waterfront;</li> <li>■ Green Network opportunities at Dumbarton East/Old Kilpatrick, Clydebank and Whitecrock;</li> <li>■ Clydebank and Dumbarton as Strategic Centres;</li> <li>■ Clydebank Riverside and Lomondgate as Strategic Economic Investment Locations; and</li> <li>■ long term potential of the Strathleven Corridor.</li> </ul>
Clydeplan Strategic Development Plan	The second Strategic Development Plan was submitted to Scottish Ministers for approval on 26 <sup>th</sup> May 2016 and is presently undergoing the examination process.	The Exxon site is identified as a strategic project in terms of the Infrastructure Fund and Clydeplan supports local authorities in the development of the City Deal Programme and related projects.
Glasgow and Clyde Valley Strategic Development Plan – Main Issues Report (MIR)	Published in January 2015 by Clydeplan and subject to consultation until 27 <sup>th</sup> March, 2015. Highlights the key changes which are likely to influence the SDP since its approval in May 2012.	The MIR identified 7 main issues: <ul style="list-style-type: none"> <li>■ supporting economic recovery – new strategic freight hubs and economic investment locations were proposed;</li> <li>■ supporting positive environmental action – spatial priorities were reviewed and new Strategic Delivery Areas (SDA) were proposed for</li> </ul>

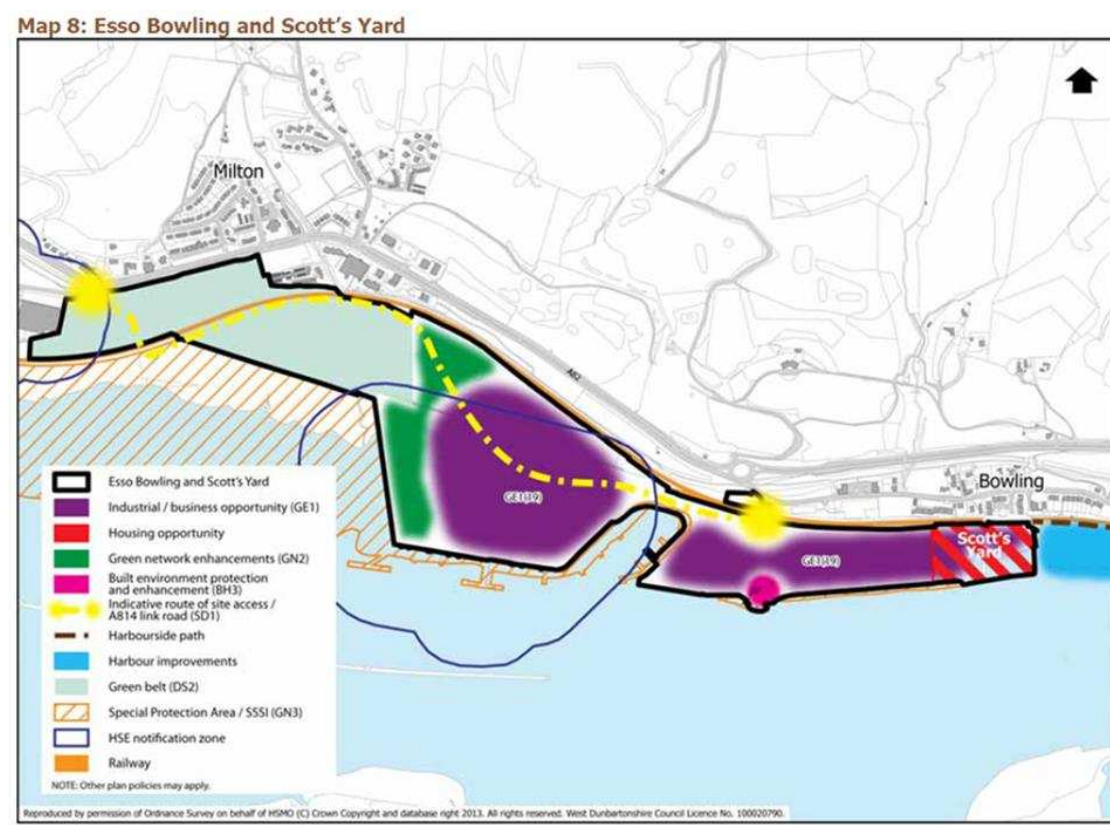
Policy/Strategy Document	Status and Purpose of Document	Relevance for Proposed Project
		<p>the green network (Dumbarton, Bowling and Clydebank – existing SDAs but separated); and</p> <ul style="list-style-type: none"> <li>placemaking at the City Region scale – an approach to encourage the right development is delivered in the right place and focus on positive placemaking.</li> </ul>

## Strategic fit with Local Policy

### West Dunbartonshire Local Development Plan: Proposed Plan (March 2014)

- 2.3.8 The Local Development Plan (LDP) has not been adopted as the Planning Committee, on 27 April 2016, took a final decision not to accept the Local Development Plan Examination Report which recommended modification in respect of a housing development opportunity site in Clydebank. All other recommended modifications of the Examination Report have been incorporated into the Local Development Plan which will retain Proposed Plan status. The Council has received legal opinion that the Proposed Plan including the accepted modifications and the Examination Report continue to be a material consideration in the determination of planning applications.
- 2.3.9 The proposed LDP identifies several “*changing places*” and promotes regeneration moving forward in these places. The project site, known in the LDP as Esso Bowling, shown in Figure 2.20, is identified as a “*changing place*” where the Council expects to see change over the next 5-10 years (Longer Term Opportunities GE1 (19)). The proposed LDP sets out the policy framework for development proposals on the site.

Figure 2.20 Extract from Proposed LDP Showing location



- 2.3.10 The site is allocated as a business and industry opportunity. The strategy for the site is “*to support the redevelopment of the Esso Bowling site primarily to increase the business and industry opportunities within West Dunbartonshire*”. Residential development is identified as an option for Scott's Yard to the east, but it does not form part of the considerations of the Glasgow City Region City Deal project. Green network enhancements should be provided along the waterfront, potentially providing a link from the cycleway in the west to Bowling Station in the east. In addition to providing recreational access, these enhancements should reflect the biodiversity and landscape character of the site. The strategy also seeks to provide an A814

link road which offers access to development on the site. This would run in part through land to the west of the site which is identified as green belt.

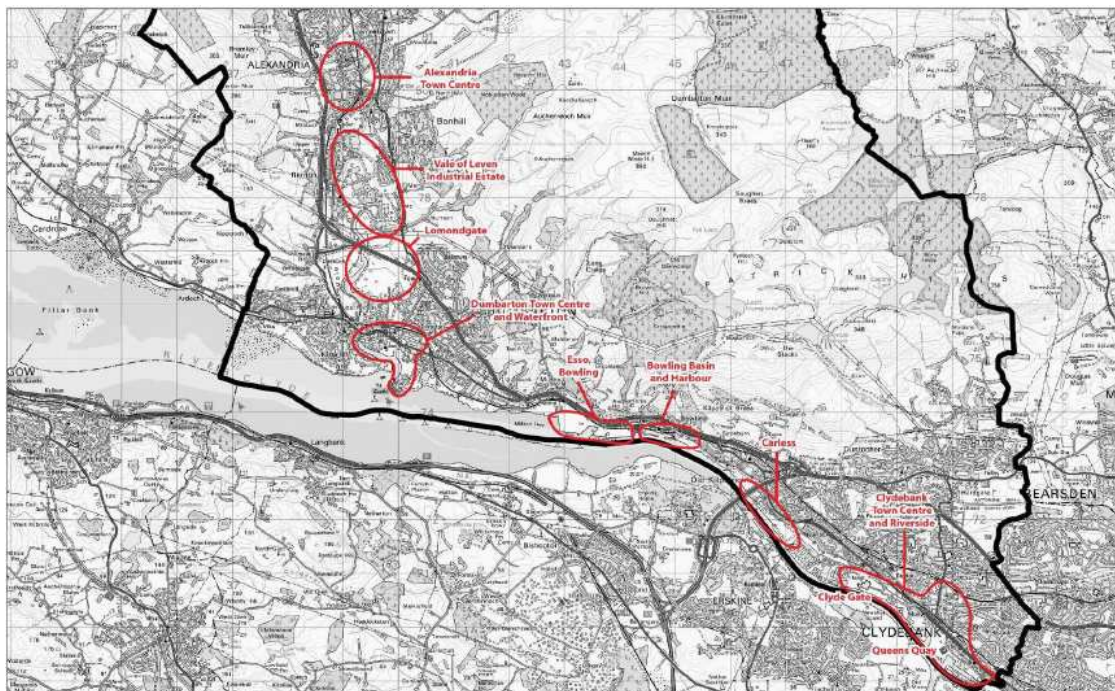
- 2.3.11 The site is identified as being of a scale that could offer significant investment and employment in West Dunbartonshire. The plan supports the following uses on the site:
- Business;
  - Industry;
  - Storage and distribution;
  - Leisure and tourism;
  - Maritime-related uses (making use of Dunglass basin); and
  - Retail uses which are ancillary to the other mixed uses of the site.
- 2.3.12 To the west and south of the site are mudflats and saltmarshes which are designated as a Site of Special Scientific Interest (SSSI), a Special Protection Area (SPA) and a Ramsar Site (wetlands of international importance) because of their ecological importance.
- 2.3.13 On the site there is the B-listed Dunglass Castle and the Henry Bell Obelisk Memorial which is a B-listed structure. The plan states *“Any development should ensure that these structures and their settings are protected and enhanced. The restoration of the Castle is supported by this plan”*. The restoration of the Castle, including for leisure and tourism uses, is supported by the Plan.
- 2.3.14 Green network enhancements are required to the west of the site and along the waterfront. This includes potentially providing a link from the cycleway in the west to Bowling Station in the east. In addition to providing recreational access, these enhancements should reflect the biodiversity and landscape character of the site. Policy GN2 requires green infrastructure to be implemented at a level proportionate to the scale of development.
- 2.3.15 The ‘Esso Bowling’ and ‘Scott’s Yard’ sites are identified as being *“at significant risk from flooding”*. The Plan states *“to address the risk of flooding on the site, levels will require to be raised or remodelled, flood defences improved, and buildings designed appropriately to protect them from flood damage”*. Engagement with SEPA to discuss the proposals has been ongoing throughout the development of the project. Flood risk assessment work and hydrological modelling have been undertaken to establish the exact nature of the flood risk and the impact that any new development, infrastructure and flood management may have. This work has materially influenced the site Masterplan and will influence infrastructure design.

#### **Infrastructure Investment Plan (February 2012)**

- 2.3.16 As part of West Dunbartonshire Council’s Economic Development Strategy, an Infrastructure Investment Plan was prepared in February 2012. It aims to *“assist the Council and the private sector in delivering sites within a challenging economic climate”*. The Plan identifies key regeneration sites in West Dunbartonshire, considers potential funding sources and can be used to support any funding bids.
- 2.3.17 Figure 2.21 shows the key regeneration sites identified in the Plan:
- Alexandria Town Centre;
  - Lomondgate and the Vale of Leven Industrial Estate;
  - Dumbarton Town Centre and Waterfront;
  - Esso, Bowling, Bowling Basin and Bowling Harbour;
  - Carless; and
  - Clydebank Town Centre and Riverside (including Queens Quay and Clyde Gate).



Figure 2.21 Extract from WDC Infrastructure Investment Plan showing Key Regeneration Sites



2.3.18 Table 2.11 provides a summary of how the project fits with other local policy and/or strategy documents.

Table 2.11 Project fit with Local Policies and Strategies

Policy/Strategy Document	Status and Purpose of Document	Relevance for Proposed Project
West Dunbartonshire Local Development Plan, Proposed Plan	The Local Development Plan (LDP) has not been adopted as the Planning Committee, on 27 April 2016, took a final decision not to accept the Local Development Plan Examination Report recommended modification in respect of a housing development opportunity site in Clydebank. All other recommended modifications of the Examination Report have been incorporated into Local Development Plan which will retain Proposed Plan status. The Council has received legal opinion that the Proposed Plan including the accepted modifications and the Examination Report continue to be a material consideration in the determination of planning applications.	<p>The proposed LDP notes increased employment land take-up since the adoption of the West Dunbartonshire Local Plan (March 2010). Some 35 hectares of industrial and business land is now classed as marketable, equivalent to a 13 year supply at prevailing take up rates.</p> <p>The LDP notes the requirement to maintain a minimum 10-year land supply, indicating that the LDP should identify additional land to achieve this.</p> <p>Our site, known in the LDP as Esso Bowling is identified as a “<i>changing place</i>” where the Council expects to see change over the next 5-10 years (Longer Term Opportunities GE1 (19)). The proposed LDP sets out the policy framework for development proposals on the site.</p> <p>Development on the site must have regard to flood risk and to impact on the adjacent Special Protection Area and Site of Special Scientific Interest.</p>
Adopted West Dunbartonshire Local Plan	Adopted by West Dunbartonshire Council in March 2010. Provides land use planning framework for 2010-2015.	<p>Policy LE 4 identifies the Bowling Terminal site as a Specialised Economic Development Site. It is within a Core Economic Development Area and considered to suitable for “<i>multiple economic development uses</i>”. The plan supports the following uses on the site:</p> <ul style="list-style-type: none"> <li>■ uses which extend its permanent employment potential;</li> <li>■ mixed uses including residential, that would facilitate employment development;</li> </ul>

Policy/Strategy Document	Status and Purpose of Document	Relevance for Proposed Project
		<ul style="list-style-type: none"> <li>developments which makes use of the harbour and freight rail line; and</li> <li>retail uses ancillary to other mixed uses on the site.</li> </ul> <p>All development proposals must be aware of the Listed status of Dunglass Castle.</p> <p>Site proposals must also satisfy the requirements of Policy E2A regarding the Inner Clyde SSSI and Special Protection Area adjacent. Policy E2A (International Nature Conservation Sites (Natura 2000)) states <i>“Development likely to have a significant effect on a Natura 2000 site will be subject to an appropriate assessment”</i>.</p>
West Dunbartonshire Economic Development Strategy 2015 - 2020	Published by West Dunbartonshire Council in 2016. Provides a vision for economic development to 2020.	<p><b>Vision:</b> <b><i>‘A prosperous, inclusive and growing West Dunbartonshire economy’</i></b></p> <p>The vision for West Dunbartonshire is focused on increasing prosperity and economic growth while ensuring that this growth is distributed as equitably as possible throughout the area.</p> <p>The key strategic priorities behind the Economic Development Strategy are:</p> <ul style="list-style-type: none"> <li>Stimulating economic investment and growing the business base;</li> <li>Improving the skills of our people and supporting them into work;</li> <li>Creating an inclusive and prosperous place here people choose to live work and invest;</li> <li>Building stronger partnerships and innovative approaches to delivery.</li> </ul> <p>The Strategy identifies several projects and initiatives to maximise West Dunbartonshire’s competitiveness as an investment location. The Strategy specifically states the importance of ensuring sufficient <i>‘resources are allocated to develop the Exxon City Deal project.’</i></p>

Policy/Strategy Document	Status and Purpose of Document	Relevance for Proposed Project
West Dunbartonshire Strategic Plan 2012-17	Published by West Dunbartonshire Council in 2012. Sets a vision for 2017 and priorities for achieving this.	<p>The Council's Strategic Plan 2012 – 2017 contains the strategic priorities which provide the focus for the Council for the next five years. All the priorities are relevant to the Economic Development Strategy, however the two priorities most directly related to the Strategy are:</p> <ul style="list-style-type: none"> <li>■ Improve economic growth and employability;</li> <li>■ Improve local housing and environmentally sustainable infrastructure.</li> </ul> <p>The Strategic Plan also defines the Council Vision:</p> <ul style="list-style-type: none"> <li>■ A prosperous West Dunbartonshire recognised as a dynamic area within a successful Scotland.</li> </ul>
West Dunbartonshire Single Outcome Agreement (SOA) 2014 - 2017	Agreed by Community Planning West Dunbartonshire in February 2014. Sets out the strategic vision for the area and the key local outcomes that are crucial to delivering the vision.	<p>The SOA focuses on four priority areas: employability &amp; economic growth, children &amp; families, older people and safe, strong &amp; involved communities.</p> <p>The Proposed Development can help deliver the first priority through regeneration, investment in key infrastructure and enabling business formation and growth.</p>



## Strategic fit with the Glasgow City Region City Deal

- 2.3.19 The Glasgow City Region City Deal is an agreement between the UK Government, the Scottish Government and eight local authorities across the Glasgow City Region. It was signed on 20<sup>th</sup> August 2014. The local authorities have developed a set of proposals which are intended to deliver:
- an Infrastructure Fund of £1.13 billion to improve the transport network across the Glasgow City Region and develop and regenerate key sites;
  - growth in the life science sector;
  - support to enable small and medium enterprises to grow and develop;
  - programmes to tackle unemployment targeted at young and vulnerable residents;
  - new ways of increasing the income of people on low wages.
- 2.3.20 The programme comprises eighteen local authority projects and two strategic projects. West Dunbartonshire Council has one project identified as part of the Infrastructure Fund of twenty projects.
- 2.3.21 The project was selected by West Dunbartonshire Council due to its ability to directly contribute to the economic objectives of the City Deal and will provide the road and supporting infrastructure improvements required to renew investor and developer confidence in the long term sustainable development of a former, and long term unused, industrial site.
- 2.3.22 The project will therefore contribute to the City Deal objectives by supporting the development of a strategic employment site.

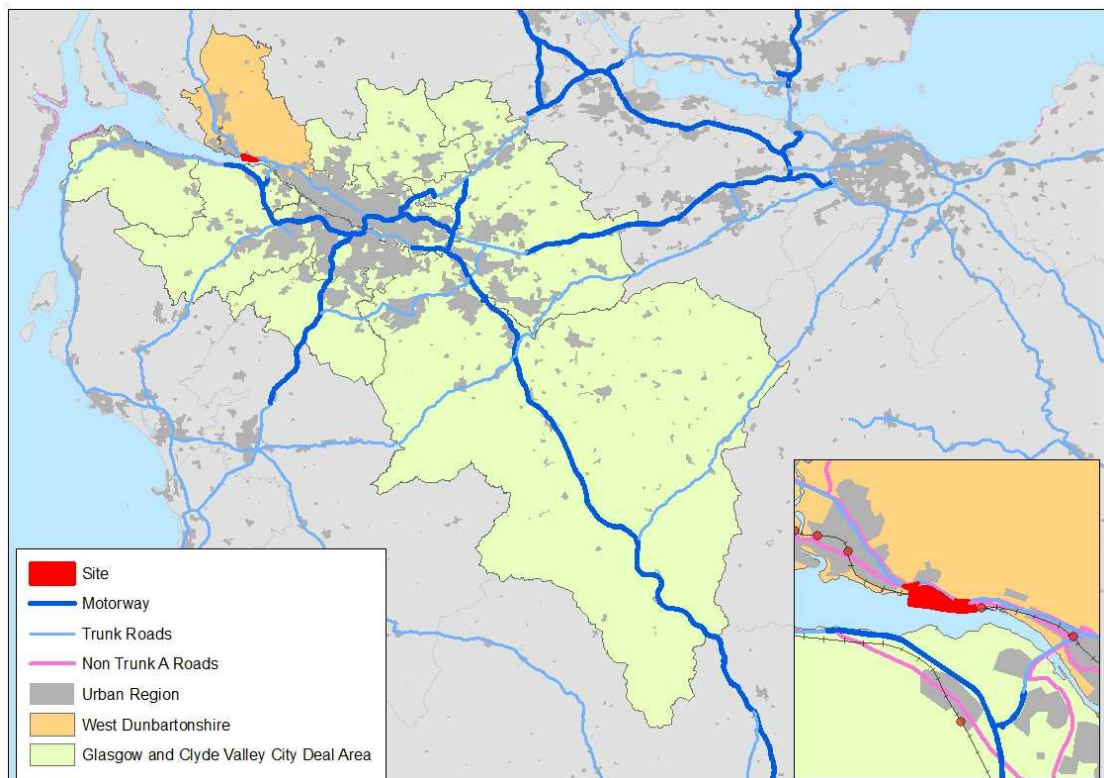
## 2.4 Existing Arrangements

### KEY POINTS

- The site is the former home of the decommissioned Bowling Oil Terminal and covers an area of 61.71 hectares.
- The site is currently disused and only generates economic activity from the decontamination works ongoing periodically as all fully commercial activity has ceased.
- Remediation of contaminated land and provision of suitable enabling infrastructure would allow the economic development potential of the site to be unlocked.

- 2.4.1 Figure 2.22 shows the location of the site on the north bank of the River Clyde, between the towns of Dumbarton and Clydebank. The site is around 16 km / 10 miles from Glasgow City Centre. It is located in a strategic position on the transport network being adjacent to the A82 Trunk Road within close proximity to the Erskine Bridge which provides links to the M8 and wider strategic road network. It is situated in an ideal location at the gateway to the Vale of Leven and Loch Lomond as well as onwards to Argyll and the Highlands whilst also being within close proximity to the Glasgow city region. It consequently offers a number of competitive advantages.

Figure 2.22 Site Location in Context



- 2.4.2 The wider site area (including mudflats and river) extends to 61.71 hectares of which the land element comprises 39.45 hectares. It has been owned and operated by Exxon for over 80 years. The site is disused and was demolished to ground level in 1997. Since closure, the entire Bowling site has become surplus to Exxon's operational requirements and a disposal strategy is being progressed.
- 2.4.3 In the interim, remediation of some of the site has taken place with further remediation investigations / works ongoing.
- 2.4.4 Currently the site makes limited contribution to economic activity in the area (only from periodic decontamination works) as all fully commercial activity has ceased. In its current condition it cannot be brought back into effective use and requires investment in remediation and suitable infrastructure to unlock its potential as a major centre of economic activity, generator of jobs and contributor to GVA at a local and regional level.
- 2.4.5 Without the requisite investment in infrastructure it is difficult to see how the site could ever become developable again.

## 2.5 Project Objectives and Contribution to the City Deal

### KEY POINTS

- The project objectives are focussed on increasing and diversifying economic activity in West Dunbartonshire and creating a major growth opportunity in a unique location to drive growth across the Glasgow City Region. The Exxon site development project will provide more local employment opportunities and facilitate sustainable communities through local living and working.

- 2.5.1 The project seeks to address long-standing issues facing West Dunbartonshire's economy whilst developing the potential of its stronger manufacturing and related sectors. City Deal funding will enable suitable site access, flood mitigation and associated infrastructure to be provided to enable development platforms to be created. A high quality, large scale site will then be available to provide significant and transformational support to the continuing efforts of West Dunbartonshire Council and its partners to meet the following objectives.

**- Objective 1: Diversify the range of commercial and industrial activity in the area;**

- o *to increase the volume of higher value-added economic activity;*
- o *to increase resilience to market fluctuations; and*
- o *to ensure availability of high quality business and industrial land to accommodate long term growth.*

- 2.5.2 This will be demonstrated through: increased GVA, and the proportion of GVA generated in high growth sectors; a broader business base, with increased reliance on a broad base of private sector activity; and reductions in the scale of change in key GVA and employment indicators. Continued monitoring of the employment land supply will identify emerging availability constraints.

**Key Baseline Data Against Which to Measure the Impact of the Project**

GVA per worker per annum: £ 48,184 (West Dunbartonshire – 2014)

Employment in Public Admin, Education and Health: 44.0% (2015)

**- Objective 2: Raise levels of economic activity, providing a platform for significant employment and job opportunities for those with differing levels of qualifications and skills.**

- 2.5.3 While the project will increase economic activity rates across West Dunbartonshire and the wider Glasgow City Region, its effects can be particularly pronounced in disadvantaged areas. Levels of economic activity, employment and unemployment will be monitored to demonstrate progress. The project will affect the occupational profile of West Dunbartonshire employees, with a higher proportion involved in skilled and professional activity.

**Key Baseline Data Against Which to Measure the Impact of the Project**

Employment in Professional Occupations: West Dunbartonshire Residents – 14.8% (2015)

Employment Rate: 0.34 per head of population (2015)

Average Earnings: West Dunbartonshire £29,989 (2015)

Employment as Managers, Directors and Senior Officials: West Dunbartonshire Residents – 4.2% (2015)

- **Objective 3:** Build sustainable West Dunbartonshire communities, increasing the proportion of people who live and work in the area.

- 2.5.4 Investment in infrastructure and subsequent commercial and industrial development of scale is intended to increase West Dunbartonshire's attraction as a place to live. It is anticipated that net employment increases will also be reflected in first stabilisation and then increasing population levels. Net out-commuting will reduce. The size of the working age population (particularly young families), volume and type of houses, and travel to work patterns will be monitored to establish project progress.
- 2.5.5 Economic activity will follow infrastructure and site enabling works and subsequent development, with substantial progress anticipated in years 12-25 of the Programme. Before this, a Community Benefits strategy would engage local residents, providing opportunities for West Dunbartonshire residents combining employability and construction training, trades certification, apprenticeships and work experience throughout the construction programme. This will be evidenced through: the number of contractors engaging with the programme; increased construction employment locally; increased employment and reduced unemployment in areas targeted by the programme ensuring Community Benefit addressed through procurement of works packages.

**Key Baseline Data Against Which to Measure the Impact of the Project**

Travel to Work: West Dunbartonshire net daily outflow of over 7,000 commuters – 10,500 in-commuters and 17,700 out-commuters (Census 2001).

Travel to Work: 46.9% of West Dunbartonshire residents live and work in the area.

- 2.5.6 Table 2.12 provides the project's objectives in detail. For this OBC, there has been particular emphasis on developing objectives that are SMART: Specific, Measurable, Attainable, Relevant and Time-bound.

Table 2.12 SMART Objectives

Objective	SMART Objectives				
	Specific	Measurable	Attainable	Relevant	Time-bounded
<b>Diversify the range and value of commercial and industrial activity in the area.</b>	Objective seeks to: increase the volume and value of economic activity in West Dunbartonshire, particularly in manufacturing and related sectors	Measurable by assessing productivity (GVA per head) in key sectors; new business formation rates; private sector high value, high skilled jobs; commercial and industrial floorspace levels and occupancy rates.	Enabling the site for employment uses will provide the necessary large scale employment site to allow West Dunbartonshire to build on its strengths, develop local supply chains and build resilience to market fluctuations.	Private sector investment and employment is required to help rebalance a local economy that relies on a disproportionately high level of public sector jobs.	Project programmed to be completed during 2024 enabling development platforms to be developed from then.
<b>Raise levels of economic activity, providing a platform for significant employment and job opportunities for those with differing levels of qualifications and skills.</b>	Objective seeks to provide employment and training opportunities that will appeal to residents with a range of abilities.	Measurable by monitoring the levels of economic activity; unemployment; Job Seekers Allowance Claimant Rates and employment structure.	The infrastructure delivered by the project will enable a major employment site. The employment generated will positively influence economic activity; employment levels and provide high skilled manufacturing jobs	West Dunbartonshire is characterised by low employment density; pockets of severe deprivation and a reliance on public sector jobs.	Project programmed to be completed during 2024 enabling development platforms to be developed from then.
<b>Build sustainable West Dunbartonshire communities, increasing the proportion of people who live and work in the area.</b>	High value skilled employment opportunities are required to retain young people and encourage the return of skilled educated former residents and in-migrants	Measurable by assessing the number and proportion of residents who live and work in West Dunbartonshire and reducing residents travel to work patterns.	Employment opportunities will provide jobs for skilled labour in a sustainable major employment site.	West Dunbartonshire is characterised by high levels of out-migration and projected population decline.	Project programmed to be completed during 2024 enabling development platforms to be developed from then.

## 2.6 Project Summary

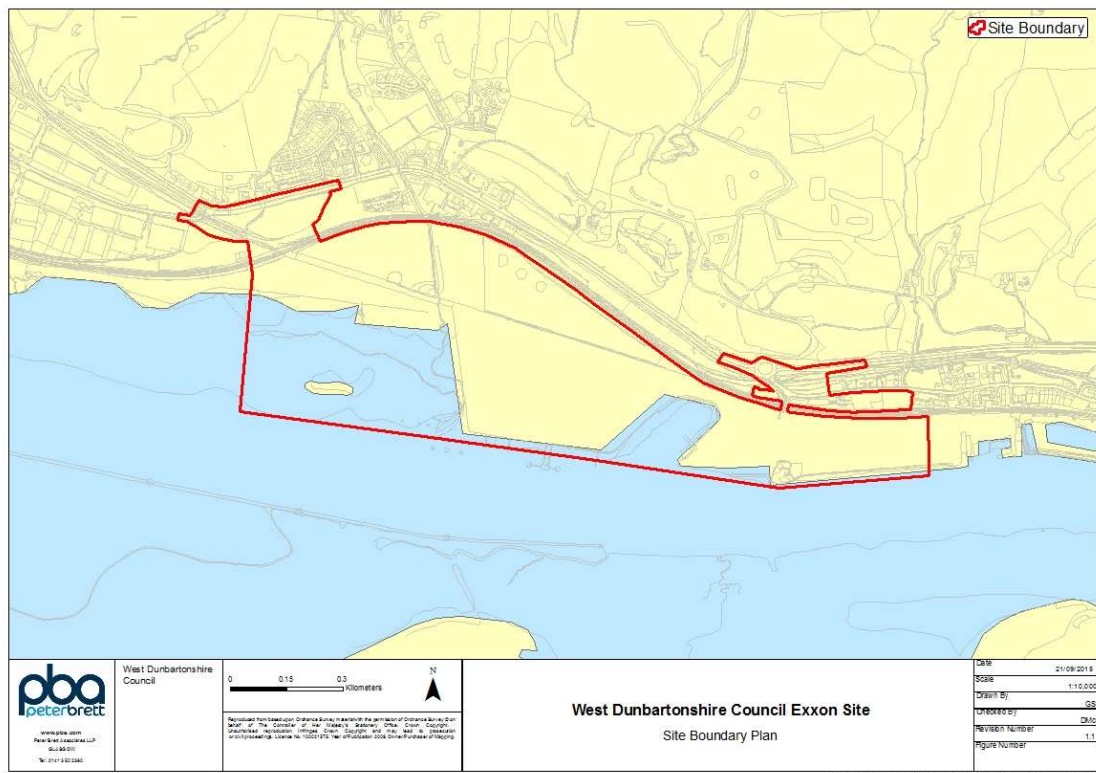
- 2.6.1 The project will entail delivery of road access and the supporting infrastructure required to enable development of the site.
- 2.6.2 Within the timeframe being considered, there are no equivalent opportunity sites in West Dunbartonshire for development of industrial / distribution / commercial space at the scale required. Other major Council regeneration initiatives have a major residential component. The Exxon site is uniquely non-residential.
- 2.6.3 One of the fundamental infrastructure requirements is the construction of road network accesses at the eastern and western extents of the site linked by a spine road through the site which will enable it to be opened up for development.
- 2.6.4 The project will deliver economic benefits to West Dunbartonshire by creating the conditions that will unlock the potential of the site for development.
- 2.6.5 To realise the delivery of the infrastructure a series of tasks must be undertaken to obtain the necessary consents for infrastructure and put in place a plan for implementation that minimises risks and ensures all key stakeholders are kept engaged and in agreement with the proposals at all stages of the project.

### Project Deliverables

- 2.6.6 The site requires substantial investment in site preparation prior to development taking place including decontamination works (which will be completed by the current owners prior to transfer to WDC), creation of new roads infrastructure, flood, environmental and drainage mitigation.
- 2.6.7 The project consists of:
- 1.95km of new spine road with associated drainage and lighting infrastructure;
  - 1.32km of upgraded existing public road (A814);
  - a new junction on the A82 at Dumbuck with closure of the existing junction;
  - a remodelled junction on the A82 at Dunglass;
  - an enhanced routing of 475m of the National Cycle Network Route 7 in the vicinity of the site;
  - a new underpass of the Glasgow – Dumbarton Railway at the western access to the site;
  - a remodelled railway overbridge at the eastern access to the site;
  - flood mitigation works;
  - environmental mitigation works (but not remediation); and
  - site drainage works.
- 2.6.8 The site boundary, including the areas where accesses will be formed, is shown in Figure 2.23.

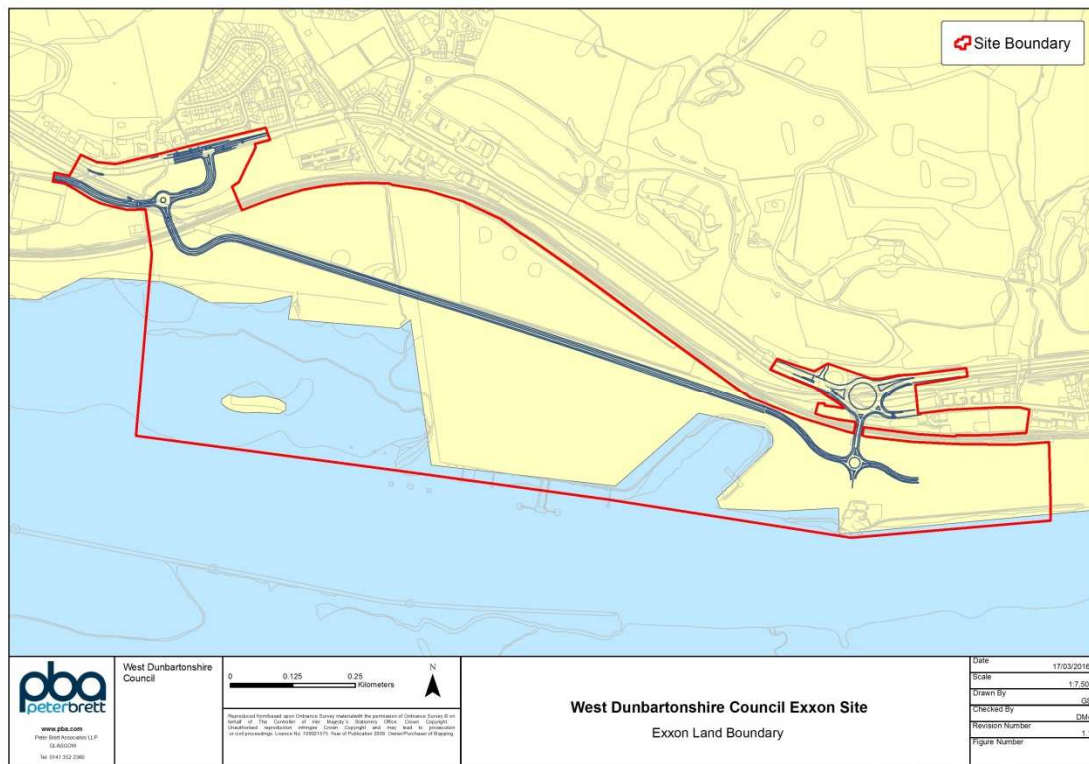


Figure 2.23 Site Boundary



- 2.6.9 The total developable area within the site, including for all roads and development plots, extends to 19.10 hectares. This area excludes land currently designated as greenbelt at the western extent of the site which covers an additional 7.82 hectares and it excludes land with the greatest level of flood risk and unsuitable ground conditions which covers another 11.35 hectares.
- 2.6.10 The site requires substantial investment in site preparation prior to development taking place and, like many other areas, much development has stalled within West Dunbartonshire during the economic downturn making the delivery of sites like this more challenging now.
- 2.6.11 One of the fundamental infrastructure requirements is the construction of road network accesses at the eastern and western extents of the site linked by a spine road through the site which will enable it to be opened up for development. A Concept Plan is shown in Figure 2.24 although the precise road and junctions layouts and locations are subject to ongoing option feasibility studies.
- 2.6.12 Currently the development potential of the site is constrained by a sub-standard (private) access at its eastern extent and no access at its western extent. Initial work has been undertaken to identify the optimum solutions for access. Details of the work to date are provided in Chapter 3.

Figure 2.24 Site Boundary and Access Concept Design



## Masterplan

- 2.6.13 To take full account of the various ecological, environmental, landscape, topographical, physical and flood risk constraints affecting the site a Masterplan has been prepared which accommodates all the constraints whilst maximising the land available for development.
- 2.6.14 The preparation of the Masterplan has been a critical task in the development of the proposals for the site to ensure the GVA requirements can be achieved through the physical development of the site. The Masterplan will be subject to stakeholder and public Pre-Application Consultation (PAC) in early 2017 as part of the Proposal of Application Notice (PAN) for the proposed Planning Permission in Principle (PPiP) application. The Masterplan should therefore be considered as a work-in-progress document subject to change on the basis of any feedback received.
- 2.6.15 Figure 2.25 shows the Masterplan for consultation as at January 2017.



Figure 2.25 Masterplan for Consultation as at January 2017



## Submission of Planning Permission in Principle

- 2.6.16 There is a requirement for Planning Permission in Principle to be obtained for the masterplanned development. This will include the likely quantum of development, proposed road and supporting infrastructure works.
- 2.6.17 In accordance with the Town and County Planning (Hierarchy of Developments) (Scotland) Regulations 2009, the proposal will be a major development (anything above 2ha in site area). This carries with it procedural requirements to undertake a minimum 12-week period of pre-application consultation. The application cannot be lodged before the expiry of this period.
- 2.6.18 Following a Screening and Scoping exercise in June 2015, the scope and nature of the required Environmental Impact Assessment (EIA) for the proposals was established.
- 2.6.19 Since then, a series of Environmental Baseline studies has been undertaken and the last of these, ornithological studies of over-wintering birds, is ongoing at this time. These studies will conclude in April 2017 and the Environmental Assessment of the proposed Masterplan against the established baseline will then be prepared. The EIA is expected to be completed by the end of 2017.
- 2.6.20 Following the preparation of the EIA, planning application drawings and the preparation of a Planning Statement will be concluded. A PPIp application is expected to be lodged before February 2018.

## Detailed Design

- 2.6.21 The principals of the Masterplan development submitted for Planning Permission in Principle will subsequently be advanced to detailed design. The design package will be intended to enable future delivery of 'development platforms' for end users in the form of individual plots of land available for development by investors or end users.
- 2.6.22 The infrastructure that will form the design package is expected to include:

- **Roads and associated transport infrastructure.** Development of a detailed design based upon preliminary work already undertaken to identify the preferred access options then refined through subsequent design processes.
- **Bridges.** Critically there is the need for a new underpass under the live railway at the west of the site and a remodelled overbridge (current access) at the east of the site upgraded to adoptable standards.
- **Flood risk mitigation measures.** Development of flood risk mitigation measures on the site to protect the development. This will also be a crucial component for investor confidence given the riverside location.
- **SuDS compliant drainage.** A drainage strategy is being developed for the entire site rather than for the individual plots. This will allow for the amalgamation of SuDS features such as drainage ponds etc and improve the overall efficiency of the drainage works.
- **Public utilities.** These will probably be located within the proposed roads infrastructure, but they need to be designed at this stage to ensure that sufficient capacity is built in to service the future needs of the site.

## Detailed Planning Applications for Roads and Infrastructure

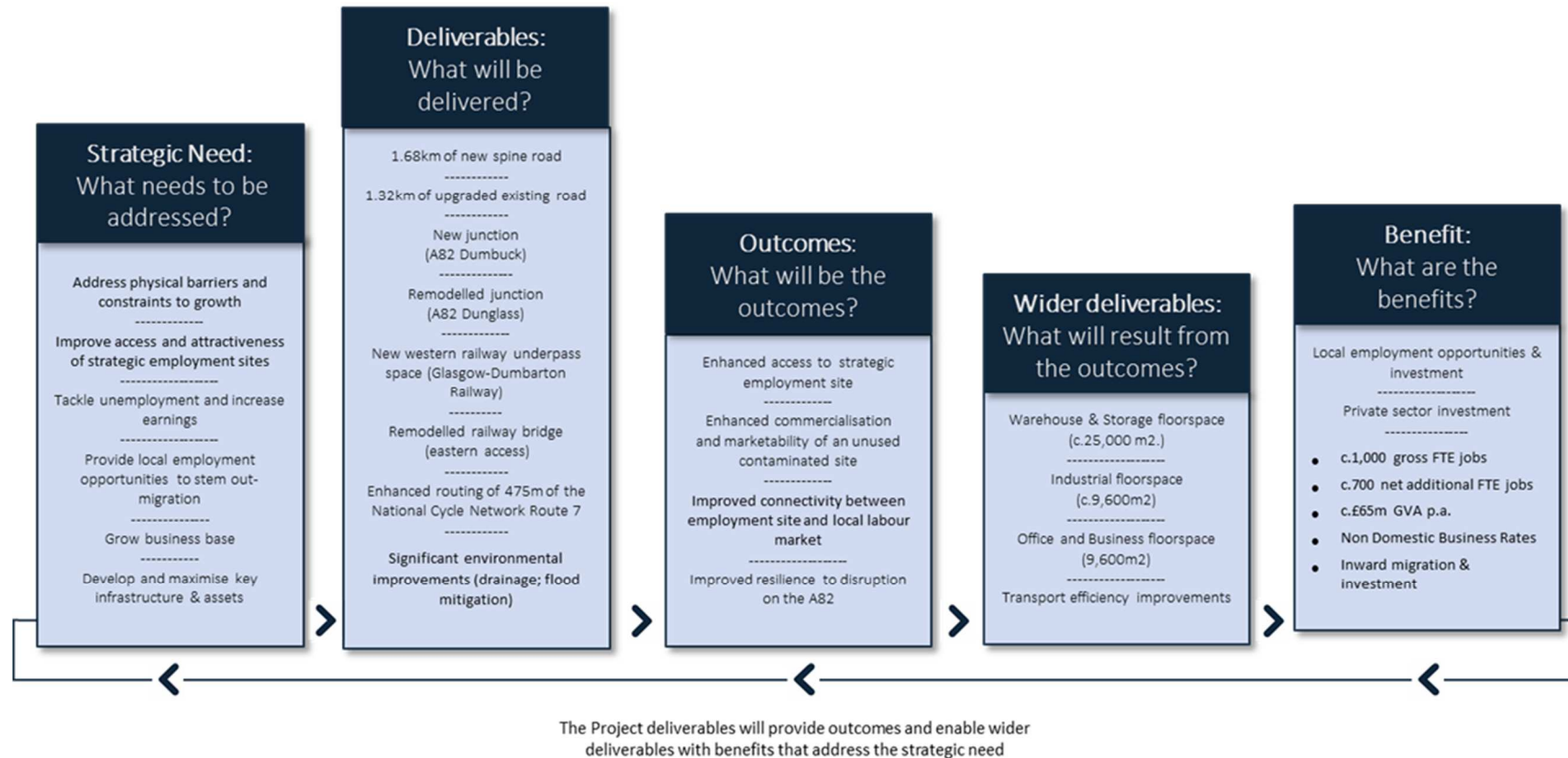
- 2.6.23 Detailed planning applications for roads and other infrastructure are again likely to have site size in excess of 2ha and will therefore be a 'major' development with the accompanying pre-

application consultation and design and access statement requirements. The methodology will be similar to that of the Planning Permission in Principle package but at a greater level of detail.

### **Delivering against Areas of Need**

- 2.6.24 Section 2.2 identified the strategic need for the project and, in particular, highlighted that there was a requirement to bring forward more land in West Dunbartonshire in the medium to longer term to meet the economic development needs of the area. It also described the competitive advantage that the site offers in comparison to other locations both within West Dunbartonshire and more widely, particularly in relation to its strategic location on the transport network and access to the Glasgow City Region labour market. The site also offers strategic advantages through its deep water frontage and its position as both a gateway to Loch Lomond and the Glasgow conurbation.
- 2.6.25 The project will deliver against these needs by creating the conditions that will unlock the potential of the site for development. Primarily this entails the provision of the necessary infrastructure to enable development to take place.
- 2.6.26 However, to realise the delivery of the infrastructure elements of the project a series of related tasks must firstly be undertaken to obtain the necessary consents for infrastructure and put in place a plan for implementation that minimises risks and ensures all key stakeholders are kept engaged and in agreement with the proposals at all stages of the project.
- 2.6.27 The Logic Model in Figure 2.26 demonstrates the linkages between the Project's direct deliverables and the strategic need for the Project.

Figure 2.26 Relationship between Project's direct Deliverables and Strategic Need



## Measuring Success

- 2.6.28 The SMART objectives defined in Table 2.12 illustrate tangible success parameters that can be further examined as a measure of project performance. Table 2.13 below provides indicative targets that would constitute success. The project's performance would be measured as part of an annual monitoring review which would collect information on: construction employment, supply chain contracts; developer interest in commercial floorspace, floorspace created and permanent employment.

Table 2.13 Success – Project Targets

Indicator	Level Required	Timeframe
City Deal Infrastructure	Infrastructure completed within timeframe and on budget	By 2024
Commercial and Industrial Floorspace	Floorspace created: 44,200 m <sup>2</sup>	By 2029
Construction Impact	Gross construction jobs (person years): 135	Up to 2029
	Construction GVA: £6.02 million	Up to 2029
Operational Impact	Private sector investment: £23.43 million	From 2029
	Net additional Full-time Equivalent (FTEs): 689	From 2029
	Operational GVA: £64.77 million per annum	From 2029
Revenue Generated	Business turnover: £75.95 million per annum	From 2029
	Business rate revenue: £1.26 million (NPV) per annum	From 2029

Note: The GVA that requires to be delivered by the project is £19,976 million, based on 2011 calculations. It can be seen that Scenario 3 will deliver GVA in excess of this requirement.

## Project Monitoring – Capability and WDC Experience

- 2.6.29 The Council will develop a monitoring and evaluation framework specifically for the City Deal project. The indicators, outcomes and targets of the City Deal investment will be monitored against established monitoring frameworks.
- 2.6.30 At the time of writing, the Assurance Framework, Benefits Realisation and Economic Case guidance for member authorities continues to be refined. The Council will strive to adhere to future revisions in project and performance monitoring once these documents are finalised.
- 2.6.31 The Council has established mechanisms to monitor the performance of physical regeneration projects and is accustomed to preparing annual monitoring assessments to report progress against a range of economic development and environmental targets. The Council also routinely reviews the methodology for collecting such monitoring data to ensure optimum data quality and to help improve the reporting process.
- 2.6.32 Monitoring framework examples include business and employment profiling of the Vale of Leven Industrial Estate (2012) and the annual monitoring of the Lomondgate Project. Comprehensive monitoring reports have been prepared for Lomondgate on an annual basis since 2009. The established methodology involves consultations with tenant businesses, housebuilders and the

BBC Dumbarton Studio. The report shows incremental progress towards investment, employment, GVA, house completion and land and floorspace development targets. Construction impacts and Council tax revenue are also recorded. The monitoring report also includes an assessment of the status and scale of future development activity.

- 2.6.33 An example of the latest Lomondgate Monitoring Report is provided in Appendix A. A similar methodology is envisaged for this project.

### Evidence of Delivering Successful Projects

- 2.6.34 West Dunbartonshire Council has the skills, resources, capacity and established capability to deliver the project. Over the last 5 to 10 years, the Council has designed and delivered projects similar in scope, scale and complexity. This demonstrates experience and competency in the design and delivery of infrastructure and road building schemes and engaging with key stakeholders during the project lifecycle. The Council has extensive experience of working with external consulting engineers and designers to facilitate the delivery of large scale infrastructure and public realm schemes. Appendix B provides a schedule of Council delivered infrastructure projects since 2006.
- 2.6.35 The Council's Regeneration Service has also sought and secured external funding and delivered a number of medium and large scale physical regeneration projects over the past 5 to 10 years. This demonstrates experience and competency in developing, delivering and monitoring physical regeneration projects, meeting the requirements of grant funders, adhering to grant conditions and partnership delivery.
- 2.6.36 An experienced multi-disciplinary team has been set up within West Dunbartonshire Council Regeneration Services to take forward the execution of this project. The Capital Projects Team will be responsible for the delivery of the project supported by external consultancy support where necessary.
- 2.6.37 In line with WDC's Project Management Approach document a City Deal Project Board has been established and has been in operation for over 12 months. This Board provides senior management oversight for the project.

## 2.7 Dependencies and Constraints

### KEY POINTS

- The majority of potential dependencies and constraints are linked to environmental issues on the site and can be mitigated through appropriate management and application of suitable interventions as the project is taken forward to implementation.
- The main dependencies and constraints relate to ecological issues, heritage, flooding, contamination and remediation, land ownership, transport network impacts and agreement to proposals with key stakeholders.

- 2.7.1 Throughout the development of the project a series of potential dependencies and constraints have been identified. Most are linked to environmental issues on the site and can be mitigated through appropriate management and application of suitable interventions as the project is taken forward to implementation.

### Environmental Impact Assessment

- 2.7.2 An Environmental Impact Assessment (EIA) will be required for the development.



- 2.7.3 An EIA Baseline Report for the proposed development will set out the baseline position with regard to the site and its surroundings and will form the basis of the Environmental Statement (ES) to support the planning application.
- 2.7.4 The majority of the EIA Baseline Report has been completed, the exception being the Ecology section as a series of species surveys are ongoing to inform it.

### Ecology

- 2.7.5 As part of the EIA Baseline, a Phase 1 Habitat Survey and Preliminary Ecological Appraisal were completed in July 2016.
- 2.7.6 They identified constraints relating to the Special Protection Area (SPA) and the bird populations located within and beyond the site boundary within the Site of Special Scientific Interest (SSSI) and Ramsar Site (wetlands of international importance) which lie adjacent to the site.
- 2.7.7 A full range of ecological survey work to inform the project development and the environmental assessment was identified. Surveys are required for on-site notable habitats, breeding birds, otter, water vole, bats, reptiles and great crested newt.
- 2.7.8 A detailed survey specification was prepared in September 2016 and subsequently agreed with Scottish Natural Heritage (SNH) and the Royal Society for Protection of Birds (RSPB).
- 2.7.9 To date, Otter and Water Vole surveys have been completed and a programme of over wintering ornithological surveys are ongoing and due for completion in Spring 2017. Further species surveys are also programmed for Spring 2017.

### Noise & Vibration

- 2.7.10 As part of the EIA Baseline, a baseline noise survey has been undertaken in order to establish the prevailing acoustic environment near to existing noise-sensitive receptors. Continuous sound level monitoring was undertaken between Tuesday 20<sup>th</sup> and Saturday 24<sup>th</sup> September 2016.
- 2.7.11 A number of site visits were undertaken to observe the acoustic environment, identify neighbouring noise-sensitive receptors and determine the existing noise sources impacting on the local area.
- 2.7.12 Subjectively, the existing acoustic environment is characterised by relatively constant noise from passing road traffic and by intermittent transient noise from passing rail traffic.
- 2.7.13 A number of noise sensitive receptors (NSRs) were identified as being in relatively close proximity to the site and as having the potential to be adversely affected by noise. The identified NSRs are regarded as having a 'high' sensitivity to noise.
- 2.7.14 Continuous sound level monitoring has been undertaken at three key locations adjacent to the existing NSRs in order to quantify the prevailing ambient and background sound levels. The background noise climate is typically highest directly adjacent to the A82. However, the existing NSRs at all measurement locations are subjected to relatively high ambient  $LA_{eq}^4$  and transient  $LAF_{max}^5$  sound levels from passing road and/or rail traffic.

<sup>4</sup>  $LA_{eq}$ . A-weighted, equivalent sound level. A widely used noise parameter describing a sound level with the same Energy content as the varying acoustic signal measured.

<sup>5</sup>  $LAF_{max}$ . A-weighted, Fast, Maximum, Sound Level.

## Air Quality

- 2.7.15 A preliminary assessment of the baseline air quality in the vicinity of the site has been undertaken as part of the EIA Baseline. Current air quality has been considered in relation to existing residential receptors in the vicinity of the site and at designated ecological receptors in the area.
- 2.7.16 For human health receptors, the annual mean Nitrogen Dioxide (NO<sub>2</sub>), PM<sub>10</sub> and PM<sub>2.5</sub> objectives<sup>6</sup> are not predicted to be exceeded at any of the existing properties in close proximity to the proposed development site.
- 2.7.17 For ecological receptors, the baseline background nitrogen oxides concentrations are well below the relevant objective. In addition, the nitrogen and acid deposition for the habitats located within Inner Clyde Ramsar, SSSI and SPA are below the critical loads.

## Ground Conditions and Geology Use

- 2.7.18 In May 2015, a full Technical Due Diligence (TDD) was completed. It included a full review of all historic reports related to ground conditions on the site including substantial records related to contamination. In March 2016, a Phase 1 Ground Contamination Report was prepared as part of the requirements of the EIA Baseline. The Phase 1 Report considered ground conditions in more detail than the TDD.
- 2.7.19 Both the TDD and Phase 1 Report concluded that there were several areas of the site requiring remediation to protect ground water. The current site owners are developing a programme of further remediation works and these will be the subject of a future planning application in 2017. A PAN consultation event for the proposed application was conducted by Exxon in Bowling on 9<sup>th</sup> November 2016.

## Water, Hydrology and Flood Risk

- 2.7.20 Scottish Environmental Protection Agency (SEPA) mapping shows that the site is at high risk of flooding from coastal inundation (combination of high tides and low atmospheric pressure), and also from fluvial (river) inundation from Milton Burn.
- 2.7.21 Following the EIA Scoping, in October 2015, an approach to hydraulic modelling and Flood Risk Assessment was agreed with the Council's Flooding Officer and SEPA.
- 2.7.22 Drainage Channel and Watercourse surveys were completed in August 2016 and a Preliminary Watercourse and Drainage Baseline Review in September 2016. These informed the development of a hydraulic model of the Milton Burn which flows into the site, and an update to the Clyde Estuary hydrology model.
- 2.7.23 A Milton Burn Baseline Hydraulic Modelling Report was prepared in October 2016 and subsequently approved as fit for purpose by SEPA in November 2016. The model has subsequently been used to appraise preliminary flood risk mitigation options. The outputs from that work have informed the Masterplan development and will be discussed with SEPA as the next phase of design works progresses.
- 2.7.24 A comprehensive Flood Risk Assessment and management plan identifying works required to protect the site from flooding will be completed to support any planning application.

## Landscape and Visual Impact

- 2.7.25 As part of the EIA Baseline, a Landscape and Visual Impact Assessment (LVIA) has identified and assessed the negative and positive effects and significance of change arising from the

<sup>6</sup> PM<sub>10</sub> is particulate matter 10 micrometers or less in diameter. PM<sub>2.5</sub> is particulate matter 2.5 micrometers or less in diameter. PM<sub>2.5</sub> is generally described as fine particles.



proposed development on the landscape as an environmental resource in its own right and on people's views and visual amenity.

- 2.7.26 The LVIA has identified that landscape features of the site which will potentially be affected by the proposals include:
- embankment of the former railway;
  - National Cycle Route 7 and Core Paths;
  - wetland habitat;
  - trees and other vegetation; and
  - change in land use, from derelict site to mixed development.
- 2.7.27 The proposed development will result in changes to local landscape character. However, due to the previous land use, most of the site is degraded, therefore direct landscape character effects likely to occur on site are predicted to be beneficial for the most part, from soil remediation, linking green networks, improving connectivity to the waterfront, restoring heritage assets and providing amenity green space.
- 2.7.28 Detailed mitigation proposals will be developed as part of the design and planning process and will include a Landscape and Ecological Management Plan to be agreed as part of detailed designs.

### **Traffic and Transport**

- 2.7.29 The project will provide significant betterment to traffic and transport connectivity through enhanced junctions on the A82, enhanced connectivity of the NCN 7 cycle route and improved pedestrian connectivity to existing public transport services. Significant detail on the proposals is provided in this Business Case. The detail will continue to be developed as the planning and design processes proceed.

### **Archaeology and Heritage**

- 2.7.30 As part of the EIA Baseline, a comprehensive archaeology and heritage assessment has been undertaken.
- 2.7.31 The principal heritage constraint upon the development relates to Dunglass Castle and the adjacent monument. As listed buildings, there is both a legislative and policy requirement for the Council to pay special regard to the desirability of preserving or enhancing their setting when considering the planning application. Therefore, the design of the development should aim to preserve the setting of Dunglass Castle and the Memorial to Henry Bell. The design should avoid dominating or cluttering views of them from both the Clyde and the shore, in particular the area immediately to the north and Bowling Basin, leaving them the dominant features on the headland. To achieve this, the development should be set back from the outcrop upon which they stand and the height of buildings limited and materials chosen to help the development blend in to its surroundings and avoid the urbanisation of the views of the monument and castle.
- 2.7.32 There are no other known heritage constraints, given the nature of the proposed development.

### **Land Ownership**

- 2.7.33 The successful development of the site is dependent upon transfer of land ownership from Exxon to West Dunbartonshire Council on terms that are mutually acceptable to both parties. Draft Heads of Terms have been presented by the land owner to the Council. These are currently the subject of negotiation between the parties.

- 2.7.34 Other areas of land that are required to enable access to be provided are also in the ownership of third parties. Introductory discussions with third party landowners begun in November and December 2016 and will continue in 2017.

### Summary of Dependencies and Constraints

- 2.7.35 Table 2.14 summarises the internal and external dependencies and constraints that will influence the successful delivery of the project.

Table 2.14 Dependencies and Constraints

Dependencies/ Constraints	Lead responsibility
<b>Internal Factors<sup>7</sup></b>	
Environmental – preparation and agreement of Flood Risk, Ecology, Landscape Mitigation Management Plans. Programming and implementation of agreed species and habitat mitigation measures (pre and post road construction) to protect and mitigate impacts. SNH license and monitoring requirements. Specialist ecological requirements pre, during and post construction.	WDC City Deal Programme Team
Programming – alignment of access road development and construction programme, particularly Network Rail requirements, with the wider development requirements. Commercial buy-in dependent on road access.	WDC City Deal Programme Team / Network Rail.
Utilities - programming of service connection requirements.	WDC City Deal Programme Team / Utility Companies
Financing – tender costs must not exceed funding budget	WDC City Deal Programme Team.
<b>External Factors<sup>8</sup></b>	
Land ownership and acquisition – In addition to acquiring the Exxon land ownership, there are 8 affected landowners including some known to be unwilling to make their land available if required. Acquisition terms to be agreed, purchases authorised and concluded.	WDC City Deal Programme Team.
Stakeholder lead in time (particularly Network Rail) may not be compatible with construction phase.	WDC City Deal Programme Team.

- 2.7.36 In summary, there are many factors known to place constraints on the project. Each of these has either been identified in the risk register and/or been considered in development of the Masterplan. Ongoing design work continues to fully consider these constraints and address them within the project budget.

<sup>7</sup> Internal factors relate to dependencies that arise when a change in another project or variable has a direct consequence on this project (e.g. availability of resources or sequencing of other projects)

<sup>8</sup> External factors include successful procurement of a contractor or private ownership of assets within the project footprint.

## 2.8 Stakeholders

- 2.8.1 The delivery of the project will be dependent upon a number of key stakeholders agreeing to the proposals being taken forward. In particular, Network Rail agreement will be required to allow construction of a new underpass (west) and overbridge (east) road access to the site.
- 2.8.2 Affected land owners will also have to be consulted.
- 2.8.3 Agreement from Transport Scotland is required to enable junctions to be amended on the existing A82 Trunk Road.
- 2.8.4 Delivery will also be dependent upon engagement and sign off with a range of other stakeholders during the planning and design process.

### Historic Consultation

- 2.8.5 Before the project began, the concept of such a project was included in the proposed LDP. Stakeholder feedback, in the form of responses to the proposed LDP land-use strategy, has been considered in developing the concept of the project.
- 2.8.6 Representations were made in relation to the site and can be summarised as follows.

- **Silverton and Overtoun Community Council:** Accept the argument for part of the land to be used for a road between Dumbuck Junction and the Dunglass Roundabout but otherwise consider the remainder of the site should be retained as green open space, with a nature reserve created.
- **Local Objectors to the Spatial Strategy for the Esso Bowling & Scott's Yard site include:**
  - **Green Belt** – object to the release of green belt land, particularly the extension of the site towards Dumbuck Junction.
  - **Land Ownership** – local landowner is unwilling to allow development on their land. Development would adversely affect the owner's use of their land.
  - **Biodiversity** – the area is a natural habitat and part of the green network. It should be left to nature as an area where wildlife is enhanced and protected.
  - **Flooding** – the area is at risk of flooding.
  - **Access Road** - there should be no new road.
  - **Land-use Development** – no residential, retail or any form of built development.
- **Clydeport Operations Ltd:** Support to the identification of the wider Esso Bowling site as a business and industry opportunity.
- **RSPB Scotland:** The area of green belt to the west of the development site is referred to in the Draft Habitat Regulations Appraisal as a compensation area for the loss of intertidal habitat through climate change effects, highlighted as being virtually unique in West Dunbartonshire. This information should be transferred to the Proposed Plan.
- **Scottish Natural Heritage (SNH):** Support the mapping of proposed Green Network enhancements at this site's western end and the reasons given and note the site's southern waterfront presents a no less significant opportunity.

- **Clydebelt:** Support retaining the green belt to the west of the site, which links the tidal zone and River Clyde to the Kilpatrick Hills via the burn and offers the opportunity of wildlife enhancement. They would also like the cycleway to be enhanced and form part of a green corridor through any developed part of the site. Additionally, they note that the area to the east of the basin has potential for leisure / heritage use due to the Bell Monument, Dunglass Castle.

2.8.7 The Reporter made a number of conclusions in relation to these points which he summarised as:

*"I conclude that the principle of the development of the site for the uses identified is appropriate, and that the inclusion of green belt within the site is also appropriate. The inclusion of green belt strengthens its importance in relation to the development of the site.*

*The principle of a new link road to serve the proposed new development, and provide some relief for traffic on the A82 to the north of the site, is an important element of the development strategy for the site, and in the circumstances takes priority over any loss of existing pastureland.*

*I also conclude that the nature conservation interests, particularly in relation to the special protection area, have been sufficiently addressed at this stage. However, the green belt area in the western part of the site has the potential to provide compensation for loss of habitat following climate change, and this should be referred to within the strategy for the development of the site.*

*I further conclude that the principle of green network enhancement should be expanded within the site, and that although this is also a matter to be determined through the Masterplan process, an indicative area should be shown along the southern boundary of the site, linking the cycleway in the west to Bowling Station in the east. In addition, the potential for tourism and recreation use of Dunglass Castle should be referred to within the strategy. I also conclude that physical constraints can be satisfactorily addressed."*

2.8.8 Subsequently, Reporter's modifications were agreed by the Council.

## Project Consultation

2.8.9 Throughout the project development to date stakeholder engagement has been a key consideration as it is recognised that the cooperation and buy-in of a series of key stakeholders will be essential to the successful delivery of the project. An ongoing programme of stakeholder engagement is planned throughout the detailed design and implementation of the project to ensure stakeholders remain informed and committed to assisting in its delivery.

2.8.10 Since publication of the SBC, consultation has continued between key stakeholders and the project team including pre-EIA screening stakeholder consultation and a series of topic specific meetings related to the EIA requirements. Engagement with Network Rail has been an important feature of the recent programme.

2.8.11 To date, the key outcomes of these meetings can be summarised as:

- **Transport Scotland (TS):** TS commended the approach taken thus far and had no significant issues with the proposals. TS is keen to ensure regular contact is maintained as the project is taken forward. TS has made minor comment on the Project's Basis of Design document.
- **Network Rail (NR):** In August 2016, NR issued a Clearance Technical Certificate for the further development of the proposals for the western underpass. In addition, NR will also require a full structural bridge assessment of the overbridge which forms the current

access at the eastern extent of the site. There is consequently potential for NR's requirements to delay the completion of the transport infrastructure works given the long lead-in time they require. NR has been provided with a GRIP 2 study and the Basis of Design for the project and response to these documents is awaited. GRIP 3 studies are underway.

- **Scottish Environmental Protection Agency (SEPA):** SEPA has approved a hydraulic modelling approach for the site, a watercourse survey programme and the proposed approach to Flood Risk Assessment incorporated in the EIA. SEPA has approved the Baseline Hydraulic Modelling Report and will be consulted on the emerging options for flood risk mitigation.
- **Scottish Natural Heritage (SNH):** SNH has approved a wide range of ornithological and ecological surveys to inform the EIA Baseline. These are ongoing.
- **Royal Society for Protection of Birds (RSPB):** has approved a wide range of ornithological and ecological surveys to inform the EIA Baseline.
- **West of Scotland Archaeological Service:** has approved a range of studies to inform the EIA Baseline.
- **Historic Scotland:** has provided information to support development of the EIA Baseline.
- **Scottish Water:** has provided information to inform the hydraulic modelling and is aware of and generally supportive of the project. Consultation on the Basis of Design in December 2016 has been helpful in understanding SW requirements.
- **Health & Safety Executive:** consulted and commented on the EIA Scoping – no major concerns.
- **Inverclyde Council:** consulted and commented on the EIA Scoping no major concerns.
- **Glasgow and Clyde Valley Green Network:** consulted and commented on the EIA Scoping no major concerns.

2.8.12 A record of the stakeholder engagement to date is provided in Table 2.15 below.

2.8.13 In addition, initial consultations with adjacent landowners begun in November and December 2016 and will continue in 2017.

Table 2.15 Stakeholder Engagement Summary

Stakeholder Group	Contribution	Expectation/Demand	Engagement to date
<b>Local Authorities</b>			
West Dunbartonshire Council	Project Sponsor	West Dunbartonshire Council	Project Sponsor
Inverclyde Council	Consultee in respect of the Inner Clyde Estuary SPA	EIA and Planning Application Consultee	Consulted on EIA Scoping
<b>City Deal Bodies</b>			
The Cabinet	Project Coordination	Interaction as required	Regularly informed of progress through ongoing meetings and reports
The Chief Executive's Group	Project Coordination	Interaction as required	Regularly informed of progress through ongoing meetings and reports
Project Management Office (PMO)	Project Coordination	Interaction as required	Regularly informed of progress through ongoing meetings and reports
Financial Strategy Support Group	Project Coordination	Interaction as required	WDC officer support
Legal Support Group	Project Coordination	Interaction as required	WDC officer support
Procurement Support Group	Project Coordination	Interaction as required	WDC officer support
Lead Officers Support Group	Project Coordination	Interaction as required	WDC officer support
Transport Support Group	Project Coordination	Interaction as required	WDC officer support
Economic Development Support Group	Project Coordination	Interaction as required	WDC officer support
Audit Support Group	Project Coordination	Interaction as required	WDC officer support
<b>Private Sector</b>			
Exxon	Site owner	Lead decontamination of site and engage proactively on proposals for its future development	Ongoing and regular liaison between WDC and Exxon has taken place during the development of the project
Public Utilities Companies	Public services for site occupiers	Identify location of existing public utilities in vicinity and provide necessary extensions to service the occupiers of the site	Utility companies have all provided copies of existing asset records.



Stakeholder Group	Contribution	Expectation/Demand	Engagement to date
Third Party Land Owners	Land owner	Land required for site access	Introductory contact has been made in November and December 2016.
<b>Other Public Sector Bodies</b>			
Scottish Environmental Protection Agency	Flooding risk	Agreement and approval of approach to hydraulic modelling, flood risk assessment and the EIA	EIA consultation meetings and exchanges of documentation to gain approvals to approach
Scottish Natural Heritage	Wildlife protection	Agreement and approval of approach to ecological studies and the EIA	EIA consultation meetings and exchanges of documentation to gain approvals to approach
RSPB	Wildlife protection	Agreement and approval of approach to ecological studies and the EIA	EIA consultation meetings and exchanges of documentation to gain approvals to approach
Historic Scotland	Listed buildings and ancient monuments protection	Agreement and approval of approach to archaeological studies and the EIA	EIA consultation meetings
West of Scotland Archaeological Service	Listed buildings and ancient monuments protection	Agreement of approach to archaeological studies and the EIA	EIA consultation meetings
Health & Safety Executive	Existing HSE Notification Zone	Agreement of approach to the EIA	EIA consultation meetings
Glasgow and Clyde Valley Green Network	Access and sustainable transport	Agreement of approach to the EIA	EIA consultation meetings
<b>Transport Bodies</b>			
Transport Scotland	Access to site and impacts on Trunk Road network	Sign off on proposed approach to provide access to the site. Agree Basis of Design	Several consultation meetings and exchanges of documentation to gain approvals to approach
Network Rail	Access to site by crossing current live railway line	Sign off on proposed approach to provide access to the site	Several consultation meetings and exchanges of documentation to gain approvals to approach
<b>Community Groups, Users and Others</b>			
Strategy being developed but will include Colleges, Chamber of Commerce, Scottish Enterprise, Skills Development Scotland and local community organisations, etc.			

## 2.9 Risk

2.9.1 A series of potential risks that could affect the successful implementation of the project have been identified and are set out in detail in the Risk Register attached as Appendix D. These risks can mainly be classified as relating to the following categories:

- Physical / assets
- Political
- Professional
- Financial
- Regulatory / legal
- Environmental
- Contractual

2.9.2 After mitigation measures and control actions have been taken into account, the Top 5 risks to successful implementation of the project are:

- Land required for development cannot be acquired on acceptable terms;
- Agreement on technical approach with key stakeholders (e.g. Transport Scotland, Network Rail, public utilities, SEPA, etc.) creates timescale delays;
- Necessary statutory approvals for development cannot be gained or are delayed;
- Delay to remediation of contaminated land (by the current owners) ^;
- Council delays decision on approval of Business Case as project progresses^;
- Network Rail require eastern access overbridge to be adopted by West Dunbartonshire Council. The bridge deck and parapets do not currently meet required standards for adoption and have to be replaced^;
- Flood risks have the potential to adversely limit the development area^.

^ Fifth equal

2.9.3 Proposed mitigation measures for these risks are identified in the Risk Register.



## 3 Economic Case - Options Appraisal

### 3.1 Introduction

3.1.1 Achieving additional and transformational change in the potential of West Dunbartonshire's economy requires:

- identification of large scale sites which provide an opportunity for their comprehensive development and scope for expansion;
- identification of the key sectors required to achieve it and their likely needs; and
- establishment of the infrastructure requirements associated with different options.

3.1.2 A high level options appraisal, based on the objectives identified in Section 2.5, has considered the best way to provide this step change in the volume and value of economic activity in West Dunbartonshire. This has considered possible locations for the size of investment required and consideration of those sectors which will best contribute to the objectives, particularly those presently performing well or other growth sectors.

3.1.3 The project aims to meet the expansion requirements of successful local enterprises while also attracting inward investment linked to its accessibility (to the strategic road network, Glasgow Airport, and potentially as a gateway to the West Highlands), reasonably well-educated resident workforce, riverside location and high value environmental characteristics.

3.1.4 It also seeks to develop the momentum generated by areas such as Lomondgate and the Vale of Leven Industrial Estate. Comparison of project objectives against the evidence of a reducing supply of industrial and business land indicates the need for additional opportunities of scale to reposition the area in the long term.

3.1.5 The options appraisal has therefore consisted of three parts:

- options for the location of a sizeable economic investment site;
- options for the use of the site (economic activity); and
- options for access to the site (infrastructure requirements).

### 3.2 Options for the Location of a Sizeable Economic Investment Site

3.2.1 Initial option development focussed on where sizeable economic development could be accommodated. In 2011, West Dunbartonshire Council's Industrial Monitoring identified an emerging shortfall in the availability of employment land across the Council area. In the interim, this has been further exacerbated by continued development at Lomondgate and Clydebank Business Park. Forward 10-year demand has increased from 2.7 ha to 3.7 ha per annum<sup>9</sup>. By 2014, West Dunbartonshire's marketable supply was 35.7 ha, equivalent to 9.7 years take up. Continued take up at prevailing levels would absorb much of the area's available employment land supply within the next ten years. This is a quantitative assessment. In practice, development rates may progressively be checked. As the more marketable and attractive sites in the existing supply are taken up, residual sites may be less well positioned to absorb demand. While there are sufficient sites to meet short to medium term demand, there is a clear requirement to ensure the long term availability of serviced and accessible sites to enable West Dunbartonshire's sustainable economic growth.

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<sup>9</sup> Based on the average of the previous 5 years

- 3.2.2 The scale of additional availability needed to service continued sustainable growth beyond 2024 is estimated between five and ten years' current demand i.e. between 19-37 ha. While infill opportunities will continue to absorb some of this, the potential to effectively deliver large scale site opportunities to accommodate a range of employment uses is clear.
- 3.2.3 Various development areas were considered in the initial assessment for inclusion in the Glasgow City Region City Deal programme, as follows:
- strategic disposal sites: a package of sites of between 0.6 ha – 4.77 ha identified mainly for residential use;
  - Lomondgate/Vale of Leven Industrial Estate: package of 6 sites totalling 23.6 ha. The remainder of Lomondgate extends to some 9.7ha and is being marketed for a range of employment uses;
  - Queens Quay: the 40ha former John Browns shipyard is now targeting a combination of residential, health, retail and other town centre uses;
  - Bowling Basin: mainly residential opportunities focused on the western terminus of the Forth & Clyde Canal;
  - Dumbarton Waterfront: a town centre quarter promoting new residential and town centre leisure opportunities; and
  - the former Bowling Oil Terminal site owned by Exxon.
- 3.2.4 Project options with the capacity to deliver significant industrial and business development in West Dunbartonshire are limited to Lomondgate, Vale of Leven Industrial Estate and the Exxon site. Each of the options has a supportive planning designation. At this stage, a high level option appraisal has been undertaken, based on: site area; long term capacity to meet the needs of West Dunbartonshire's economy; capacity to generate additional GVA; and long term availability.
- 3.2.5 Lomondgate has successfully developed the BBC's presence at its Dumbarton studios, while also safeguarding and securing the headquarter presence of Aggreko in West Dunbartonshire. Development of the remaining component is anticipated in the next 3-5 years. While the momentum generated by its development will increase demand for floorspace in West Dunbartonshire, other large scale opportunities will be required to realise and continue the required step change in economic activity.
- 3.2.6 The Vale of Leven Industrial Estate is home to major international companies such as Chivas and Diamond Power and is in several ownerships. Further development is anticipated in the short to medium term to accommodate the levels of demand already being witnessed locally, for example Chivas recently announced a £40m expansion of its activities. The formation of an industrial Business Improvement District in 2014 has helped to address some of the promotional challenges faced by the area, encouraging location, again in the medium to short term. Comprehensive development opportunities are limited by the pattern of available plots and the existing buildings. Access to the A82 is indirect (via Lomondgate Interchange). The capacity for additional development of the scale required by the project is limited.
- 3.2.7 The Exxon site is in single ownership albeit that other land is required for access. The 61.71 hectare site is subject to a range of environmental designations as well as flood risk and unsuitable ground conditions constraints. These reduce the developable area, including for all roads and development plots, to some 19.10 hectares which would be the largest concentration of potential employment land in West Dunbartonshire. Should these constraints be addressed, a high quality, well located development site would be available within the next 7-10 years. The site is of the scale required to meet project objectives, with the potential to offer a broad range of development and employment opportunities in the medium to long term. City Deal funding

offers the opportunity to address the site constraints in a comprehensive manner, while also enabling future requirements for industrial and business land to be addressed.

- 3.2.8 From the high level options appraisal, the Exxon site is best placed to meet the project objectives.

### 3.3 Options for the Sectors of Opportunity

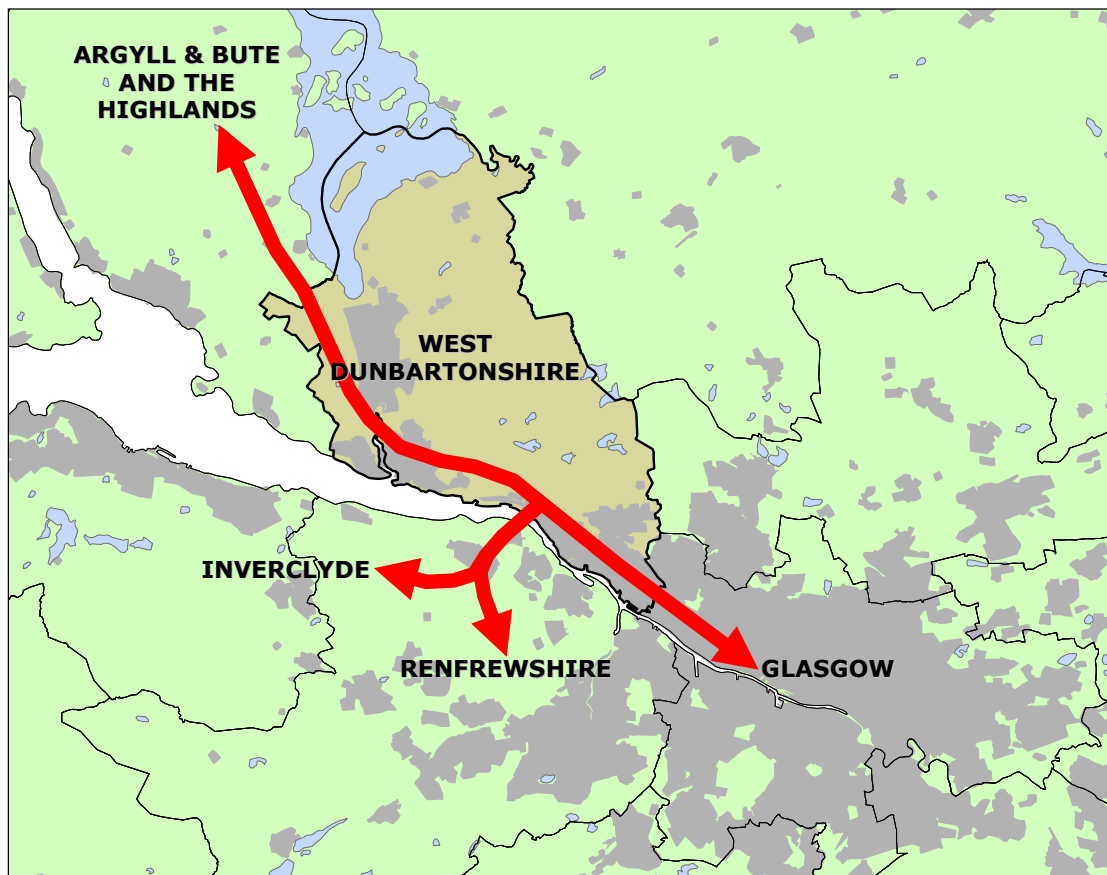
- 3.3.1 West Dunbartonshire's economic and sector profile highlights established strengths in engineering (distilling, power generation etc.), weaknesses in traditional office-based sectors and a high level of dependence on public administration, health and education.
- 3.3.2 The major employment sectors in West Dunbartonshire include 'public administration, education and health', 'wholesale and retail' and 'financial and other business services', which account for approximately 74% of total employment within the area, higher than both the Glasgow City Region City Deal and Scotland averages of 67% and 65% respectively. There is a need to diversify the economy away from these sectors and, in particular, to attract more private sector investment to reduce dependence on the public sector for employment.
- 3.3.3 This suggests that an offer which can combine opportunity for higher value and advanced sectors, with more broadly-based production and support opportunities may be best placed to achieve the related objectives of increased GVA at Council and Glasgow City Region level together with increased employment and economic activity. This indicates a focus on the following sectors, some of which have already established in the area and for which there is potential for additional growth, and others which West Dunbartonshire's locational characteristics may be attractive to should appropriate development opportunities be available:

- Food and drink (manufacture and distribution): developing advanced processes to enable West Dunbartonshire to maintain a role in the vanguard of sector development;
- Advanced manufacturing and logistics: related to existing clusters of activity and expansion related to energy sector, defence and other requirements; and
- Office and professional services activity: developing from accessibility to Glasgow Airport and the strategic road network, the potential to develop a differentiated market proposition based on the area's high environmental values (land and river) and the momentum generated by development in West Dunbartonshire's Town Centres and elsewhere.

### 3.4 Options for Site Access

- 3.4.1 The A82 Trunk Road is the main arterial link through West Dunbartonshire linking to Glasgow in the east as well as Loch Lomond and beyond in the north. It also provides access to the Erskine Bridge which connects West Dunbartonshire with areas on the south bank of the River Clyde via the M8 and strategic road network. The Exxon site is strategically located adjacent to the A82.
- 3.4.2 West Dunbartonshire is consequently situated at a strategic location on the transport network acting as a gateway to Argyll & Bute and the Highlands from the Glasgow conurbation. In addition, it is positioned at a key bridging point across the River Clyde providing links to Renfrewshire and Inverclyde.
- 3.4.3 Figure 3.1 illustrates West Dunbartonshire's strategic position on the transport network and highlights its pivotal place in the region.

Figure 3.1 West Dunbartonshire's Strategic Location



- 3.4.4 Taking advantage of West Dunbartonshire's strategic position in the west of Scotland is fundamental in making an attractive place to live, work and visit by supporting a vibrant local economy. This makes it a perfect base location for people who want to take advantage of its close proximity to a range of key attractions as West Dunbartonshire is ideally suited to those who want access to the services and opportunities available in the Glasgow conurbation whilst also living on the doorstep of one of Scotland's National Parks. In addition, there is easy access to locations south of the Erskine Bridge including Glasgow Airport. It is perfectly located for a range of attractions and facilities and there is consequently a need to ensure that sufficient employment opportunities are available to allow people to take advantage of these opportunities. Access to the Exxon site is therefore a key consideration in its delivery for economic development.
- 3.4.5 Initial, high-level analysis identified a set of preferred options for providing access at the eastern and western ends of the site in the vicinity of Dunglass Roundabout and Dumbuck Junction respectively, together with a spine road to provide access to individual development plots.
- 3.4.6 Subsequent work examined initial Concept Design options for each access point and the spine road with the aim being to de-risk the project in terms of:
- any engineering 'show-stoppers';
  - Network Rail requirements; and
  - Transport Scotland requirements.

- 3.4.7 More recently, Feasibility Studies, undertaken to comply with Network Rail's Guide to Rail Investment Process (GRIP) Stage 2 have been completed for each access point. These, together with the development of the Basis of Design for the project and constraints analysis based on a full topographical survey and initial 3D modelling of the site, will inform GRIP Stage 3 Option Selection studies which are ongoing.
- 3.4.8 Below is a summary of the Concept Design work that will be taken forward during the GRIP 3 studies. Network Rail has issued a Technical Clearance Certificate for the concept of an underpass at the western end of the site based on the GRIP Stage 2 study but further work on the exact location and design of the underpass is required.

### Eastern Access Options

- 3.4.9 A shortlist of two main options emerged for providing access at the eastern end of the site. Both of these would utilise the existing bridge over the railway line. These are shown Figures 3.2 and 3.3.
- 3.4.10 Option A (Figure 3.2) would involve construction of an enlarged Dunglass Roundabout with a new arm providing access into the development.
- 3.4.11 Option B (Figure 3.3) would involve creation of a small roundabout to the southeast of the existing Dunglass Roundabout at the existing junction with the A814.

### Western Access Options

- 3.4.12 A shortlist of two main options emerged for providing access at the western end of the site. Both are in the vicinity of the existing Dumbuck junction. These are shown in Figures 3.4 and 3.5.
- 3.4.13 Option C (Figure 3.4) would involve the closure of the existing Dumbuck junction and creation of a new signalised junction between the A814 and A82 to the east of it. The link road into the development would form a roundabout junction with the A814.
- 3.4.14 Option D (Figure 3.5) would involve construction of a roundabout at the location of the current Dumbuck Junction with a new arm for the link road providing access into the development.
- 3.4.15 All options would involve suitable mitigation measures to ensure continuity of the existing National Cycle Route 7 at both the eastern and western extents of the site.



Figure 3.2 Option A – Eastern Access

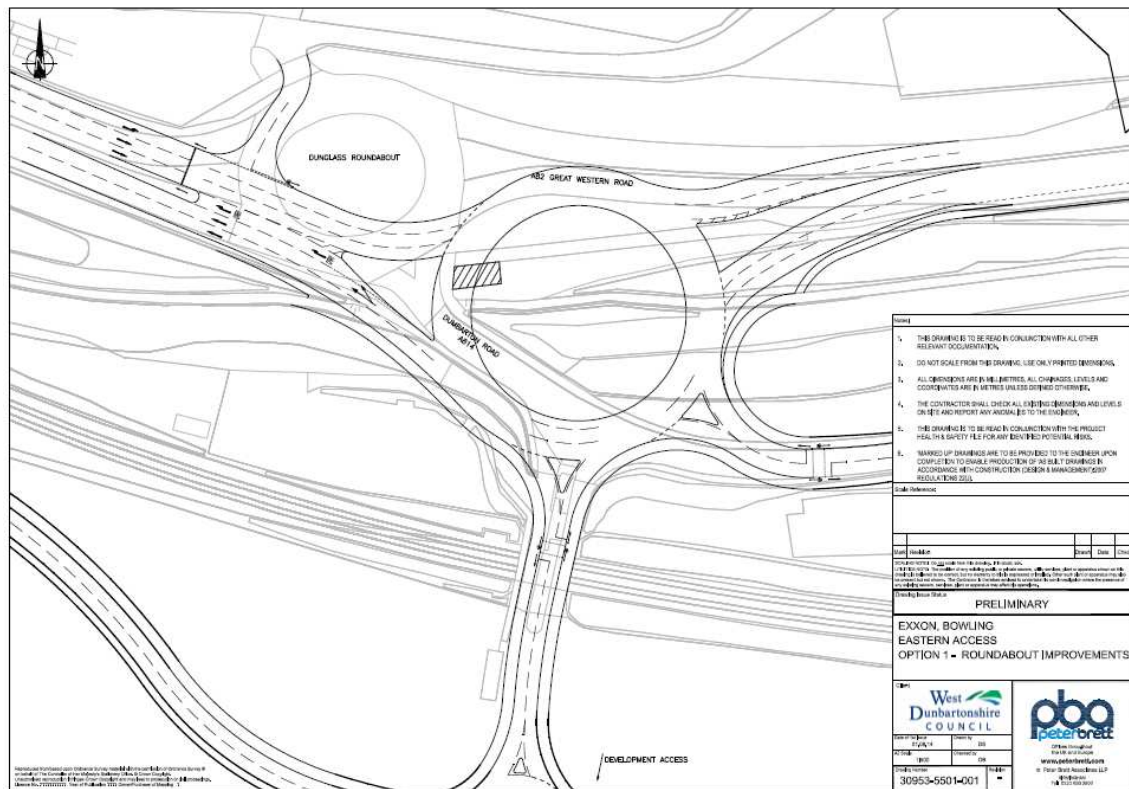


Figure 3.3 Option B – Eastern Access

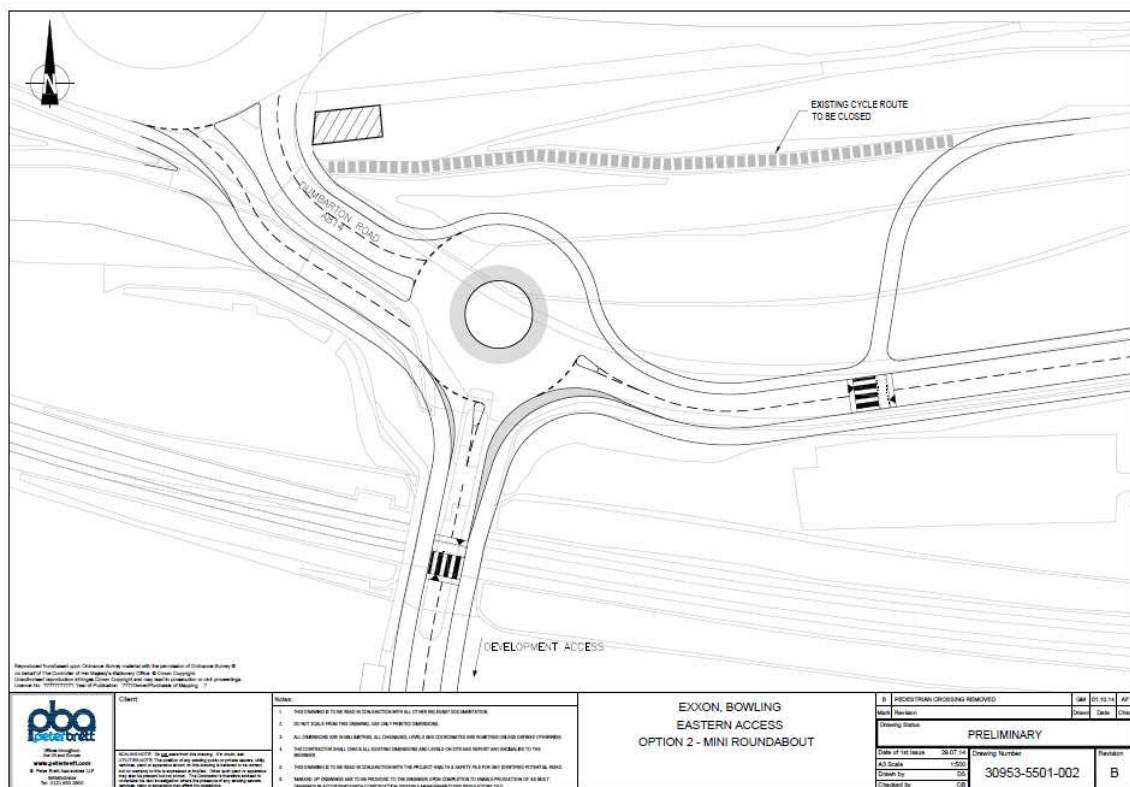


Figure 3.4 Option C – Western Access

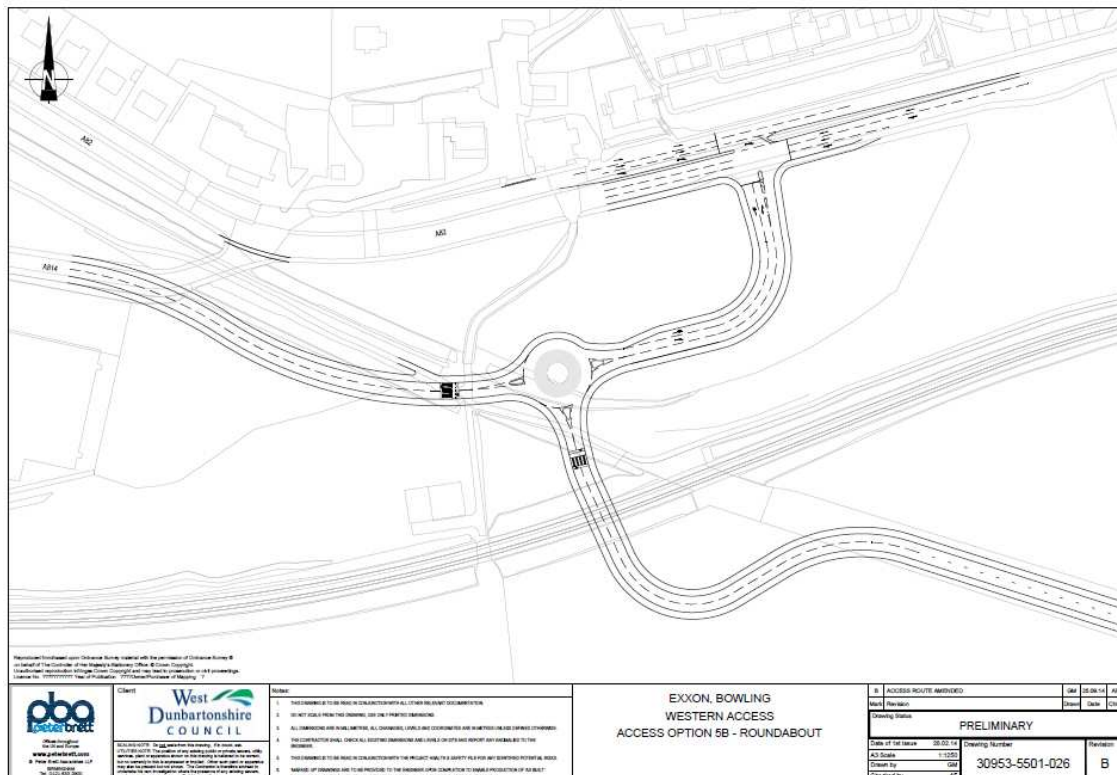
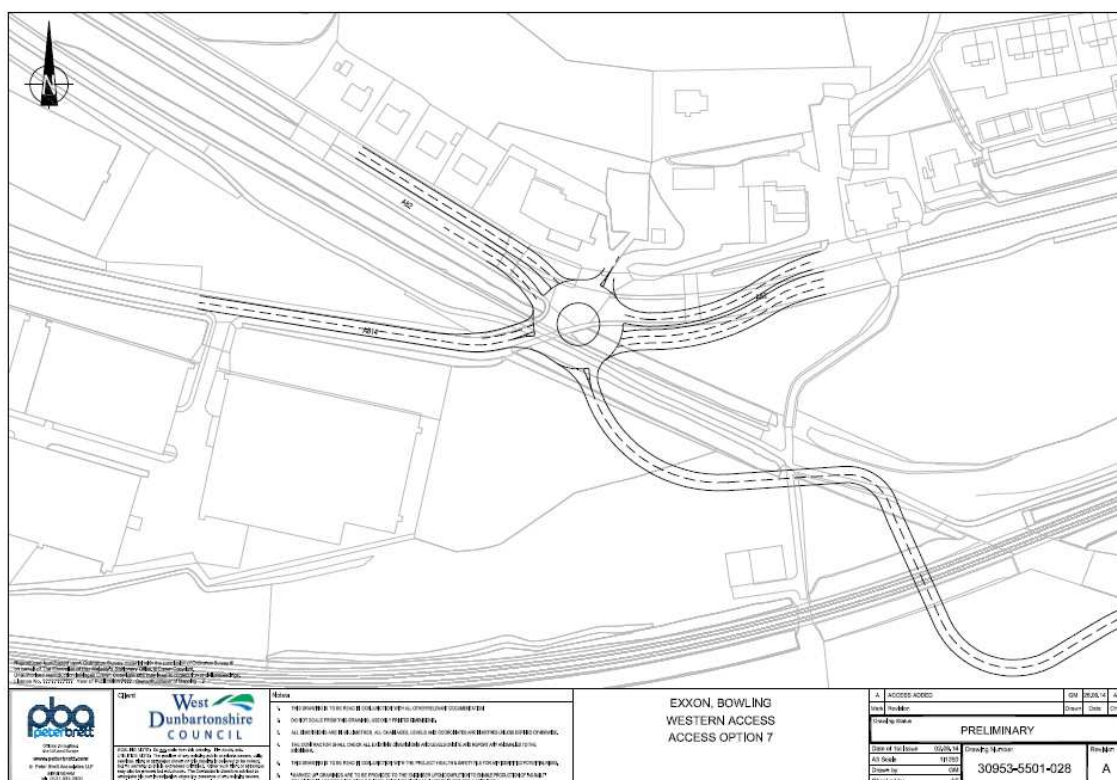


Figure 3.5 Option D – Western Access



### 3.5 Preferred Access Option

- 3.5.1 The combination of Option A for the eastern access and Option C for the western access was identified as the preferred access option on the basis that it performed consistently better in traffic operational terms. It was found that it could accommodate an increase in overall traffic on the local network of around 25%, equating to around 1,000 extra vehicles in the peak hour.

### 3.6 Developing the Preferred Access Option

- 3.6.1 GRIP 3 Option Selection studies are underway considering the eastern and western junctions independently – as they will take different timescales and Network Rail approvals to deliver.
- 3.6.2 The GRIP 3 studies are progressing based on several new pieces of information available since the Strategic Business Case was completed:
- Flood risk modelling and preliminary flood risk mitigation optioneering;
  - A full topographical survey of the site;
  - A 3D model developed from the topographic survey;
  - Greater understanding of the Utilities constraints in the area following a full utilities survey;
  - An understanding of the need to replace the deck of the eastern access bridge following a bridge inspection survey.
- 3.6.3 It is recognised that the Concept Designs may change significantly as the design process progresses.
- 3.6.4 Subsequently, the design of a single option emerging as the preferred option at each end will be progressed through a GRIP 4 Single Option Development study.

### 3.7 Benefits

- 3.7.1 The benefits generated by the project are summarised in the Benefits Realisation Profile attached as Appendix C. The benefits are expected to fall into the following categories:
- Infrastructure;
  - Transport;
  - Employment;
  - Environmental;
  - Business;
  - Financial.
- 3.7.2 At this stage it is not possible to fully quantify all the benefits that will be delivered directly by the project or indirectly by opening the site up to development. In particular, the scale and exact nature of the economic benefits cannot be fully determined until the land-use strategy for the site has been developed in detail as the current Masterplan evolves to detailed plans.
- 3.7.3 In determining benefits, it is assumed that the major infrastructure works will start on site early in 2021 with work completed in 2024 when plots will be available for development and occupation.
- 3.7.4 The site will be developed and occupied over many years before the full benefits will be realised. Maximum build out of the site is anticipated to take several years and full benefit realisation for elements like employment benefits, business benefits and financial benefits is therefore forecast to take up to 15 years. This time period is believed to be realistic and consistent with other



similar regeneration and development projects which have been taken forward over recent decades including the redevelopment of the former Ravenscraig steel mill in North Lanarkshire, Strathclyde Business Park, Clyde Gateway, the Glasgow Harbour regeneration project near Partick and the Lomondgate mixed use development on the north western edge of Dumbarton.

- 3.7.5 The benefits are closely linked to the project objectives which put economic growth and activity at the fore. They also have a strong environmental and regeneration component to them which contributes to wider policy objectives at national, regional and local levels.
- 3.7.6 All the benefits can be measured through the project implementation process or through subsequent monitoring and evaluation of the project's economic impacts. Further information about how monitoring and evaluation will be undertaken is provided in Chapter 7.
- 3.7.7 It has also been identified that there could be some negative impacts as a result of the project and these have also been defined in Appendix C. Primarily these relate to impacts on sensitive environmental sites and the potential displacement of economic activity from elsewhere in West Dunbartonshire or the Glasgow City Region City Deal area. The project development is seeking to minimise or avoid these impacts wherever possible.

## 4 Economic Case – Appraisal of Preferred Option

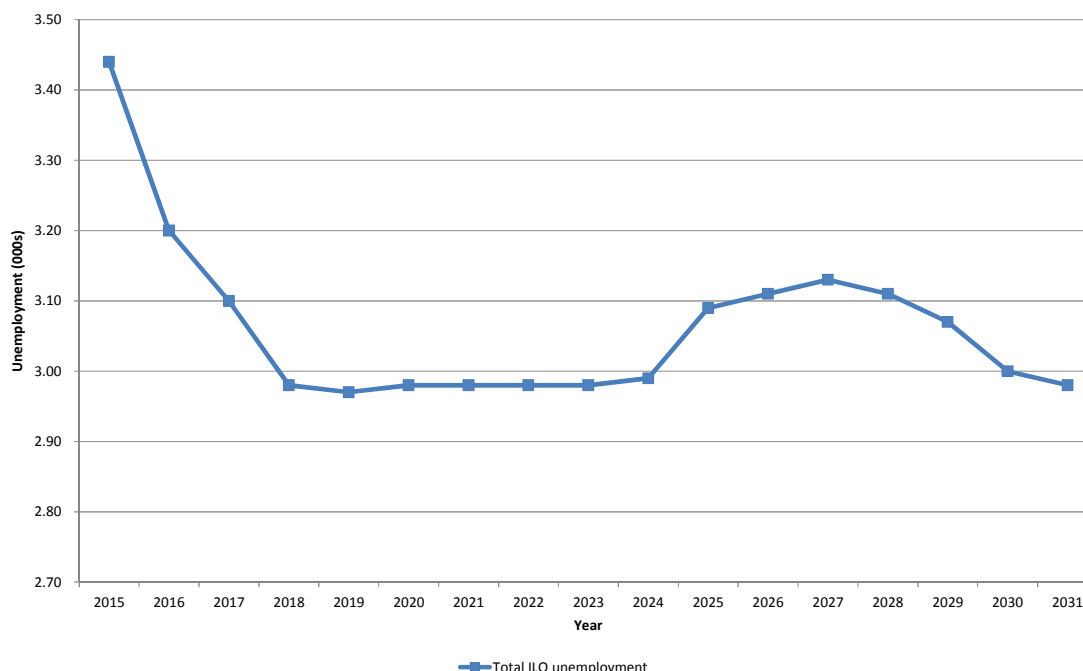
### 4.1 Introduction

- 4.1.1 The chapter provides further detail on the market failure that has prevented the project being delivered and presents the economic case for intervention. The economic impact of the project at a local authority, Glasgow City Region and national level is provided followed by a value for money assessment that is consistent with HM Treasury Green Book Guidance. Sensitivity analysis is also carried out to identify the effect of changing key variables in the economic model.
- 4.1.2 West Dunbartonshire Council is aware, through the current review of the Assurance Framework, benefits realisation template and economic guidance for member authorities that the economic appraisal requirement for projects is currently in transition. This Chapter will provide, to best effect, a sensible level of economic appraisal for the scale of investment sought from this OBC.
- 4.1.3 The project appraisal is based on the project scope as defined in Section 2.6 using the preferred access option defined in Section 3.5.

### 4.2 Market Failure

- 4.2.1 A Strategic Vision for Lomondgate and Vale of Leven Industrial Estate (VoLIE) has been established which sets out an agenda that will realise the full build out and regeneration of these sites by 2020. This vision aspires to see these areas capitalise on their proximity to Loch Lomond and Trossachs National Park and become established as Scotland's national park for business which will accommodate over 3,000 jobs and contribute at least £750m to GVA. This will make significant progress towards cutting West Dunbartonshire's historic jobs deficit, reducing unemployment and enabling more residents to secure good quality jobs.
- 4.2.2 However, analysis of Experian labour market data shows that there is still expected to be a sizeable number of unemployed people in the labour market in West Dunbartonshire post 2020 with approximately 3,000 people per annum forecast to be unemployed as shown in Figure 4.1.

Figure 4.1 Forecast Unemployment of Working Population in West Dunbartonshire



- 4.2.3 Given that the Lomondgate and VolIE sites are expected to be built out by 2020 it is apparent that additional employment opportunities will need to be generated if the number of people in the West Dunbartonshire labour market that are unemployed is going to be reduced. As such, by the time the Exxon site is being brought to market there is likely to be demand within the labour market for further employment opportunities which will not be being met from alternative sources.

*"Since the adoption of the West Dunbartonshire Local Plan in March 2010 a number of opportunity sites for industrial and business use have been developed, notably at Lomondgate and the Clydebank Business Park. This has left around 35 hectares of land which is classed as marketable and is designated for industrial or business uses in the Local Plan. This amounts to approximately 13 years supply. Previous Structure Plan targets sought to maintain a minimum 10-year supply of land. To achieve this in West Dunbartonshire over the Local Development Plan period would require additional land being identified and designated as marketable. This could include: existing development sites, including Key Regeneration Sites such as Queens Quay and Esso Bowling, being in part designated for industrial and business uses. Maintaining a generous and varied supply of land for industry and business which is both well located and readily available can help West Dunbartonshire attract new businesses and jobs to the area."*

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- 4.2.4 Without the implementation of the enabling infrastructure the Exxon site cannot be brought to the market as the private sector will not fund the scale of enabling infrastructure required. Furthermore, as identified by the option appraisal, there are no credible alternative sites for the scale of development required.
- 4.2.5 On this basis, public sector investment is required to bring the site to a marketable condition to cater for the demand which will be forthcoming once these other sites have been built out and to respond to the ongoing labour market conditions which are expected in West Dunbartonshire.

### 4.3 Gross & Net Benefits of the Project

- 4.3.1 The Economic Case Technical Appendix E provides a detailed economic impact assessment of the project along with key information sources and assumptions used to calculate the potential gross and net additional impacts of the project and the wider benefits.
- 4.3.2 Table 4.1 provides the floorspace, and balance between uses, for the central planning scenario, Scenario 3. Two further planning scenarios are tested in the sensitivity analysis (Section 4.6). Each of the three broad planning scenarios assume up to 19.10 hectares of the overall site is available for development and differ in floorspace reflecting their propensity to generate traffic (see Appendix F).

#### Central Scenario – Scenario 3

Table 4.1 Planning Scenario 3

Use	% Floorspace	Floorspace (m <sup>2</sup> )
<b>Scenario 3</b>		
Office (Class 2)	4%	1,750
Business (Class 4)	18%	7,850
Industrial (Class 5)	22%	9,600
Storage/distribution (Class 6)	57%	25,000
<b>Total</b>	<b>100%</b>	<b>44,200</b>

Notes: Scenario 1 (20,000m<sup>2</sup>) and Scenario 2 (24,900 m<sup>2</sup>) assessed in 4.6 in Sensitivity Testing  
Scenarios differ in floorspace reflecting their propensity to generate traffic (see Appendix F).

#### Economic Impact

- 4.3.3 The economic impact assessment methodology, data and assumptions are provided in Appendix E. It is anticipated that Scenario 3, when fully developed from 2029 will provide:
- 44,200m<sup>2</sup> of occupied industrial and commercial floorspace;
  - 689 net additional full time equivalent (FTE) positions;
  - additional GVA of at least £64.77m per annum; and
  - the construction phase will also support 135 person years of construction employment and provide £6.02 million construction GVA.
- 4.3.4 Table 4.2 provides a detailed breakdown of impacts for each Gateway period (2019; 2024 and 2029).

Table 4.2 Planning Scenario 3: Economic Outputs; Glasgow City Region Level

Period	2019	2024	2029	After 2029	Total
<b>FLOORSPACE</b>					
Office (Class 2)	0	875	875	-	1,750
Business (Class 4)	0	2,613	2,613	2,625	7,850
Industrial (Class 5)	0	2,050	3,400	4,150	9,600
Storage/distribution (Class 6)	0	-	7,500	17,500	25,000
<b>Total</b>	<b>0</b>	<b>5,538</b>	<b>14,388</b>	<b>24,275</b>	<b>44,200</b>
<b>EMPLOYMENT</b>					
Gross (increment) <sup>1</sup>	0	214	363	478	1,055
Net additional (increment) <sup>2</sup>	0	150	239	300	689
Net additional (cumulative) <sup>3</sup>	0	150	390	689	689
<b>GROSS VALUE ADDED</b>					
Net Additional Annual GVA (£m)	<b>0</b>	<b>£13.46</b>	<b>£35.86</b>	<b>£64.77</b>	<b>-</b>
<b>CONSTRUCTION</b>					
Person years (increment)	0	44	91	138	274
Person years (cumulative)	0	44	135	274	274
Construction GVA (£m)	<b>0</b>	<b>£1.97</b>	<b>£6.02</b>	<b>£12.17</b>	<b>-</b>

Notes:

- 1 The number of Full Time Equivalent (FTE) positions created on site in the column period
- 2 The number of FTE positions (after adjusting for additionality - see Appendix E) created on site in the column period
- 3 The number of FTE positions (after adjusting for additionality - see Appendix E) created on site to the end of the column period

- 4.3.5 The project benefits realisation table provided in Appendix C will be monitored on a bi-monthly basis using the methodology set out in the Benefit Tracking Template which will emerge as the Business Case is developed. The Council will be developing a suite of internal KPIs as part of its Project Controls with an early warning system for escalation.

## 4.4 Sensitivity Testing- Scenarios 1 & 2

- 4.4.1 Table 4.3 provides the floorspace of two further planning scenarios. They provide an indication of how much development could be accommodated on the site under alternative land-use scenarios.

Table 4.3 Sensitivity Scenarios

Use	Floorspace (m <sup>2</sup> )	% Floorspace	As % of Scenario 3
<b>Scenario 1</b>			
Office (Class 2)	2,400	12%	37%
Business (Class 4)	8,250	41%	5%
Industrial (Class 5)	4,050	20%	-58%
Storage/distribution (Class 6)	5,300	27%	-79%
<b>Total</b>	<b>20,000</b>	<b>100%</b>	<b>-55%</b>
<b>Scenario 2</b>			
Office (Class 2)	2,100	8%	20%
Business (Class 4)	7,300	29%	-7%
Industrial (Class 5)	11,000	44%	15%
Storage/distribution (Class 6)	4,500	18%	-82%
<b>Total</b>	<b>24,900</b>	<b>100%</b>	<b>-44%</b>

Note: Scenarios differ in floorspace reflecting their propensity to generate traffic (see Appendix F).

- 4.4.2 The economic impact of Scenarios 1 and 2 is provided in Tables 4.4 and 4.5 below. Both Scenarios provide around half the level of floorspace of Scenario 3 due to the limiting traffic capacity of the development accesses. Scenario 1 is focused on the delivery of business and office space while Scenario 2 targets higher value industrial and manufacturing activity.

Table 4.4 Planning Scenario 1: Economic Outputs: Glasgow City Region Level

Period	2019	2024	2029	After 2029	Total
<b>FLOORSPACE</b>					
Office (Class 2)	0	1,200	1,200	-	2,400
Business (Class 4)	0	2,325	2,325	3,600	8,250
Industrial (Class 5)	0	863	1,425	1,763	4,050
Storage/distribution (Class 6)	0	-	1,590	3,710	5,300
<b>Total</b>	<b>0</b>	<b>4,388</b>	<b>6,540</b>	<b>9,073</b>	<b>20,000</b>
<b>EMPLOYMENT</b>					
Gross (increment) <sup>1</sup>	0	195	233	245	673
Net additional (increment) <sup>2</sup>	0	133	157	163	453
Net additional (cumulative) <sup>3</sup>	0	133	290	453	453
<b>GROSS VALUE ADDED</b>					
Net Additional Annual GVA (£m)	<b>0</b>	<b>£10.25</b>	<b>£23.22</b>	<b>£37.85</b>	<b>-</b>
<b>CONSTRUCTION</b>					
Person years (increment)	0	44	91	138	152
Person years (cumulative)	0	44	135	274	152
Construction GVA (£m)	<b>0</b>	<b>£1.97</b>	<b>£6.02</b>	<b>£12.17</b>	<b>-</b>

Notes: Please see Table 4.2 Notes

Table 4.5 Planning Scenario 2: Economic Outputs: Glasgow City Region Level

Period	2019	2024	2029	After 2029	Total
<b>FLOORSPACE</b>					
Office (Class 2)	0	1,050	1,050	-	2,100
Business (Class 4)	0	2,075	2,075	3,150	7,300
Industrial (Class 5)	0	2,250	3,500	5,250	11,000
Storage/distribution (Class 6)	0	-	1,350	3,150	4,500
<b>Total</b>	<b>0</b>	<b>5,375</b>	<b>7,975</b>	<b>11,550</b>	<b>24,900</b>
<b>EMPLOYMENT</b>					
Gross (increment) <sup>1</sup>	0	209	261	306	776
Net additional (increment) <sup>2</sup>	0	147	184	216	547
Net additional (cumulative) <sup>3</sup>	0	147	331	547	547
<b>GROSS VALUE ADDED</b>					
Net Additional Annual GVA (£m)	<b>0</b>	<b>£13.48</b>	<b>£31.54</b>	<b>£55.26</b>	<b>-</b>
<b>CONSTRUCTION</b>					
Person years (increment)	0	42	56	74	172
Person years (cumulative)	0	42	98	172	172
Construction GVA (£m)	<b>0</b>	<b>£1.88</b>	<b>£2.49</b>	<b>£3.27</b>	<b>-</b>

Notes: Please see Table 4.2 Notes

## 4.5 Value for Money - Transport Economic Efficiency (TEE) Impacts

- 4.5.1 As part of the OBC, it is important to demonstrate value for money for proposed investment in transport infrastructure. The project is a development project where the provision of suitable access arrangements is dependent on a wide range of physical constraints. To date, the Concept Design work and the GRIP 2 Feasibility Studies have focussed on identifying solutions to these physical constraints. Ongoing GRIP 3 Option Selection studies are continuing this approach which will also include a TEE impact assessment. To date, TEE impacts have been summarised from examination of traffic modelling results alone.
- 4.5.2 In order to provide an appropriate level of information in the OBC, a summary of all assessments which led to the recommendations for the Concept Designs for each access has been provided below. A high level, qualitative discussion has been provided which documents key elements which should be considered within a TEE appraisal and illustrates where benefits and dis-benefits may be anticipated.

## 4.6 Transport Economic Efficiency (TEE)

- 4.6.1 Given the constraints on providing access to the development site, it is considered that a high level qualitative assessment of TEE impacts is sufficient for this stage. Further, more detailed work, will form part of the GRIP 3 Options Selection studies.

4.6.2 To date, consideration has been given to the potential impact of the Project on the following aspects:

- Journey Time Savings / Increases
- Journey Time Reliability
- Fuel / Tax
- Farebox Revenue
- Vehicle Operating Costs
- Operating & Maintenance Costs
- Grant & Subsidy Payments
- Potential demand and usage.

4.6.3 The scope of these impacts is summarised below.

### **Journey Time Savings / Increases**

4.6.4 The development of the site will result in additional traffic access the A82/A814 road network via junctions at the east and west ends of the site. The development of the junction arrangements has carefully considered the capacity at these junctions and the current Concept Design proposals have been developed on the basis of providing at least, no net detriment to traffic on the existing road network. Increased capacity and rationalised junctions are currently proposed. Transport Scotland has indicated its support for the junction and network improvements proposed.

### **Journey Time Reliability**

4.6.5 The diversion route in the event of a closure of the A82 between the A82/A814 Dunglass Junction and the A82/A814 Dumbuck junction is via neighbouring adjacent local authorities and is some 29 miles or thereby. The provision of a convenient alternative route will eliminate the necessity for this diversionary route, secure journey time reliability for public transport and result in a commensurate reduction in associated costs and emissions.

4.6.6 Transerv, operating company for Transport Scotland's South West Unit, have indicated that third party apparatus failure has caused significant delays on approximately six occasions and on another occasion there was significant delay from a road traffic accident. The current operating company has taken over from the previous operating company and they are in the process of establishing various data sets.

4.6.7 The provision of an alternative route will significantly improve the "Blue Light" access to the Golden Jubilee and Queen Elizabeth hospitals as journey times to these facilities can be significantly increased if there are issues such as those noted above.

### **Fuel / Tax**

4.6.8 At this stage, we do not anticipate the proposed intervention to encourage significant modal shift. As such, there will be no notable changes in fuel consumption from private vehicles and no associated loss of income to HM Treasury from tax on fuel sales.

### **Farebox Revenue**

4.6.9 There are unlikely to be any significant changes to public transport provision as a result of the City Deal project itself. Impacts will therefore be negligible.



## Vehicle Operating Costs

- 4.6.10 Changes in vehicle operating costs will be marginal as a result of the City Deal project although there may be impacts as a result of any resulting development proposals.

## Operating & Maintenance Costs

- 4.6.11 The proposal includes 1.95km of new spine road and 1.32km of upgraded existing public road (A814). All operating and maintenance costs will be attributed directly to the ongoing management of the road network which will require to be accommodated by West Dunbartonshire Council. Capital and maintenance costs are contained within Chapter 6 – Financial Case.

## Grant & Subsidy Payments

- 4.6.12 The project concerns construction of a new link road and does not include any ongoing grant or subsidy costs necessary to support public transport infrastructure. We have assumed that all capital expenditure will be provided by Glasgow City Region City Deal and West Dunbartonshire Council funding, with no ongoing requirement for grant and subsidy payments.

## Potential Demand and Usage

- 4.6.13 The planning Scenarios described above and in Appendix F have been developed on the basis of the traffic capacity of the adjacent road network and access junctions. As such, although the site could physically accommodate greater levels of development, the planning Scenarios have been restricted to those which will result in no more than 1000 peak hour trips to/from the development site. It is therefore expected that resulting development traffic flows can be accommodated on the road network with no net detriment.

## 4.7 Value for Money – Wider Impacts

- 4.7.1 A full value for money assessment is presented in Economic Case Technical Appendix E. This section summarises the project's cost per job, GVA per job and business rate revenue. Scenario 3 will provide:
- A cost per permanent job created of £40,487 (c.20% below the benchmark value);
  - Jobs with an average GVA value of £94,000 (95% above average West Dunbartonshire levels); and
  - £2.07m business rate revenue from 2029 (£1.59m in 2016 prices) based on full floorspace occupancy.

### Sensitivity Analysis - Value for Money

- 4.7.2 A full Value for Money assessment of each Scenario is provided in Appendix E. This shows Scenario 3 has the best cost per job value and business rate revenue potential. Scenario 2 has the highest GVA per job, however Scenario 3 provides a higher number of net jobs and overall GVA.

## 4.8 Project Contribution to City Deal Economic Case

- 4.8.1 The project directly contributes to the economic outcomes set out in the City Deal Infrastructure Fund: Economic Case by delivering a significant uplift in GVA (greater than the £19.976m required), net additional employment, private sector investment and net additional tax revenues as set out in Appendix E.

4.8.2 At a Glasgow City Region level, the project will enable the following benefits:

**Employment Land Development**

- 44,200m<sup>2</sup> employment floorspace;
- up to 19.10 hectares of employment land;

**Private Sector Investment**

- £23.43m of private sector investment;

**Employment Growth**

- 689 net additional FTEs (per annum, once fully developed and occupied);
- 135 net additional person years of construction employment to 2029;

**Additional GVA**

- £64.77m per annum net additional operational GVA from 2029;
- £6.02m construction GVA to 2029;

**Additional Tax Receipts**

- £1.26m business rate payments per annum (once fully developed and occupied) from 2029.

## 5 Commercial Case

### 5.1 Introduction

- 5.1.1 This Chapter sets out the commercial case for delivery of the project. It documents the involvement of other parties and identifies the key challenges and risks.
- 5.1.2 No private sector funding is required to deliver the project.
- 5.1.3 Where the Council is required to acquire third party land, payment will be made from Council funds through direct transfer.

### 5.2 Delivery Specification

- 5.2.1 No bodies other than WDC are responsible for delivering the project which is primarily an infrastructure project with no commercial elements. The commercial elements (development plots and associated buildings) are separate to the project defined in this OBC and therefore risks and challenges that could be attributed to other commercial bodies are limited.
- 5.2.2 Close consultation and programme coordination with key public and private sector stakeholders will be carried out to ensure the project is delivered without conflict with other operations.
- 5.2.3 A Basis of Design document was developed for the project in November 2016. Its purpose is to define the Basis of Design for the Concept Design of the strategic infrastructure works required for the site and be the approved source of input data for the project team. It defines the criteria to be used for the design of each element of the works as follows:
  - roads;
  - bridges;
  - pedestrian and cyclist facilities;
  - flood mitigation;
  - surface water drainage;
  - environmental mitigation; and
  - utilities.
- 5.2.4 Key stakeholders with an interest in the infrastructure design, particularly Network Rail, Transport Scotland, Scottish Water and SEPA are being consulted in relation to their particular requirements. In the case of Network Rail this is related to the bridging of the railway line whilst Transport Scotland is concerned with the connections to the Trunk Road network. Scottish Water have particular interest in the site drainage and SEPA in the flood risk mitigation.
- 5.2.5 SEPA, SNH, RSPB and other stakeholders will continue to influence the development of the project and the environmental mitigation measures associated with the infrastructure.
- 5.2.6 Exxon's requirements related to the land transfer to WDC and remediation of the site are also material to the project's success.
- 5.2.7 Within the Council, the delivery specification is being determined in accordance with the requirements of the various departments involved in the project, including:
  - Roads / Infrastructure / Flood Risk
  - Planning
  - Environment
  - Land Ownership / Site Acquisition
  - Economic Impact
  - Legal

- Procurement

- 5.2.8 The Basis of Design and the wider output specification will continue to be developed with these partners as the proposals for delivery are developed in more detail following approval of this OBC.

### **Project Delivery - Direct Deliverables**

- 5.2.9 The project will be delivered by West Dunbartonshire Council through the Capital Projects Team which will have overall project management responsibility for all elements of the project.
- 5.2.10 The infrastructure created or upgraded by the project will be adopted as public assets on completion, including the new spine road infrastructure with associated footways, cycleways, lighting, greenspace and two new access junctions and links to existing public roads infrastructure.
- 5.2.11 Construction of all project elements will be procured and managed by WDC. The works comprising this project will be separated into distinct works contracts, in recognition of the different specialisms and complexity requirements of each element.
- 5.2.12 It is anticipated that the works will be divided into several packages including those for roads, bridges, utilities, flood mitigation and drainage, greenspace, environmental mitigation and public realm.
- 5.2.13 The project is expected to be delivered in the period from 2021 to 2024 with plots available for development thereafter.

### **Project Delivery – Indirect Deliverables**

- 5.2.14 The project will support the development of industrial and business land. City Deal Infrastructure Investment will enable the realisation of existing private sector development interest by addressing the market failure identified within Chapter 4 and will act as a catalyst for further private sector investment in commercial development.

## **5.3 Funding Options and Payment Arrangements**

- 5.3.1 WDC's Treasury Management policies, practices and activities meet the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice and the Prudential Code for Capital Finance in Local Authorities. WDC's Treasury Management Strategy (TMS) is approved in line with this code.
- 5.3.2 This strategy incorporates an investment and borrowing strategy, including the option to use the Public Works Loan Board as a source of borrowing, and the setting of Prudential and Treasury Indicators over a ten-year period. In line with the requirements of the code, the Council produces a mid-year report in September/October which updates and revises the current year indicators if required. The Council's investment plans are managed within a sound financial environment. The next TMS will be presented to Council in February 2017 and cover the period 17/18 to 26/27.
- 5.3.3 The Council's Long Term Financial Plan was refreshed in October 2016 covering the period from 17/18 to 19/20 and recognises the ongoing commitment to future capital projects.
- 5.3.4 The project is not dependent upon private sector funding sources for delivery as it is expected that the site can be brought to market using the funds provided through the Glasgow City Region City Deal including the identified contribution from the Council. Private sector investment will subsequently be expected to facilitate the development of the individual plots. This will be dependent upon market demand at the time of releasing the land. As set out in Chapter 2, it is

anticipated that there will be a demand for additional developable land in West Dunbartonshire by the time the site is brought to market. Therefore, the private sector investment required to facilitate the build out of the site is expected to be forthcoming. Potential capital receipts from sale of plots have not been factored into the financing to date.

- 5.3.5 Partnership working, marketing and discussions with one or more large tenants which could help 'anchor' the development will take place during the period of the site enabling works with a view to establishing investment in the site as soon as it is ready to be occupied.
- 5.3.6 Given the long timescales anticipated to realise the full build out of the site it is not expected to be a significant barrier to the successful development of the site if the private sector does not come forward immediately to develop the site.
- 5.3.7 The Council intends to make use of Prudential Borrowing to fund the initial investment in the project and for the Council's overall share of the investment cost. Due to the anticipated profile of grant receipts the Council will be required to front load investment costs which will be incurred before grant is received.
- 5.3.8 Payments to external parties (i.e. contractors, etc.) will be made upon the satisfactory completion of tasks and upon the reaching of pre-agreed milestone points in the project. The exact payment points will be agreed between West Dunbartonshire Council and its appointed contractors in accordance with the terms and conditions agreed at appointment and the requirements of the Construction Act.

## 5.4 Risk Allocation and Transfer

- 5.4.1 West Dunbartonshire Council has taken ownership of the majority of the identified risks as defined in the Risk Register attached as Appendix D. However, in some instances the ownership of risks is also shared with key stakeholders.
- 5.4.2 As project promoter, West Dunbartonshire Council takes responsibility for overall risk management and mitigation throughout the project delivery process. However, some risks are affected by external influences and where this is the case the Council only has partial control over them.
- 5.4.3 Table 5.1 provides an outline of the currently identified risk categories and ownership along with more generic risks associated with a project of this nature.

Table 5.1 Risk Transfer

Risk Identified	Risk Transfer	
	Kept within Member Authority	Transfer to External Party
Design and build	WDC – Road & Infrastructure, Flood risk management (Raymond Walsh); WDC – Procurement (Andrew Gordon); WDC – Legal (Alan Douglas)	
Commissioning	WDC – Procurement (Andrew Gordon)	
Operation	WDC – Project Management (Euan Tyson)	
Demand	WDC – Economic Impact (Michael McGuinness)	
Residual value	WDC – Economic Impact (Stuart Gibson)	
Technology	WDC - Strategic Services & Consultancy (Euan Tyson)	

Risk Identified	Risk Transfer	
	Kept within Member Authority	Transfer to External Party
Regulation	WDC – Legal (Alan Douglas)	
Contractor default	WDC – Procurement (Andrew Gordon); WDC – Legal (Alan Douglas)	
Political	WDC – Project Management (Euan Tyson)	
Internal business	WDC – Project Management (Euan Tyson)	
Delay to remediation of contaminated land		Exxon
Insufficient infrastructure capacity to enable desired quantum of development	WDC – Road & Infrastructure (Raymond Walsh)	
Delay to programme due to number of Governance levels - Board, Council, PMO, City Deal Cabinet	WDC – Project Management (Euan Tyson)	
Agreement on technical approach with key stakeholders (e.g. Transport Scotland, Network Rail, public utilities, SEPA, etc.) creates timescale delays	WDC - Strategic Services & Consultancy (Euan Tyson)	Stakeholders
Detailed design / site investigations reveal conditions that will significantly increase costs or affect project delivery	WDC – Site Evaluation & Asset Management (Michael McGuinness)	
Network Rail require eastern access overbridge to be adopted by West Dunbartonshire Council and bridge has to be upgraded	WDC – Road & Infrastructure (Raymond Walsh)	
Alternative sites are deemed more attractive for development reducing the attractiveness of former Exxon site	WDC – Economic Impact (Michael McGuinness)	
Site fails to deliver the desired levels of economic activity and GVA forecast	WDC – Economic Impact (Michael McGuinness)	
City Deal does not achieve target GVA levels throughout Glasgow City Region with associated financial impact		City Deal Cabinet
Insufficient funding due to complexity of site	WDC – Project Management (Euan Tyson)	
Necessary statutory approvals for development cannot be gained or are delayed	WDC – Legal (Alan Douglas) WDC – Planning (Pamela Clifford)	
Excessive liabilities associated with contaminated land	WDC – Legal (Alan Douglas)	
Environmental constraints (e.g. SSSI, Ramsar, Ornithology, SPA) critically limits the extent	WDC – Environmental Health (Sarah Hammill)	

Risk Identified	Risk Transfer	
	Kept within Member Authority	Transfer to External Party
of development or the capacity of the site for development		
Fluvial and coastal flooding identified through SEPA plans. Potential to limit development area and/or increase enabling costs	WDC – Flood Risk Management (Raymond Walsh)	
Delay to or unacceptable terms for transfer of ownership of site from Exxon to West Dunbartonshire Council	WDC – Legal (Alan Douglas)	
Third party parcels of land required for development cannot be acquired on acceptable terms	WDC – Legal (Alan Douglas); WDC – Site Evaluation & Asset Management (Stuart Gibson)	
Sale of site by Exxon to other parties rather than West Dunbartonshire Council	WDC – Legal (Alan Douglas)	Exxon

- 5.4.4 The Risk Register will be kept under continuous review during the project development, masterplanning, detailed design and implementation. During this period some risks may be dealt with and closed off from the Risk Register, new risks may be identified or ownership of risks may be reallocated. The Risk Register will consequently be a live document and risk ownership could consequently change. However, it is anticipated that risks would remain allocated within a fairly small group of bodies which would include:

- **West Dunbartonshire Council**
- **Land Owners**
- **Infrastructure providers** – Transport Scotland, Network Rail, Utilities companies
- **Environmental Agencies** – SEPA, Historic Scotland, Scottish Natural Heritage

## 5.5 Procurement and Community Benefits Strategy

- 5.5.1 There is an over-arching Procurement Strategy jointly developed and agreed between West Dunbartonshire Council and the Glasgow City Region – City Deal local authorities. A five-year procurement plan has been developed reflecting the requirements of the Cabinet, Chief Executives Group, Lead Officers, and PMO.

### Procurement Strategy

- 5.5.2 In addition to the over-arching programme procurement strategy, West Dunbartonshire Council has developed its own Sourcing Strategy for this project, consistent with the City Region Procurement Strategy. This has been prepared by the project team in conjunction with West Dunbartonshire Council's Corporate Procurement Unit (CPU).
- 5.5.3 The Sourcing Strategy will address the procurement of the core infrastructure requirements such as roads and bridges, utilities and flood mitigation as well as ancillary works and services. It sets out how the procurement strategy for the various contracts required to deliver this project is being devised, including proposed procurement method, contract objectives, contract strategy, procurement timeline, sustainability test and community benefits. It details the market



analysis undertaken to date and proposed, the options under consideration and the proposed plan and methodology being considered through the next phase of project development. The Sourcing Strategy will be updated to reflect the outcomes of the next stage of project development which includes further market analysis and engagement.

- 5.5.4 A Lead Consultant contract was awarded in March 2015 and updated in October 2016. The latter was procured as a direct award via the South Lanarkshire Professional Services framework.
- 5.5.5 Other specialist contracts have been placed in order to support the development of this project. These are detailed in Section 2.1 of the Sourcing Strategy.
- 5.5.6 The procurement processes required for the various elements of the preferred option will be further developed during 2017. Currently the high level approach is as follows:
- The procurement route for the main construction contract for the project is likely to be a traditional procurement with Client design (utilising external specialist designers) and a separate 'Construct Only' Works construction contract;
  - Further analysis and market engagement is being undertaken to confirm this is the most effective approach;
  - The construction contract is over threshold in terms of the Public Contracts (Scotland) Regulations and so this procurement will be conducted as Restricted Procedure for Works;
  - Industry standard terms and conditions will be utilised, with suitable Client amendments to reflect appropriate risk positions, most likely NEC3;
  - Contracts will be evaluated on the basis of the Most Economical Advantageous Tender;
  - The award criteria will be set following further analysis;
  - The minimum weighting attributed to community benefits and fair working practices will be in compliance with the City Region Procurement Strategy and the City Region Community Benefits Strategy;
  - The Project will be delivered and managed by West Dunbartonshire Council. A bespoke Contract Strategy will be developed for each bespoke contract in accordance with the Sourcing Strategy. All contract opportunities will be advertised via the Glasgow City Region City Deal Portal on the Public Contracts Scotland website.

### Justification for the Proposed Approach

- 5.5.7 West Dunbartonshire Council has significant experience in major contract procurement and will utilise this knowledge and experience throughout this project. In view of this, it is considered that the Council is best placed to act as delivery agent for this project.
- 5.5.8 Further information including details of the project elements and procurement appraisal process including justification for the proposed approach is set out in the Sourcing Strategy.

### Contracting Arrangements

- 5.5.9 Details of proposed contracting arrangements are set out in Section 3.7 of the Sourcing Strategy document.

## Key Procurement Milestones and Delivery Dates

- 5.5.10 Key procurement milestones will be agreed as the project programme continues to evolve. Currently, construction works are programmed to begin in 2021. Procurement of the necessary support is therefore expected to commence in 2020.

## Community Benefits

- 5.5.11 The scale of work involved in developing the site will generate a range of opportunities for training, work experience, apprenticeship and full time work opportunities as well as potential for progression between them. Clarity at an early stage and consideration of recruitment mechanisms to engage the long-term or young unemployed to take up the opportunities will be critical in attracting recruits to the project. Offering clear guidance to contractors as to what their contract bid may contain, as well as any support they may expect in delivery e.g. co-ordination of recruitment under the community benefit programme, pre-employability programmes ahead of site work to meet contract schedules, etc. will be provided. This will encourage delivery to targets set in the Benefits Realisation Plan and, in showing that the practical concerns of contractors have been considered in advance, encourage high quality contractors to the opportunity.
- 5.5.12 A City Deal Community Benefits Strategy has been approved by the Glasgow City Region Cabinet and all West Dunbartonshire Council City Deal procurement processes will comply with this and seek to maximise community benefits. Monitoring of community benefit outcomes will be undertaken as part of specific contract management processes and reported to the PMO as part of the contract reporting obligations.
- 5.5.13 Community benefits can include a wide range of social, environmental and economic initiatives which are secured as part of a public sector procurement exercise. Often the most tangible benefits are those secured through targeted employment and support for small and medium enterprises.
- 5.5.14 Section 3.6 of the Sourcing Strategy document outlines the types of community benefit that can be achieved as a result of the bespoke procurement processes and examples of areas which will form the basis of the Community Benefit quality assessment question of the bespoke tender assessments.
- 5.5.15 Community Benefit outcomes for the project will be linked to West Dunbartonshire Council's strategic objectives and include:
- Improving economic growth and employability;
  - Improving environmentally sustainable infrastructure.
- 5.5.16 The Glasgow City Region Strategy and Council policies have been used, proportionately, to target community benefits in the procurement of external supporting resources.
- 5.5.17 All relevant Consultant appointments include contractual obligations to provide relevant community benefits. The community benefits already committed under the contracts already procured have been reported to the PMO and attributable to this project include the work placements, school visits, SME and 3<sup>rd</sup> Sector mentoring, careers events and structured training.

## 6 Financial Case

### 6.1 Overall Project Approval

- 6.1.1 The project has an approval sum of £27.897m as ratified by Cabinet in August 2015. The Council is currently anticipating that the overall project will remain within this budget.
- 6.1.2 This total is inclusive of allowances for inflation, optimism bias and contingency which provide mitigation against programme risks.
- 6.1.3 Cost estimates have been updated during the preparation of this OBC. Preliminary cost estimates have been prepared for the construction works including consideration of external consultancy input, internal design and management input, enabling works and monitoring requirements. Initial land valuations have been undertaken.
- 6.1.4 Tender prices returned may exceed the pre-tender cost estimates, depending upon the availability and capacity of contractors to undertake the works. Each contract has financial risks which may impact upon the construction period and associated resource input requirements.
- 6.1.5 Due to tenders not yet having been invited and associated construction phase risks, optimism bias has been retained within relevant project costings at an appropriate level.
- 6.1.6 The assumed project cost includes allowances for contingencies and construction cost inflation to 2021.

### 6.2 Project Funding

- 6.2.1 West Dunbartonshire Council has committed to making a net contribution estimated at £3.817m based on a project cost of £27.897m. Due to the funding regime from the Scottish Government the Council will require to fund, up-front, the majority of the capital cost (the final figure on this will be determined by phasing of all projects), with a net capital cost after grant receipt of £3.817m.
- 6.2.2 Private sector contributions will take the form of developer contributions or land sales when the site is brought to market. No private sector investment is being levered just now to support the realisation of the site as an effective area of developable land. The exception to this is the ongoing investment by Exxon to decontaminate the site.

### 6.3 Summary of Project Costs

- 6.3.1 The initial capital cost estimates for the project were established during negotiations to establish the Glasgow City Region City Deal in 2014. Since then, work has been completed to develop a Masterplan and an updated, extended, work programme. This greater understanding has enabled updated capital costs to be estimated, now at 2016 prices, for a construction year of 2021. These estimates are presented in Table 6.1 below.
- 6.3.2 There are some known capital cost items which are subject to ongoing design work, namely flood mitigation works, environmental mitigation works (but not remediation), and site drainage works and it is not possible to quantify the construction costs of them at this time.
- 6.3.3 Similarly, it is expected that the development platforms which can be constructed on the site as a result of the project will themselves hold a capital value which, at this time, it is not possible to quantify.

- 6.3.4 The Council is committed to delivering the project within the available budget. It is envisaged that the budget of £27.897m will be sufficient but if the detailed design work highlights additional necessary spend greater than the budget then this will be reported to the Council in the first instance.

Table 6.1 Project Capital Costs

Item	Cost (£m 2016)	Optimism Bias (%)	Cost + Bias (£m 2021)
1.95km of new spine road with associated drainage and lighting infrastructure	4.193	25	5.787
1.32km of upgraded existing public road	2.558	25	3.530
A new junction on the A82 at Dumbuck with closure of the existing junction	0.787	25	1.086
A remodelled junction on the A82 at Dunglass	1.468	25	2.026
An enhanced routing of 475m of the National Cycle Network Route 7 in the vicinity of the site	0.100	25	0.138
A new underpass of the Glasgow – Dumbarton Railway at the western access to the site, Network Rail Costs (no optimism bias), closure of existing underpass	4.000	44	5.995
A remodelled railway overbridge at the eastern access to the site, Network Rail Costs (no optimism bias)	1.670	25	2.167
Utilities, professional fees, planning fees, construction preliminaries	4.551	25	5.423
Contingency, Benefit and Monitoring Evaluation Costs			1.745
<b>Total</b>	<b>19.327</b>		<b>27.897</b>

Notes: Cost inflation assumed at 2% per annum  
Optimism Bias varies with the level of detail known at this time

- 6.3.5 It is anticipated that the Council's share of the investment will be £3.817m, with the remainder being funded by grant from the UK and Scottish Governments.

6.3.6 A summary of the project finances is provided in Table 6.2.

Table 6.2 Project Finance Overview

Project Finance Overview		
	£000	Third Party incl in Approval
<b>Section 1 - Overall Project Approval</b>		
Approved Baseline Project Cost (Per City Deal Formal Approval)	27.897	0
Cabinet Virement Approvals	0	
<b>Revised Approved Project Cost</b>	27.897	0
<b>Current Project Estimate</b>	<b>27.897</b>	0
<b>Section 2 - Project Funding</b>		
Council Funding	3.817	
Third Party Contributions (additional to section 1 above)	0	
Amount to be funded from City Deal Grant	24.080	
<b>Total Funding</b>	<b>27.897</b>	
<b>Section 3 - Summary of Project Costs</b>		
1.95km of new spine road with associated drainage and lighting infrastructure	5.787	
1.32km of upgraded existing public road	3.530	
A new junction on the A82 at Dumbuck with closure of the existing junction	1.086	
A remodelled junction on the A82 at Dunglass	2.026	
An enhanced routing of 475m of the National Cycle Network Route 7 in the vicinity of the site	0.138	
A new underpass of the Glasgow – Dumbarton Railway at the western access to the site, Network Rail Costs (no optimism bias), closure of existing underpass	5.995	
A remodelled railway overbridge at the eastern access to the site, Network Rail Costs (no optimism bias)	2.167	
Utilities, professional fees, planning fees, construction preliminaries	5.423	

Contingency	1.745	
<b>Total</b>	<b>27.897</b>	
<b>Phasing of Project Expenditure</b>		
<b>Year</b>		<b>£000</b>
1	2015/16	0.192
2	2016/17	0.310
3	2017/18	1.198
4	2018/19	1.750
5	2019/20	1.000
6	2020/21	6.250
7	2021/22	8.500
8	2022/23	6.000
9	2023/24	2.697
	<b>Total</b>	<b>27.897</b>
<b>Project Expenditure on Non Council Assets</b>		
		<b>£000</b>
Estimated Expenditure on Assets not Council Owned (third party land acquisition costs)		2.000
<b>Section 4 - Ongoing Revenue Implications</b>		
		<b>£000</b>
Full Year Revenue Implications		<b>0.019</b>
First Year Revenue implications		<b>0.005</b>
Revenue Funding Source		WDC General Fund budget
<b>Main Financial Dependencies</b>		
<ul style="list-style-type: none"> <li>Funding from the Glasgow City Region City Deal</li> <li>Decontamination works completed or funded by Exxon</li> <li>Achievement of milestones as defined by SG/UKG linked to funding of City Deal.</li> </ul>		

### Main Financial Risks

- Slippage or delay in the programme incurring additional costs
- Insufficient funding due to complexity of site
- Land value unknown so impact on negotiations with Exxon and impact on distribution of project budget
- Insufficient availability of non-financial resources for project delivery
- Risk of milestones not being achieved e.g. GVA and therefore loss of grant funding
- Risk that the project does not proceed as a City Deal project thereby any costs incurred fall fully on WDC.
- If after significant spend it becomes clear that the total cost is significantly underestimated and City Deal can't fund the addition, there is a risk to project completion with all or part of the cost falling to WDC with no deliverable site.

## 6.4 Expenditure on Assets Not Council Owned

- 6.4.1 The Council will have to acquire land from third parties and there may be associated costs.
- 6.4.2 The existing railway bridge at the eastern end of the site will remain in the Council's ownership and the Council will have full responsibility for its ongoing maintenance.
- 6.4.3 The proposed new underpass of the railway at the western end of the site will most likely transfer to the ownership of Network Rail but under a maintenance agreement with the Council. There will be expenditure required to enable both accesses to fulfil public accesses to the site.
- 6.4.4 Recent revised Scottish Government guidance on allowable uses of local authority capital investment allows the Council to invest capital resources in assets that are not owned by the Council.

## 6.5 Ongoing Revenue Implications

- 6.5.1 The road infrastructure constructed as part of the project will be adopted by the appropriate roads authority, either Transport Scotland or West Dunbartonshire Council, as part of the public road network.
- 6.5.2 The site spine road and associated new sections of the carriageway will become part of the local road network. There will consequently be an ongoing requirement for their maintenance, the costs of which will be met as part of the local authority's continuous cycle of revenue expenditure.
- 6.5.3 The new junctions which will be formed on the A82 Trunk Road will become the maintenance responsibility of Transport Scotland as the roads authority for the strategic road network.
- 6.5.4 It is not expected that there will be a requirement for any maintenance work to be undertaken on the carriageway or footways until 12 months after construction although nominal costs for gritting have been included in the first year revenue costs in Table 6.2. The full year estimated revenue cost for the new and upgraded infrastructure is approximately £18,600 per annum and will be funded in perpetuity by the Council.



- 6.5.5 The Council is required to make a net investment of £3.817m in the City Deal. Over a thirty-year period, it is estimated that this net investment will cost on average £0.240m per annum. Project spend will be incurred in years 1 to 9 with grant funding being received over years 1 to 20 resulting in an initial funding gap of £19.247m. It is anticipated that external borrowing will be sourced to finance this and based on current information to date, annual recurring funding of £0.212m will be set aside over a sixteen-year period, commencing 2019/20 to support this funding requirement.

## **6.6 Main Financial Dependencies**

- 6.6.1 The project is dependent upon the funding from the Glasgow City Region City Deal and from the Council.
- 6.6.2 Delivery of the project on budget will also be dependent on decontamination works being completed by Exxon. Exxon is currently considering the approach to decontamination of the areas of the site not previously remediated. All remediation will be undertaken at no cost to the Council.
- 6.6.3 Expenditure will also be required on flood prevention and the implementation of the other enabling infrastructure. The exact extent and nature of these works has not been determined in detail yet and is dependent upon initial design works now ongoing. Following completion of these works, the extent and likely cost of the additional enabling works will be understood in more detail. Appropriate initial estimates have been included in the infrastructure costs presented above.
- 6.6.4 Contingency sums of an appropriate level to the scale and complexity of the works will be calculated and applied for each contract to mitigate the risk of unforeseen on-site issues and delays due to, for example, inclement weather.
- 6.6.5 Application of appropriate optimism bias to the project costs has been applied within this Outline Business Case, until project tender prices and contingency sums have been confirmed.

## **6.7 Financial Risks**

- 6.7.1 All the Financial Risks have been set out in detail in the Risk Register attached as Appendix D.

## 7 Sustainability Case

### 7.1 Introduction

- 7.1.1 The sustainability case assesses the environmental viability of the project. It tests whether proposals are themselves sustainable and how they contribute to the wider sustainability agenda.
- 7.1.2 The sustainability case presented here uses material from the EIA Baseline which is largely complete and which will be used as the basis for the Environmental Statement which will accompany the future planning application for the project.
- 7.1.3 For avoidance of doubt, the proposals discussed here consider the development and use of the site post acquisition by the Council and once fully remediated by Exxon.

### 7.2 Environmental Risk Management

- 7.2.1 All Environmental Risks have been set out in detail in the Risk Register attached as Appendix D.
- 7.2.2 As the project develops, it is the Council's intention that an Environmental Management Plan (EMP) will be prepared. The EMP is likely to include the following information/mitigation measures:
- A broad plan of the phasing of the works on the site;
  - Baseline levels for noise, vibration and dust, and details of any monitoring protocols that may be necessary during construction works;
  - Any requirements for monitoring and record keeping;
  - Contact details during normal working hours and emergency details outside working hours;
  - The mechanism for the public to register complaints and the procedures for responding to complaints;
  - Details of construction operations highlighting any operations likely to result in disturbance and/or working hours outside the core working period, with an indication of the expected duration of key phases and dates;
  - The details of proposed routes for heavy goods vehicles travelling to and from the site;
  - Details of all works involving interference with a public road, including temporary carriageway/footpath closures, realignment and diversions;
  - Site measures/practices to address potential residential amenity issues; and
  - Mitigation measures to prevent the pollution of watercourses from surface water run-off.

### 7.3 Resilience

- 7.3.1 Measures to ensure the ongoing resilience of the site to climate change and other environmental impacts are being built into the development proposals. In particular, flood prevention measures, a sustainable urban drainage strategy, environmental mitigation and green network

proposals will be a fundamental component of the strategy for the site. These will be developed to accompany the future planning application for the site.

## 7.4 Greener Placemaking

- 7.4.1 The project will bring 19.10 hectares of brownfield, previously contaminated, land back into effective commercial use in the central and eastern areas of the site. Significant areas of enhanced greenspace and new, previously unattainable, public access for recreation will result from the proposals as indicated in the Masterplan shown previously. Full details of the access and green network enhancements will accompany the future planning application.

## 7.5 Active and Lower Carbon Travel

- 7.5.1 Measures to encourage the use of active and lower carbon transport modes will be built into the development planning process starting with the high level proposals in the Masterplan and becoming increasingly detailed as land-use proposals for the site become formalised. In particular, measures to encourage sustainable travel will be incorporated into the Transport Assessment.
- 7.5.2 Through enhanced greenspace on site and provision of new public access to areas which have never been publicly accessible, significant improvements to walking and cycling opportunities should result from the proposals.
- 7.5.3 The measures to facilitate sustainable travel will be defined as proposals for the site become clearer but are likely to include such things such as support for new or amended bus routes that serve the site, provision of cycle routes, cycle parking, car share schemes, pool cars, parking permits, interest free loans for season tickets or bicycle purchases as well as the provision of shower and changing facilities on site.

## 7.6 Biodiversity

- 7.6.1 The site is adjoined by the Inner Clyde SSSI, SPA and Ramsar sites. The site is located within the 300m buffer around the Special Protection Area.
- 7.6.2 A Phase 1 Habitat Survey and Preliminary Ecological Appraisal Report were prepared in July 2016. Detailed discussions with SNH, RSPB and the Council have subsequently defined a comprehensive programme of baseline surveys to inform the environmental assessment and future Environmental Management Plan. At the time of writing these are ongoing and scheduled for completion in Spring 2017.
- 7.6.3 The Habitats Regulations Appraisal Record (HRAR) prepared by the Council as part of the LDP process stated:
- *“Development of the site is likely to cause disturbance – both visual and acoustic – to redshank. This would apply to both the construction and operational phases of development”.*
  - Pollution is also considered to be an issue. It could have *“a direct impact upon the redshank through ingestion or fouling or, more likely, an indirect impact by modifying the habitat – either temporarily or permanently – including intertidal sediment quality”.*
  - Furthermore, *“it is highly likely that a study of redshank behaviour at this location over at least one overwintering season will be required”* in order to assess potential disturbance from both construction and operation of new development.
- 7.6.4 The HRAR notes in relation to the Bowling site that an Appropriate Assessment carried out at the beginning of 2012, determined that *“with appropriate avoidance and mitigation, remediation*

*works to decontaminate part of the site (known as Eastfield) would not adversely affect the integrity of the Inner Clyde”.*

*A range of mitigation measures were imposed as conditions on the planning permission including:*

- *“the requirement that, from September to April inclusive, plant and machinery should not give rise to greater cumulative noise than the level calculated within the Appropriate Assessment Statement;*
- *works to reinforce the Clyde riverbank to be undertaken outwith September to April inclusive;*
- *the erection of visual screens along the seaward edge of the site and around the head of the Dunglass Basin;*
- *the retention, undamaged, of trees and gorse identified on the site;*
- *restrictions on the use of haulage vehicles and large/heavy plant on certain parts of the site from September to April inclusive;*
- *the implementation of pollution control in accordance with SEPA’s guidelines.”*

7.6.5 The HRAR further states that these mitigation measures are likely to be required in future development of the site. In addition, *“a permanent buffer between development and the western edge of the site where the intertidal habitat is more extensive is considered necessary”.*

7.6.6 As the current project moves forward, it is intended that a full account be taken of these issues and the ongoing survey programme to inform the environmental management plan for the project.

## **7.7 Monitoring and Evaluation**

7.7.1 The sustainability and environmental impacts of the project will be monitored as part of a wider programme of monitoring and evaluation described further in Section 8.7.

7.7.2 Environmental monitoring and evaluation of the project will be carried out in accordance with the approved methods, time periods, frequencies and threshold numbers to be defined in the future Environmental Management Plan.

## **7.8 Smart City Systems**

7.8.1 Urban analytics and smart technologies could be used to enhance this project. Smart systems which could be incorporated into this development are:

- Intelligent transport systems (i.e. real-time public transport information, smart ticketing systems, park-and-ride facilities, real-time traffic information); and
- Smart energy networks (i.e. electric charging points).

7.8.2 These will be fully reviewed and developed as part of the Full Business Case.

## 8 Management Case

### 8.1 Project Roles

#### Management Procedures

- 8.1.1 The Assurance Framework sets out a standardised governance structure for the delivery of City Deal schemes. West Dunbartonshire Council has established internal governance arrangements for the management of its City Deal project.
- 8.1.2 A dedicated WDC City Deal Project Board has been established, with the authority to agree the Business Case prior to submission to the Council for approval prior to submission to the City Deal Programme Management Office. The Board has otherwise no decision making powers, but provides a mechanism for regular progress updates and dialogue on all infrastructure, employability and business and innovation strands of the City Deal programme between responsible officers and Elected Members. The City Deal Project Board reports to Council on a regular basis.
- 8.1.3 The Project Board meets on a monthly basis or they may convene as required to review progress and address problems. It discusses strategic issues relative to WDC's City Deal project, key matters arising across the City Deal programme and emerging from the Programme Management Office and City Deal Support Groups. It also monitors the City Deal Programme Risk Register.
- 8.1.4 The project delivery team has been selected to ensure that it has all the necessary skills and expertise required to deliver the project. In addition, the support of specialist development and infrastructure consultants Peter Brett Associates LLP (PBA) has been procured to help facilitate the successful and timely delivery of the project.

#### Project Responsibility

- 8.1.5 The Capital Investment Programme, managed by Craig Jardine, will co-ordinate the delivery of the project.
- 8.1.6 The key project roles have been allocated as follows:

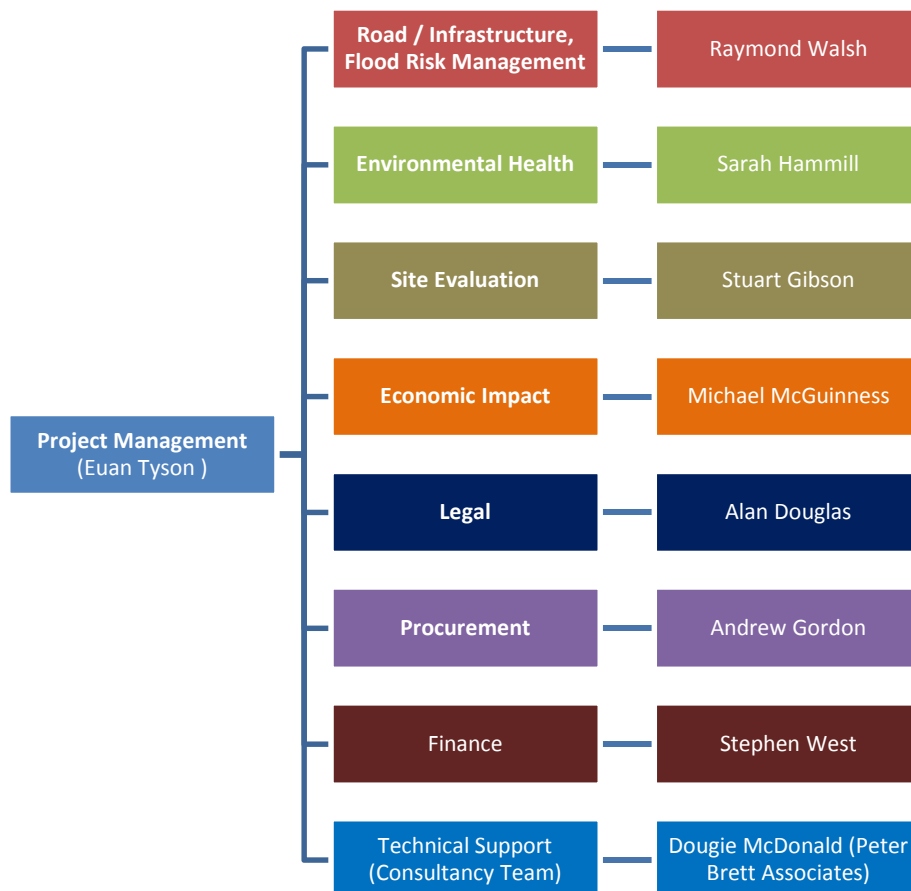
- **Project Sponsor: Richard Cairns (West Dunbartonshire Council)**
- **Senior Responsible Officer: Jim McAloon (West Dunbartonshire Council)**
- **Project Manager: Euan Tyson (West Dunbartonshire Council)**

- 8.1.7 The wider project team which they will oversee is outlined below.

### 8.2 Project Governance Structure

- 8.2.1 The project governance structure within the Council is shown in Figure 8.1. This highlights clear lines of responsibility and accountability for delivery of the various elements of the project.

Figure 8.1 Project Governance Structure



- 8.2.2 The Project Sponsor leads the Project Board and has overall authority for those matters delegated to officers to progress.
- 8.2.3 For those matters not expressly delegated to officers, the Council and its committees provide guidance and oversight. Reports on progress on the City Deal overall, including the Exxon Site project, are heard by the Council. As matters progress, service committees, statutory committees (principally Planning Committee), Tendering Committee and the Audit and Performance Review Committee are likely to have increasing input into the guidance and oversight of the project.
- 8.2.4 The membership of the Project Board is as shown in Table 8.1.

Table 8.1 WDC Project Board

Board Member	Department	Project Role
Richard Cairns	Infrastructure and Regeneration	Project Sponsor
Jim McAloon	Regeneration Strategic Lead	Senior Responsible Officer
Andrew Gordon	Finance / Procurement	Procurement Manager
Stuart Gibson	Asset Management	Assets Coordinator
Alan Douglas	Legal	Legal Manager
Sarah Hamill	Regulatory Services	Environmental Health
Graham Pollock	Regulatory Services	Regulatory Services Manager
Michael McGuinness	Economic Development	Economic Development Manager
Marnie Ritchie	Economic Development	Regeneration Co-ordinator
Stephen West	Transformation and Public Service Reform	Strategic Lead - Resources
Euan Tyson	Capital Investment Team	Project Manager
Raymond Walsh	Roads and Transportation	Roads and Transportation Manager
Craig Jardine	Capital Investment Team	Programme Manager
Pamela Clifford	Planning	Planning Manager
Avril Coutts	Infrastructure and Regeneration	Leadership Support Officer

8.2.5 In addition, Dougie McDonald, Project Lead and Partner at Peter Brett Associates LLP attends the Project Board by invitation.

### 8.3 Risk Management

8.3.1 All risks that could affect the successful implementation of the project have been identified and are set out in detail in the Risk Register attached as Appendix D. This includes details of risk owners and mitigation measures.

#### Risk Management Procedure

8.3.2 The Council has adopted a City Deal Programme Risk Management Strategy which mirrors the wider City Deal Risk Management Strategy and also complements the broad principles of WDC's Corporate Risk Management Strategy. The Council will adhere to the 'Escalating and Reporting Structure' as detailed in the Assurance Framework Part 3, Section 5.5. Roles and Responsibilities in relation to risk are outlined in the City Deal Risk Management Strategy. The project will be managed in a comprehensive manner consistent with the City Deal risk management requirements whilst also following internal risk management principles and procedures.

8.3.3 The West Dunbartonshire City Deal project risk register is not viewed in isolation, but is proactively managed and overseen by the Project Board where it is reviewed regularly.



## Scored Assessment, Risk Likelihood, Probability and Mitigating Actions

- 8.3.4 The detailed project Risk Register has been developed to identify project risks which are scored on initial and residual risk probability and impact. Key controls and procedures, mitigating actions, the lead responsibility and the timescale for regular review for each identified risk have also been identified. Risk analysis, identification and estimation for the project have been undertaken in accordance with the methodology outlined within the City Deal Risk Management Strategy. Risk estimation has been calculated by assigning values to the probability and impact of a risk against the set guidance criteria provided. The top five risks for the project have also been identified.
- 8.3.5 Existing, escalating or new risks are recorded and monitored by the Project Board. A working issues log has been established for the project which is reviewed and updated regularly by the project manager. Monthly updates on project risks and issues are provided to the Programme Management Office through project status and issues log reporting.

## Roles and Responsibilities

- 8.3.6 The project manager has overall responsibility for managing project risk, including keeping the project risk register and issues log up to date, regular reporting to the Project Board and to the Programme Management Office. The project manager will work closely with contract administrators during contract implementation periods to ensure that all risks and issues are identified, recorded and monitored; to identify and implement mitigation actions and to identify and record any programme and/or financial implications resulting from Early Warnings and Compensation Events.
- 8.3.7 If further management attention is required, reporting is undertaken to the relevant management team who are responsible for ensuring that appropriate action is taken on a timely basis by the appropriate responsible officers.
- 8.3.8 The Council's Corporate Management Team (CMT) has overall responsibility for risk management and for developing a comprehensive corporate risk management strategy.

## 8.4 Other Legal Matters for Consideration

### State Aid

- 8.4.1 There are no issues anticipated in relation to state aid legislation.
- 8.4.2 The Council has assessed the State Aid risk of the Council receiving funding from the City Deal for the development of roads and other infrastructure to support delivery of the project. There are four key tests which need to be considered in order to establish whether a project contains State Aid. State Aid exists if all of the following four criteria apply to the proposed funding:
- It is granted by the state or through state resources;
  - It favours certain undertakings or the production of certain goods;
  - It distorts or threatens to distort competition; and
  - It has the potential to affect trade within the EU.
- 8.4.3 The project will deliver the construction of new accesses, a new spine road and supporting infrastructure improving accessibility to the core and strategic road network and providing a direct link to the site. It will also open up land which is currently held privately, to the public.

- 8.4.4 The project is considered to have limited risk given that the spine road will be open to all and free of charge and when built will not favour any particular non-Council proprietor over any other party. The Council has confirmed that any third party land required for the project will be acquired at market value. On this basis the funding of the project is unlikely to be regarded as “selective” (i.e. it does not favour only certain undertakings) and on that basis, would not fall within the State Aid rules. There is sufficient evidence held by the Council that the roads and infrastructure will provide a wider benefit to the public at large in terms of providing a connection between publicly accessible areas and the Clyde Waterfront and enhanced green networks.
- 8.4.5 The project is therefore strategic enabling infrastructure which unlocks development and does not benefit a single developer or landowner.

### Land Ownership and Compulsory Purchase Orders

- 8.4.6 It has been identified that some parcels of land that will be required to provide access to the site are in the ownership of third parties. The process of determining which land may be required is currently ongoing through development of the preliminary access designs. However, from representations received to the proposed Local Development Plan it is understood that some of the potentially required land will not be able to be acquired voluntarily.
- 8.4.7 As such, it has been identified that there may be a requirement to apply Compulsory Purchase Order powers to acquire the necessary land to facilitate access to the development. The exact extent and requirement to apply these powers will not be known until the land-use and access proposals have been developed in more detail and the land ownership has been determined.
- 8.4.8 Should it be necessary to secure the land required to construct the accesses and link road from parties unwilling to sell, the Council is confident that it possesses sufficient powers and justification for their use and appropriate authority would be sought to promote a Compulsory Purchase Order pursuant to the Council’s powers under the Roads (Scotland) Act 1984.
- 8.4.9 Initial contact with possibly affected land owners commenced in November and December 2016 and will continue as the extent of required land is confirmed, in order to try to secure voluntary transfer.

### Local Authority Powers

- 8.4.10 West Dunbartonshire Council possesses all the necessary powers to deliver this project. In some instances, the cooperation of other agencies will be required to apply their powers in the delivery of the project. This is most likely to be the case for the construction of the railway underpass where Network Rail’s authority will be required and the formation of the new A82 junctions where Transport Scotland’s authority will be required.
- 8.4.11 The Council will use its powers, including under the Local Government (Scotland) Act 1973 or the Roads (Scotland) Act 1984, as appropriate to deliver the project.

### Planning Permission

- 8.4.12 There are no legal obstacles to the development of the site anticipated as a result of planning policy. The site is defined as a Specialised Economic Development location in the adopted Local Plan and allocated for industrial/business opportunities in the proposed Local Development Plan (LDP). An application for Planning Permission in Principle will be submitted in early 2018.

### Equality Impacts

- 8.4.13 An Equality Impact Assessment has been undertaken by the Council and is presented in Appendix G.

## Environmental Impacts

- 8.4.14 The environmental impacts of the project are being assessed as part of the project development and planning processes. The Council will observe all obligations under relevant environmental legislation and all appropriate measures including the requisite legal agreements, licenses and mitigation plans will be undertaken to ensure compliance with all relevant environmental legislation and planning requirements.

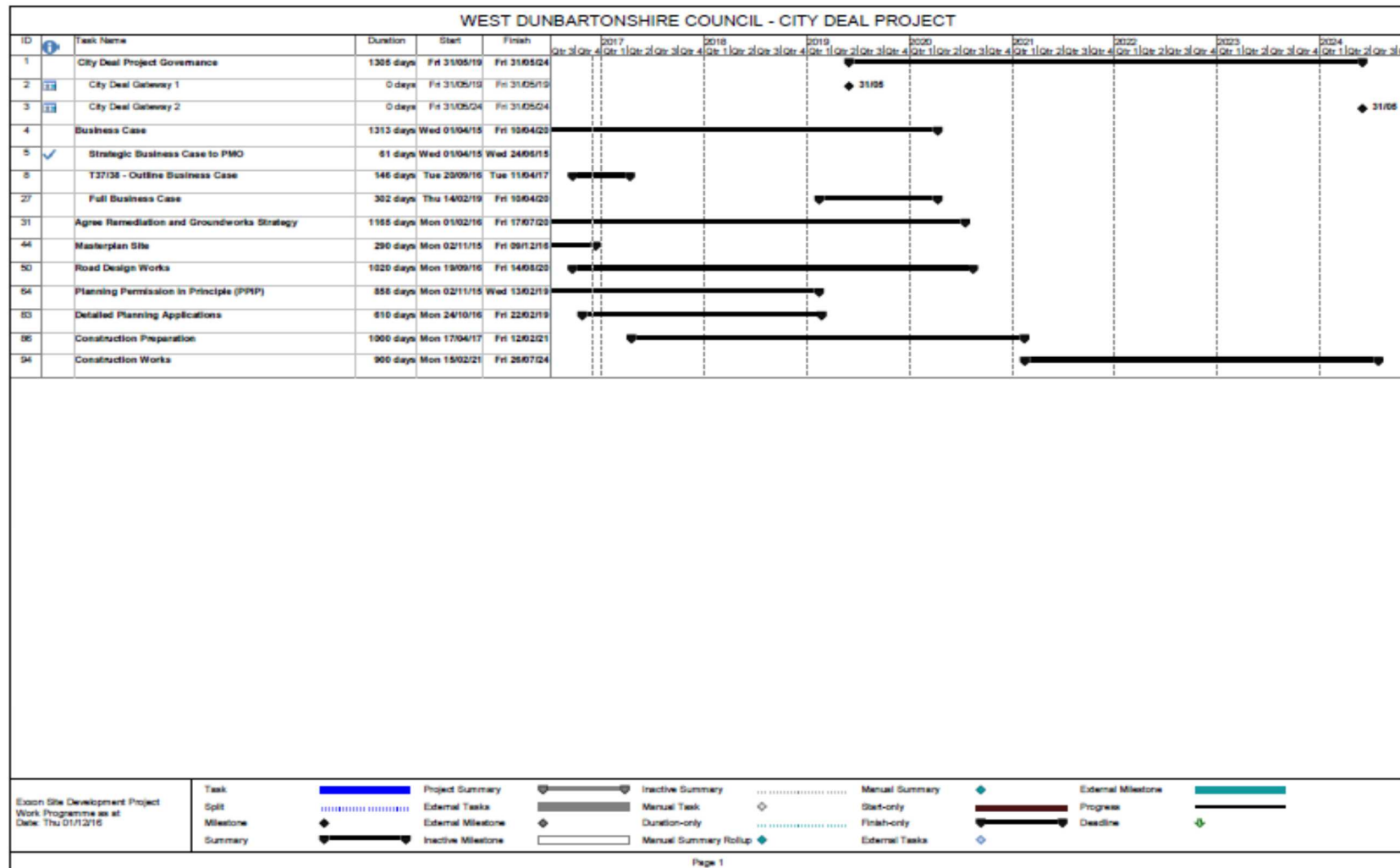
## Transport Impacts

- 8.4.15 As the site is a new land-use development, its transport impacts and access requirements have been, and will continue to be, assessed and appraised as any other development would be in accordance with Transport Scotland's Transport Assessment Guidance.
- 8.4.16 The individual transport and access requirements of each development within the site itself will be assessed and proposals put forward to ensure appropriate sustainable access through the Transport Assessment process.

## 8.5 Project Schedule

- 8.5.1 The current project Work Programme is shown in Figure 8.2 below.

Figure 8.2 Project Work Programme



8.5.2 The following key dates are evident from the work programme, which is considered to be a worst case timeline:

- Planning Permission in Principle is expected in February 2019 based on an application being submitted in February 2018;
- Flood mitigation and road design works can be completed by February 2019;
- The timetable for full site remediation is unclear but we have currently programmed it for full completion in July 2020 – an earlier completion may be possible;
- Flood mitigation and roads infrastructure construction works on site could begin in early 2021;
- Plots should be available for development from early 2024.

8.5.3 The programme will continue to evolve during the project. A key aspect of programme development will relate to phasing of works. It is anticipated that phased development of the site from east to west is feasible.

## 8.6 Project Monitoring and Evaluation

8.6.1 West Dunbartonshire Council is fully aware of the need to demonstrate Best Value and progress towards economic impacts to adhere to the City Deal Assurance Framework. The Council is developing a City Deal monitoring and evaluation framework to ensure compliance with PMO requirements for performance management. Monthly progress reporting on project development and delivery is provided to the Programme Management Office via project status reports and MA programme reports. Benefit realisation updates will also be provided on a quarterly basis to adhere with the requirements of City Deal, using the methodology set out in the Benefit Tracking Template provided within the Assurance Framework.

### Strategic Assessment Framework (SAF)

8.6.2 At Glasgow City Region City Deal level, an assessment is required of the cumulative land-use and transport impacts of the Programme of Infrastructure projects. This will be undertaken using a Strategic Assessment Framework (SAF) managed by the PMO and operating with a number of themes. The Council is committed to supporting this process and providing timely inputs.

### Progress Reporting

8.6.3 In accordance with the Glasgow City Region City Deal requirements the Council will submit 4-weekly project reports to the PMO by email including a Project Status Report and Project Plan.

8.6.4 In addition, quarterly project reports will be submitted to the PMO by the Council. This will include a Benefits Realisation Report, Project Risk Register, Project Issues Register and Inter-Dependency Register.

8.6.5 Each benefit outlined in Appendix C will be monitored on a bi-monthly basis using the methodology set out in its Benefit Tracking Template which will emerge as the Business Case is developed. The Council will be developing a suite of internal KPIs as part of its Project Controls with an early warning system for escalation.

8.6.6 The Council also undertakes to share best practice with other authorities and maintain a Lessons Learned Log during the project lifecycle to ensure that the experience from this project can be applied to future projects. In accordance with the requirements of the PMO the Log will include:

- aspects of the project and processes which went well;
- aspects and processes which could have been improved;
- details of abnormal or unexpected events or issues; and
- recommendations on how similar projects could be improved in future.

8.6.7 Furthermore, the Council commits to preparing a Lessons Learned Report at the end of the project or at the conclusion of a major phase of the project. This will cover the following areas:

- management and quality processes;
- a description of abnormal events causing deviations from plans;
- assessment of technical methods and tools used;
- recommendations for future enhancement or modification of project management method;
- useful measurements on how much effort was required to create the various projects; and
- notes on effective and ineffective quality reviews and other tests.

8.6.8 At a project specific level monitoring will take place of the environmental impacts of the project to determine the extent to which the sensitive environmental receptors in and around the site are impacted by the development. The methodology for undertaking this will be developed drawing upon the advice of technical experts in this field as the project progresses through detailed design.

8.6.9 Similarly, the economic impacts of the project will be measured to determine the extent to which the forecasted targets are being delivered. This will form part of the benefit monitoring described previously and will apply best practice techniques in forecasting economic impacts to ensure an accurate representation of the project performance is calculated.

## 8.7 Use of Specialist Advisors

8.7.1 A Lead Consultant contract was awarded in March 2015 and updated in October 2016.

8.7.2 Other specialist survey contracts have been placed in order to support the development of the project.

## Appendix A Lomondgate Monitoring Report



# LOMONDGATE: SUSTAINABLE REGENERATION AND DEVELOPMENT IN DUMBARTON



Regeneration case study prepared by yellow book ltd  
for Strathleven Regeneration CIC



July 2016

# Summary

## This case study documents a remarkable regeneration success story.

It describes how a regeneration and development partnership between Strathleven Regeneration – a Community Interest Company – and Walker Group – a private sector developer – has delivered new homes and jobs in Dumbarton and the Vale of Leven, close to some of Scotland's most deprived communities. It shows how an effective and determined long-term partnership has been able to achieve results despite the effects of the financial crash and a global recession. Lomondgate has defied conventional market wisdom and shown that it is possible to succeed in the most challenging circumstances – and with only minimal financial support from the public sector.

The case study records the history of the Lomondgate partnership since the announcement in 1998 of the closure of the J&B whisky bottling plant in Dumbarton.

It describes the 2004 development agreement between Strathleven Regeneration Company and Walker Group which has been the foundation for the achievements documented in this report. The report sets out the chronology of the development and regeneration process, the key milestones, and the outputs and impacts achieved.

The principal objective of the case study is to identify good practice and transferable learning from the Lomondgate experience. Lomondgate is a rich source of ideas, inspiration and learning for policymakers and economic development and regeneration practitioners, and for all communities facing the challenge of structural change. We have highlighted 8 key lessons from Lomondgate, covering themes including leadership, vision, partnership, commercial acumen and skills.





# The case study

The purpose of this case study is to record good practice and identify transferable learning from the Lomondgate project. It is aimed primarily at policymakers and regeneration practitioners, and is intended to raise awareness of a unique project and a distinctive approach. The Lomondgate story is particularly relevant at a time when public resources are at a premium and traditional supply-side approaches to regeneration appear increasingly unsustainable.

The case study builds on independent studies commissioned by Strathleven Regeneration, board papers and reports as well as a series of in-depth interviews with the Lomondgate partners. It draws out 8 key lessons from the Lomondgate story, which is a paradigm for a new kind of regeneration practice – entrepreneurial, market-led and, to a large degree, private sector-funded.



# How it all began

In 1998 Diageo announced the closure of its J&B whisky bottling plant at Dumbarton with the loss of 470 jobs. This was a major economic shock for a community already experiencing high levels of unemployment, but also a symbolically significant event in a town long associated with the whisky industry.

The immediate response to the announcement was the formation of a Task Force, chaired by John McFall MP. West Dunbartonshire Council, Scottish Enterprise, Diageo, the trade unions, Clydebank College and the Employment Service were all represented on the Task Force which focused on the immediate challenge of finding new jobs for the J&B workforce. By the time the J&B plant closed in April 2000 all but 80 of the employees had found work or opted for early retirement.

The Task Force was a response to the immediate effects of the J&B closure, but the partners were determined to go further. Strathleven Regeneration Company (SRC)

was formed in 2000, a special purpose vehicle with a brief to facilitate the physical and economic regeneration of the redundant factory and surrounding land. SRC was set up as a non-profit distributing company limited by guarantee. The original members included John McFall MP (Chair), Jackie Baillie MSP, West Dunbartonshire Council (WDC) and Scottish Enterprise (SE). Diageo committed a dowry of £500,000 and 22 acres of land; WDC contributed £180,000 of seedcorn funding and transferred 34 acres of land; SE committed £340,000 of seedcorn funding.

A report by MacdonaldEDA (2004) reviewed the partnership response to the J&B closure in these early years, with a detailed timeline of events from the creation of the Task Force to the signing of the development agreement. It includes an account of the 1999 community engagement event which helped to shape *Lifting the Rock*, an action plan for Dumbarton and the Vale of Leven, which was in turn a major influence on SRC's first vision statement.





# The Development Agreement

The support offered by the key partners was conditional on SRC entering into a joint venture with a private sector developer. The search for a partner proved to be a lengthy and complex process but, in 2004, SRC and Walker Group (Scotland) Ltd signed a formal development agreement. Walker Group acquired the former J&B plant and land south of the A82 from Diageo, part of which was leased to the BBC in 2002. The development agreement pooled the land owned by Walker Group with land north of the A82 which had been transferred to SRC. Under the terms of the agreement, Walker Group undertook to provide advance infrastructure, including a new roundabout on the A82. The area covered by the development agreement extended to 106 acres, and a “long stop” date of 31 December 2018 was agreed, by which time the whole site was expected to be under development.

The development agreement reflects the commercial imperatives of both parties. There is no public sector capital funding available but, crucially, the agreement is based on overarching economic regeneration objectives which reflect the aspirations of the community and local stakeholders. The agreement embodied the vision statement previously adopted by SRC

which highlighted the potential of the project to contribute to sustainable regeneration and economic development, helping Dumbarton to compete for residents, jobs, investment and visitors. The key elements of the project would be modern business space, services for visitors and tourists, and new housing. The partners’ key targets over the course of the development agreement were to replace the 470 jobs lost at J&B, and to attract £60m of private investment.

The early years of the agreement focused on pre-development activity: preparing a masterplan and securing planning and other statutory consents. The masterplan – originally framed around 6 “development packages” - received planning consent in 2005. In 2006, SRC appointed its first chief executive; the company had previously depended on in-kind support from WDC and SE, supplemented by consultancy services. The Lomondgate brand was launched in October 2007 and at about the same time Walker Group let the main infrastructure contract. These works – the A82 Lomondgate Roundabout, a secondary roundabout, drainage and other services – cost in excess of £7.5m but they were essential to open up access to development sites on both sides of the A82 and increase the visibility of the site.



These key milestones were reached just as the global financial crisis was unfolding and the global economy began to slide into what proved to be a long recession. The impact on the property market was profound and long-lasting, especially in less-favoured locations.

As the severity of the recession became clear, property markets began to falter. Lomondgate could not be insulated from these events and there was an inevitable negative impact. Development progressed more slowly than planned and anticipated financial returns were delayed. The effects are still being felt today: the commercial development account is still in deficit and anticipated capital receipts to Strathleven

Regeneration from housing land sales did not materialise. The situation is improving but, especially in the early years of the agreement, the commitment and resolve of the partners were severely tested.

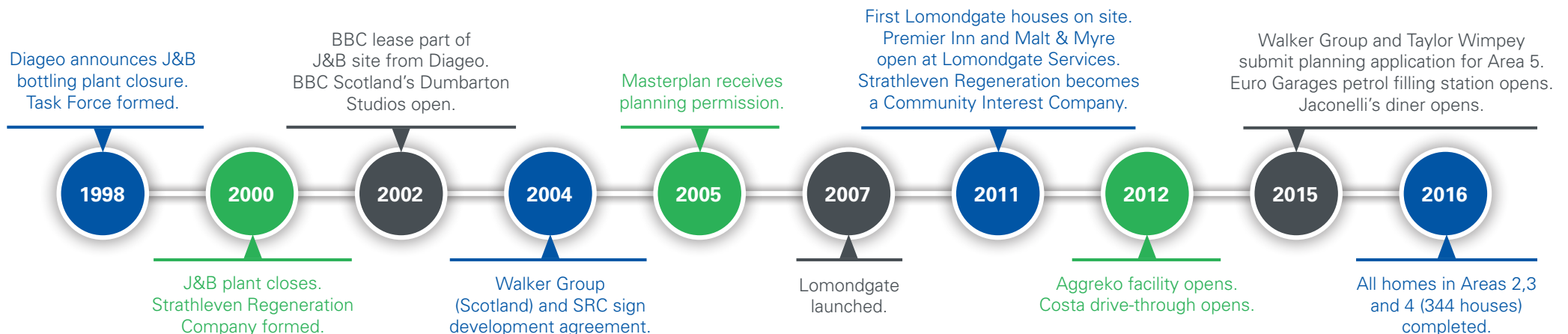
Faced with these challenges, it would have been easy to give up on the project or dilute aspirations, but that has never been seen as an option. Walker Group and SRC have kept the faith and the partnership has matured and deepened. Walker Group delivered the promised infrastructure investment, while SRC – with a new chief executive in post – began to develop a value-added role, building links with the Council, local businesses and development agencies.

# Project milestones

BBC Scotland's Dumbarton studios opened in 2002, and the facility is now described as "one of the busiest studios in the UK". Getting new development on the ground was a slow process: the development agreement, the masterplan and planning consents took several years to achieve, and then the recession hit. But in recent years the momentum has increased significantly. The Premier Inn hotel and the Malt & Myre pub restaurant opened at Lomondgate Services in 2011, followed by Scotland's first drive-through Costa in 2012. The Euro Garages petrol filling station and Jaconelli's diner followed in 2015. Work on building the first Lomondgate houses began in 2011 and

all the current consents have been built out. A key event and a genuine game-changer was the opening of the new Aggreko manufacturing facility in 2012.

In 2011, SRC became a Community Interest Company (CIC), describing itself as "a partnership of local business and political leaders with regeneration and economic development organisations". This was an important decision that positioned the business as a (highly entrepreneurial) social enterprise and differentiated it from public sector regeneration vehicles like the Urban Regeneration Companies (URCs).









# Residential development



Land acquired by Walker Group south of the A82 was earmarked for residential development (Areas 2, 3 and 4 – 39 acres). Planning permission was granted for a total of 344 houses, all of which have been completed by Persimmon Homes, Walker Group and Taylor Wimpey respectively. This has been a remarkable achievement in a period when housing completions in Scotland were running at only about half the pre-recession level. Sales have been strong, confirming Walker Group's judgement that West Dunbartonshire had been under-supplied with quality family housing for a number of years. Between 2011 and 2015 Lomondgate accounted for half of all housing completions in West Dunbartonshire.

A 2014 survey showed that Lomondgate was helping to retain local residents by improving housing choice in West Dunbartonshire. More than three-quarters of the households in Lomondgate had previously lived elsewhere in the Council area, and might otherwise have been obliged to leave the area to meet their housing needs.

Reflecting the popularity of new homes at Lomondgate, the adjoining Area 5 was allocated for residential development in the proposed West Dunbartonshire Local Development Plan. Taylor Wimpey and Walker Group have submitted a planning application for 58 homes and environmental improvements on this site.

# BBC Scotland

In 2002, BBC Scotland leased part of the J&B site from Diageo for use as studios for River City and other BBC and independent productions. This was a very significant early win, attracting a prestigious anchor occupier to the site and helping to pave the way for the development agreement. Dumbarton Studios offers a total of 70,000 ft<sup>2</sup> space in

3 studios with a full-size back lot. On-site facilities include costume and make-up, edit suites, catering and workshops. There are currently around 300 full-time equivalent (FTE) employees on the site, which has established a presence for the world-renowned BBC brand in West Dunbartonshire.





# Lomondgate Services

Lomondgate's strategic position at the gateway to Loch Lomond and the National Park made it a prime location for destination services serving day visitors and tourists as well as the local market. The Lomondgate masterplan earmarked a site next to the new roundabout, and the partners have successfully delivered almost all the key elements of the package:

- a 60-bedroom Premier Inn hotel, together with a pub/family restaurant (the Malt & Myre) opened in 2011: it has been so successful that the operators have sought and gained planning consent for a 54-bedroom extension
- Scotland's first drive-through Costa coffee shop opened in 2012
- a petrol filling station was an essential part of the mix but changes in the sector suggested that it would be hard to attract an operator: following a sustained marketing campaign led by the Lomondgate partnership, Euro Garages opened for business in 2015
- Jaconelli's fish diner opened in 2015
- this leaves one parcel of land (Site F) available for a tourism/visitor facility.





# Aggreko

When Aggreko, a leading international business with a base in Dumbarton, announced that it was intending to expand and relocate its manufacturing operation, there was a real risk that hundreds of skilled jobs would be lost, especially when other local sites proved unsuitable. The Lomondgate partners reacted swiftly, revising the masterplan to create a development site on land to the north of the proposed business park, most of it beyond the area covered by the development agreement. SRC forged close links with the company and

Lomondgate subsequently secured a £22m investment in a state-of-the-art, 192,000 ft<sup>2</sup> manufacturing facility which opened in 2012.

This important investment created and/or saved 339 gross jobs, including contractors, but it was also symbolically significant: a world-class business building a clean, modern factory in a high-quality landscape setting told a powerful story of regeneration and renewal in Dumbarton and the Vale of Leven, helping to create confidence in the market place and to raise the morale of the community.



# A82 strategic site



By effectively extending Lomondgate to the north to create a site for Aggreko, the partners preserved the strategic site on the north side of the A82. This site, which extends to around 20 acres, was originally envisaged as an office-based business park but that is no longer a viable option. Market intelligence suggests that there is a realistic prospect of attracting a large or single user, ideally a high-profile investment

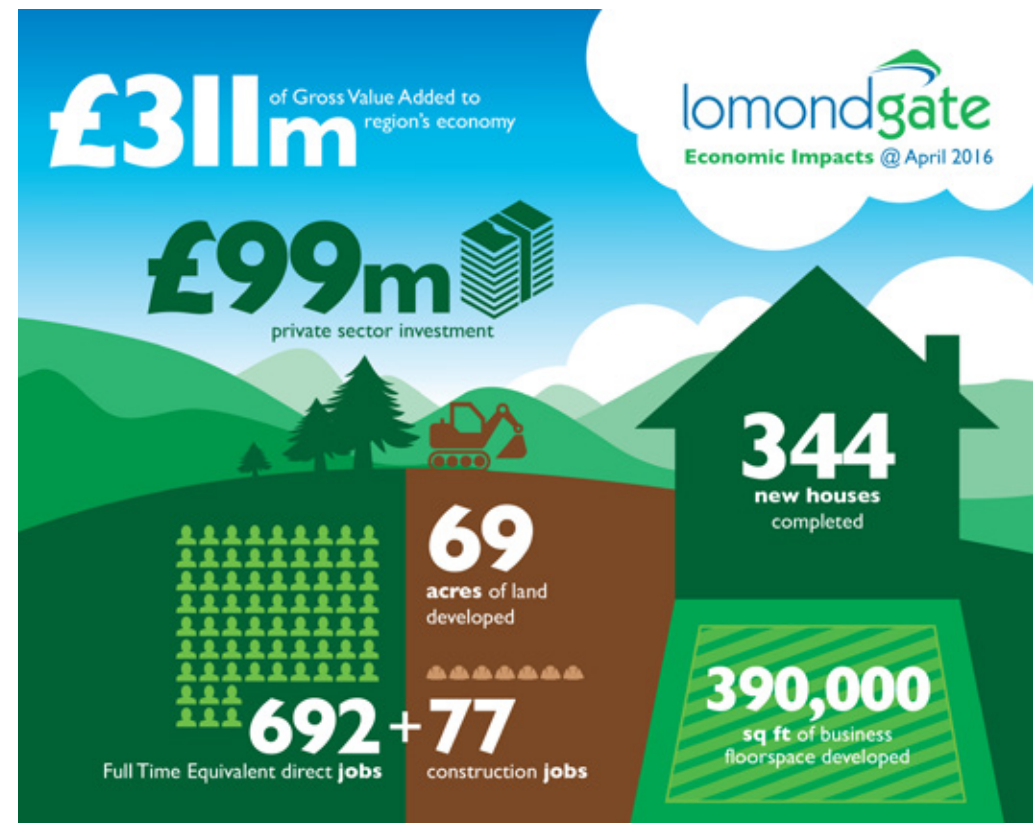
which would be another game-changer for Lomondgate. A number of leads have already been pursued, with future options ranging from advanced manufacturing and technology, through to commercial leisure. Attracting an anchor occupier to this site will be a top priority as the development partners work towards the December 2018 long-stop date.

# A record of achievement: key facts

Dumbarton and the Vale of Leven were perceived to be communities in decline and places where, even in good times, the market was reluctant to act. The partners have challenged those assumptions by focusing relentlessly on the positive, showcasing the location's strengths and attributes, and making the case for Lomondgate as:

- a great place to live, with a wonderful landscape setting and excellent road and rail access to Glasgow and the central belt
- an excellent place to do business, beside a trunk road and within easy striking distance of Glasgow and an international airport
- an ideal stopping-off point for visitors travelling to and from the National Park and the West Highlands.

Lomondgate has already been nominated for a number of awards and the project's achievements were recognised at the 2016 Scottish Property Awards, where it was named Community Development Project of the Year. The shortlisting for a 2012 SURF Award for Best Practice in Community Regeneration highlighted "dedicated long-term partnership working" at Lomondgate, as well as "the remarkable absence of public sector capital funding and the high-calibre businesses that have been successfully attracted".



# Economic impacts

Investor	£m
Walker Group	28.10
Aggreko	25.80
Persimmon	15.64
Taylor Wimpey	15.11
BBC	6.29
Whitbread	5.32
Euro Garages	2.00
Jaconelli's	0.60
Costa	0.02
<b>Total</b>	<b>98.88</b>

**A review by Peter Brett Associates showed that, by April 2016, Lomondgate had delivered the following economic impacts:**

- cumulative private sector investment of £99m, including an investment of £46m in housing
- 728 people working at Lomondgate (692 full-time equivalent), with an estimated regional impact (2015-16) of 499 net additional jobs/£48.3m GVA, and a national impact of 167 net additional jobs/£15.8m GVA
- 344 homes completed, including 52 units in 2015-16
- a cumulative contribution of £311m to regional GVA
- 390,000 ft<sup>2</sup> of employment floorspace
- development of the site has created the equivalent of 77 permanent construction jobs
- approximately £745,000 in Council Tax contributions per annum
- a £7.5m investment in road infrastructure, drainage and services
- 68.9 acres of land developed or in development

Business/location	Sq ft	Sq m	% share
Aggreko	192,674	17,900	49%
Lomondgate Services	87,080	8,090	22%
BBC	110,911	10,304	28%
<b>Total</b>	<b>390,655</b>	<b>36,294</b>	<b>100%</b>

Business/location	Acres	Hectares	% share
Residential	39.3	15.9	57%
Aggreko	16.1	6.5	23%
Lomondgate Services	3.7	1.5	5%
BBC	9.8	4.0	14%
<b>Total</b>	<b>68.9</b>	<b>27.9</b>	<b>100%</b>

Business	Regional impact			National impact		
	Gross jobs (FTE)	Net jobs (FTE)	GVA £m	Gross jobs (FTE)	Net jobs (FTE)	GVA £m
BBC	349	259	18.2	349	90	6.3
Aggreko	271	193	26.7	271	60	8.3
Whitbread	29	19	1.3	29	7	0.5
Costa	13	8	0.6	13	3	0.2
Euro Garages	18.5	12	0.9	19	4	0.3
Jaconelli's	11.5	8	0.5	12	3	0.2
<b>Total</b>	<b>692</b>	<b>499</b>	<b>48.3</b>	<b>692</b>	<b>167</b>	<b>15.8</b>

# 8 key lessons from Lomondgate

Lomondgate is a rich source of ideas, inspiration and learning for policymakers and economic development and regeneration practitioners, and for all communities facing the challenge of structural change. Based on a review of documents and reports and, especially, in-depth interviews with some of the key players, we have identified 8 key lessons from the Lomondgate story. All these lessons can be applied readily in other places that are prepared to match the energy, skills, commitment and creativity of the Lomondgate partners.

## 1 Effective leadership and good corporate citizenship laid the foundations for recovery at Lomondgate

The decision to close the J&B bottling point was a major blow for Dumbarton and it is still a cause for regret. But once it became clear that the decision would not be reversed, two important things happened.

First, the local partners moved quickly to set up a task force and mobilise a response. The task force was chaired by John McFall MP and he played a vital role from the outset, acting as a leader and an influential champion and working closely with J&B's parent company, Diageo.

Second, Diageo's contribution was exemplary. They played an active part in the task force and a dowry – in cash and land – was the catalyst for the creation of Strathleven Regeneration. The nature of the initial response set the tone for what was to follow:

a shared determination to help the workforce find new jobs and to create a positive legacy for Dumbarton and the Vale of Leven.

Business closures are a fact of life and there will be more in the future, but outgoing owners can still exercise corporate responsibility – to the mutual benefit of the community and the company's reputation. Strathleven Regeneration still has a positive relationship with Diageo, and as recently as 2014 Diageo rolled out its "Learning for Life" programme in Dumbarton.

## 2 The development partnership has unlocked the potential of the Lomondgate site

Especially in challenging times it is easy for property developers and investors to join the flight to so-called prime locations. Locations that are perceived to be challenging or high-risk can easily get left behind, especially if they are in areas with a history of industrial decline. Years of under-investment can drive communities into a downward spiral, and the market (and planners) can too readily assume that historic take-up is the only reliable predictor of future demand.

One of the outstanding achievements of the Lomondgate partnership has been to challenge received wisdom by focusing on the area's strategic attributes – its superb natural setting, accessibility to the Glasgow conurbation and the National Park, transport connections, skilled workforce and its attractions as a place to live and bring up a family.

Strathleven Regeneration has been a passionate advocate of Dumbarton and the Vale of Leven, and Walker Group (together with Persimmon Homes and Taylor Wimpey) has had the courage and acumen to recognise that the area was under-supplied with family housing and to cater for latent demand. There is an important lesson here for all of urban Scotland: communities don't have to be the prisoners of their history, and it is possible to change perceptions of disadvantaged places. At the same time, a rigorous market perspective is essential to test whether, as in Lomondgate, the fundamentals are sound.



### 3 It is important to establish a compelling and credible vision for the future

The community's aspirations and the partners' confidence in the future potential of Dumbarton and the Vale of Leven was reflected in a strategic vision for the area, and a statement of the tangible benefits that would flow from the regeneration of the area – jobs, new residents, greater prosperity, and so on.

This vision was the foundation for the development agreement, sending a clear signal that the Lomondgate partners have a shared strategic agenda and common purpose. Beyond the specific goals of replacing the jobs lost at J&B and securing £60m of investment – both of which have been exceeded – the partners are committed to a bigger project in which physical

regeneration will drive sustainable economic development, create new communities and help to establish a “new Dumbarton” ready to thrive and prosper in the future.

A credible vision recognises that regeneration takes a long time and requires patience. The decline of industrial towns unfolds over decades and it can take many years to turn their fortunes around. It is 18 years since Diageo announced the closure of the J&B plant, and 12 years since the development agreement was signed. A great deal has been achieved, but the partners' resolve has often been tested: their determination to hold to the long-term vision, and to say no to proposals which fall short of the expected standard, has been vitally important.



### 4 Doing the right thing: the power of enlightened pragmatism

A 2011 report to the Strathleven Regeneration board described the Lomondgate partners' approach as “enlightened pragmatism”. The development agreement is founded on a clear-sighted appreciation of the commercial imperatives driving Walker Group, Strathleven Regeneration, investors and occupiers. By working with the market grain and showing flexibility and a spirit of compromise the partners have achieved far more than conventional market wisdom would have predicted – without any capital funding from the public sector.

What's happened at Lomondgate makes commercial sense but it has often been achieved in the face of scepticism from agents and others. Far from being a passive

player, Lomondgate has set out to influence the market and draw attention to the area's neglected strengths. This hands-on approach has been vital but so has a shared determination to maintain quality and not to indulge in a “race to the bottom”. The partners have been prepared to hold out for better quality and to resist uses which are at odds with the Lomondgate vision.

The lesson is clear: by striking a careful balance between strategic aspiration and commercial reality, Lomondgate has over-achieved despite a hostile economic climate. Because everything that has happened has been market-led and business-driven, success has been hard-won – but it is much more likely to be sustainable.

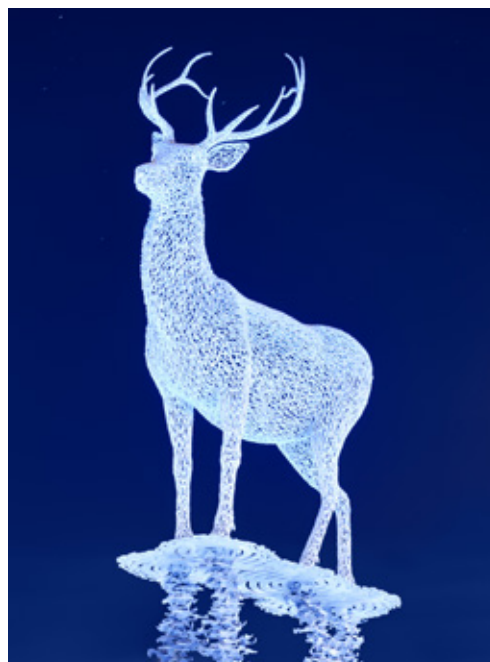


## 5 Interlocking partnerships are the key to success

The Lomondgate project rests on two tiers of partnership. Strathleven Regeneration CIC brings together key local partners and stakeholders – business leaders, politicians, West Dunbartonshire Council and Scottish Enterprise – to champion a vision for Lomondgate, and to ensure that physical regeneration drives sustainable economic development. In turn, Strathleven Regeneration has signed a development agreement with Walker Group which, for more than a decade, has been the partnership vehicle driving regeneration in Lomondgate.

The two partnerships – Strathleven Regeneration and Lomondgate – have faced many challenges but they have proved to be remarkably robust and productive. Strathleven Regeneration works because the people who matter are around the table, with a passionate commitment to the local community and a belief that the area deserves the best; giving the private sector a lead role has helped to sustain an entrepreneurial culture. The Lomondgate partnership is founded on trust, shared values, complementary skills and mutual commercial benefit. Our research has highlighted the importance of openness and transparency: the partners will not always agree but differences of opinion are confronted, addressed and resolved – and everyone buys into the decision.

The chief executive of Strathleven Regeneration is the lynchpin, acting as the interface between the two partnerships, influencing policy and managing the day-to-day relationship with Walker Group. The review has also highlighted the importance of the relationship between the Lomondgate partners and West Dunbartonshire Council. The latter is the planning authority and the body with lead responsibility for local regeneration: regular liaison meetings have promoted good communications and a shared agenda – both parties believe the relationship is constructive rather than adversarial.



## 6 The commercial imperative drives creativity and innovation



The traditional model of area-based regeneration in Scotland is predicated on using capital funding from the public purse to fund or subsidise supply-side initiatives, whether or not there is evidence of demand. Intervention is, of course, sometimes necessary to address market failure but it can have a distorting effect on the market, diverting investment away from locations that do not have access to public sector grants. By contrast, development at Lomondgate will only happen if it makes commercial sense.

Walker Group saw sufficient potential to justify an investment of £7.5m in enabling infrastructure, and an overall investment in excess of £24m. Their faith has been justified by the success of the new residential developments south of the A82. A realistic appraisal of the commercial property market suggests that, in this location, speculative office or industrial development is not viable

– so the business-winning strategy is based on identifying prospective operators, selling Lomondgate as a strategic location and facilitating investment.

With Aggreko, Lomondgate was able to turn a potential crisis into an opportunity and offer a compelling proposition which secured the company's long-term presence in Dumbarton. A petrol filling station was key to the vision of "destination services" at Lomondgate: the partners persevered for more than 7 years before Euro Garages confirmed their £2m investment. Other opportunities have been identified and pursued, and the partners are confident that some of these projects will come to fruition in the years ahead. That is the nature of the task, and the partners continue to focus on large/single-user projects and commercial leisure as offering the best prospects as the market recovers and the reputation of Lomondgate grows.

There is no "free money" and no easy wins but the Lomondgate model, anchored in market realities and commercial imperatives, is creating a platform for sustainable regeneration. Operating this way, and focusing on the links between physical regeneration and economic development, encourages the partners to innovate, always looking for ways to maximise impact and leverage private sector investment.

## 7 Tensions are inevitable in a regeneration and development partnership but they can be managed through trust and shared values

If the development partnership doesn't generate some tensions and rubbing points, it almost certainly isn't working. The development partner (Walker Group) made a substantial investment in infrastructure which it needed to recoup. Its immediate commercial aims may sometimes challenge the broader economic regeneration and placemaking objectives of the Strathleven Regeneration partners. The skill lies in managing and resolving conflicts in the mutual interests of both parties and achieving a state of creative tension.

Nothing is more important than choosing the right partner, and Strathleven Regeneration and Walker Group have proved an excellent match. Each understands the other's needs and expectations, as well as the skills they bring to the table. In the absence of public money, Walker Group's upfront investment has been indispensable but Strathleven Regeneration's contribution has been equally

important: managing the relationship with tact and judgement, influencing policy and pursuing investment opportunities. In one notable episode, Walker Group agreed to forego an opportunity to attract a discount food store to Lomondgate because the Strathleven Regeneration board considered it would be at odds with their aspirations for the site and with the local authority's town centre first policy.

Fundamentally, the relationship works because the partners understand and trust each other and share the same aspirations for growth and renewal in Dumbarton. The message is: "that's what we signed up for". The record shows that both parties routinely act in the spirit of the development agreement, only occasionally resorting to the letter. There has never been a serious falling out, and the occasional board-to-board meetings have consolidated the partnership, strengthened mutual trust and renewed commitment.



## 8 The Lomondgate way demands persistence and skill

Something remarkable has happened at Lomondgate, so why isn't everyone doing the same thing? Partly because it is hard to resist the appeal of grant funding and "if we build it, they will come" supply-side solutions, even if they have a distorting effect on regional markets. But also because the Lomondgate way is hard and requires persistence and professional skills that are in short supply.

Strathleven Regeneration is the epitome of a lean organisation, characterised by extremely careful financial stewardship. The executive "team" comprises a chief executive with an administrator, answerable to the board, working closely with Walker Group and dedicated to business-winning and influencing policy. The approach is necessarily

entrepreneurial because there is no spare capacity for bureaucracy or mission creep.

A critical success factor has been Strathleven Regeneration's determination to stay local, focusing relentlessly on making a difference in the Lomondgate area and resisting the temptation to expand its sphere of operations. A deep understanding of the workings of the commercial property market and the credibility to engage with and influence development partners and prospective investors are essential requirements for the chief executive, as is a willingness to work tirelessly and without supervision to deliver results. Strathleven Regeneration has been called a "guerrilla operation" – it's not a bad description.



# Conclusion

There is a palpable feeling of pride among the Lomondgate partners, and a sense that they've been part of something that has made a real difference in Dumbarton and the Vale of Leven, but which is also of wider significance. Independent research commissioned by Strathleven Regeneration confirms that the partnership has exceeded most of its targets and performed better than could reasonably have been expected in the face of the deepest recession in the modern era. Indeed, many people feel that what has been achieved would have been a good result even in more benign conditions.

Lomondgate is now home to two world-class businesses, the resident population has increased by more than 1,500, and a series of well-respected brands are represented at Lomondgate Services. Together these achievements have changed perceptions of Dumbarton and the Vale of Leven, making Lomondgate a destination in its own right and highlighting the area's strengths and attributes. These are the building blocks of a sustainable community. They have created a platform for a new wave of investment as the property market continues its slow recovery, with the prospect that more highly regarded businesses will move to Lomondgate in the next 5-10 years. The benefits extend beyond the area covered by the development agreement. In particular, success at

Lomondgate has gone a long way to restore confidence in the neighbouring Vale of Leven Industrial Estate.

The implications for the way we practice regeneration and economic development in Scotland are profound: the public sector and Diageo made upfront contributions of cash and land but these were tiny compared with the public funding that has been made available to urban regeneration companies and other projects. The significant investment in enabling infrastructure was made at risk by the private sector partner. Lomondgate has always been a lean operation: skilful, determined, adaptable, market-led and business-driven. The results have exceeded the partners' original, pre-recession targets and they will create a lasting legacy for West Dunbartonshire.





STRATHLEVEN  
REGENERATION

[www.strathleven.org](http://www.strathleven.org)



[www.lomondgate.com](http://www.lomondgate.com)  
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yellow book

[www.yellowbookltd.com](http://www.yellowbookltd.com)

## Appendix B WDC Previous Project Experience

Project Title and Description	Value	Delivery lead and year
<p><b>West Dunbartonshire Schools – PPP Project</b></p> <p>Delivery of WDC Schools PPP Project in partnership with private sector partner.</p> <p>The in-house team project managed the project of the delivery of 3 new secondary schools and 1 new primary and early education centre. This project was delivered on time and on budget.</p>	£110.00million	<p>WDC Capital Projects Team.</p> <p>2006 - 2010</p>
<p><b>Bonhill &amp; Goldenhill Primary Schools Project</b></p> <p>Delivery of 2 new primary schools through a traditional procurement route.</p> <p>The in-house team project managed the project of this amalgamated primary school contract using a consultant design team.</p>	£13.00million	<p>WDC Capital Projects Team.</p> <p>2008 - 2011</p>
<p><b>Dumbarton Academy Schools Project</b></p> <p>Delivery of a new Dumbarton Academy through a Design and Build Contract.</p> <p>The in-house team project managed the project consisting of this replacement secondary school contract using a consultant design team.</p>	£17.00million	<p>WDC Capital Projects Team.</p> <p>2010 – 2013</p>
<p><b>Bellsmyre Schools Campus, Dumbarton</b></p> <p>Delivery of a new co-located primary and early years' campus through a Design and Build Contract in partnership with Hub West Scotland.</p> <p>The in-house team project managed the project of this co-located primary school contract using a consultant design team.</p>	£10.65million	<p>WDC Capital Projects Team.</p> <p>2013 - 2016</p>
<p><b>Vale of Leven Workshops, Alexandria</b></p> <p>Delivery of a new commercial workshop development in Vale of Leven Industrial Estate, Alexandria. This project was 50% funded by Scottish Government.</p> <p>The in-house team project managed this development in partnership with Hub WEST Scotland.</p>	£1.95million	<p>WDC Capital Projects Team.</p> <p>2013 - 2015</p>
<p><b>Kilpatrick ASN Secondary School</b></p> <p>Delivery of a new Additional Support Needs Secondary School and Early Years campus through a Design and Build Contract in partnership with Hub West Scotland.</p>	£10.49million	<p>WDC Capital Projects Team.</p> <p>2013 - 2016</p>



Project Title and Description	Value	Delivery lead and year
The in-house team project managed the project of this ASN school contract using a consultant design team.		
<b>Roads Improvement Project, Dumbarton</b>  In partnership with the Regional Transport Authority, SPT and WDC's Regeneration Team successfully delivered this road improvement scheme.  This scheme comprised of the construction of additional lanes on an existing A class dual carriageway, construction of a 4 lane junction and extensive re-alignment of an existing 5 arm roundabout.	£1.78million	WDC Roads Service.  2013 – 2015
<b>Other Project Currently Under Development</b>  The Capital Projects Team is also leading on a number of other projects, many on site and others at the development stage. They are as follows; <ul style="list-style-type: none"> <li>- 2 new Care Homes</li> <li>- New Clydebank Leisure Centre</li> <li>- New Clydebank Community Sports Hub</li> <li>- New Balloch Schools Campus</li> <li>- New O.L.S.P High School</li> <li>- Office Rationalisation Programme</li> <li>- Depot Rationalisation Programme</li> </ul>	£106.34.00million	WDC Capital Projects Team.  2013 - 2021



## Appendix C Benefits Realisation Profile

Description of Benefit	Quantity of outputs to be achieved during project life cycle	Date when outputs to be achieved / realised in full	Outputs to be achieved by May 2019 (Gateway 1)	Outputs to be achieved by May 2024 (Gateway 2)	Outputs to be achieved by May 2029 (Gateway 3)	Assumptions/Comments
<b>Infrastructure Benefits</b>						
Vacant and derelict land brought back into commercial use (hectares)	19.10	2034	0	1	5	In determining benefits, it is assumed that infrastructure works will start on site in 2021 with work completed in 2024 and plots available for development and occupation from then. Full development is assumed to take 25 years from commencement on site.
Land remediated (hectares)	19.10	2019	19.10	19.10	19.10	Remediation of contaminated land expected to be complete prior to site acquisition by WDC.
Business space new (m2)	44,200	2034	5,538	14,388	24,275	See Appendix E and Appendix F for Planning Scenario Assumptions and Guidance.
Public realm new (m2)	20,000	2034	0	0	5,000	New public realm space will be created by the project.
<b>Transport</b>						
Public road created (m)	1,945	2024	1,945	1,945	1,945	Construction of new spine road through the site to open it up to development.
Public road enhanced (m)	1,320	2024	1,320	1,320	1,320	Construction of enhanced junctions and improved sections of carriageway on A82 and A814.
Cycle route enhanced (m)	475	2024	475	475	475	Realignment of NCN7 cycle route to maintain continuity and enhance safety.
<b>Employment Benefits</b>						
Total Gross Jobs created (i.e. direct jobs)	1055	2034	0	214	577	Gross jobs have been estimated using appropriate employment densities.
Total Net Jobs created (by Sector below)	689	2034	0	150	390	Net jobs take account of additionality assumptions in line with HM Treasury Green Book Guidance.

Description of Benefit	Quantity of outputs to be achieved during project life cycle	Date when outputs to be achieved / realised in full	Outputs to be achieved by May 2019 (Gateway 1)	Outputs to be achieved by May 2024 (Gateway 2)	Outputs to be achieved by May 2029 (Gateway 3)	Assumptions/Comments
<i>Office (Class 2)</i>	77	2034	0	39	77	Based on Scenario 3 in Appendix E
<i>Business (Class 4)</i>	211	2034	0	70	141	Based on Scenario 3 in Appendix E
<i>Industrial (Class 5)</i>	192	2034	0	41	109	Based on Scenario 3 in Appendix E
<i>Storage/distribution (Class 6)</i>	208	2034	0	0	62	Based on Scenario 3 in Appendix E
Total Net Additional Gross Value Added (GVA) per annum	£64.77m	2034	£0.00m	£13.46m	£35.86m	Based on net additional impact. Appropriate GVA per head values applied.
<b>Environmental Benefits</b>						
Greenspace enhanced or protected (hectares)	27.13	2024	0	27.13	27.13	The western half of the site is designated as greenbelt and as part of the green network in the LDP. It is assumed this land will be enhanced to improve its amenity prior to development commencing on site.
Land decontaminated (hectares)	19.10	2019	19.10	19.10	19.10	Remediation of contaminated land expected to be complete prior to site acquisition by WDC.
Area of land protected from flood (hectares)	24.77	2024	0	24.77	24.77	The whole site has been identified as potentially susceptible to flooding. It is assumed that flood protection measures will be put in place as part of the implementation of the project
<b>Business Benefits</b>						
Profit generated (£) per annum	£34.44m	2034	£0.00m	£3.72m	£15.19m	Profit level assumed to be 20% of turnover
Business turnover (£) per annum	£172.18m	2034	£0.00m	£18.61m	£75.95m	Estimated based on appropriate turnover per head values for gross jobs created in each sector.

Description of Benefit	Quantity of outputs to be achieved during project life cycle	Date when outputs to be achieved / realised in full	Outputs to be achieved by May 2019 (Gateway 1)	Outputs to be achieved by May 2024 (Gateway 2)	Outputs to be achieved by May 2029 (Gateway 3)	Assumptions/Comments
<b>Financial Benefits</b>						
Leverage - Private sector income secured / levered	£23.43m	2034	£0.00m	£3.80m	£11.58m	Private sector investment associated with the construction of various floorspace developments (based on Scenario 3).
Non-Domestic Business Rate Revenue (Gross)	£5.04m	2034	£0.00m	£0.52m	£1.63m	Based on consultations with West Dunbartonshire Council and Dunbartonshire and Argyll & Bute Valuation Joint Board.
Net Present Value of Non-Domestic Business Rate Revenue	£3.45m	2034	£0.00m	£0.46m	£1.26m	Future Cash Flows discounted at 3.5% in line with HM Treasury Green Book Guidance.

### Disbenefits

Impact	Description	Assumptions	Mitigation Plan
Impacts on sensitive environmental sites including SPA, SSSI, Ramsar site	The site contains and sits adjacent to areas designated for their sensitive environmental nature. Works to develop the site could disrupt these sensitive areas.	Assume work will be undertaken in a manner which minimises environmental impacts	Technical guidance will be sought from experts on measures that can be applied to ensure environmental impacts are minimised
Site displaces economic activity from elsewhere in West Dunbartonshire or the Glasgow City Region City Deal area	Economic activity may only be displaced from other locations rather than being genuinely additional	That it is more important to generate net additional economic activity than to redistribute it	Marketing of the site will be targeted at attracting new businesses to the area rather than relocating existing ones.

## Appendix D Risk Register

Project Title	Exxon Site Development Project
Member Authority	West Dunbartonshire Council
Project Location	Bowling, West Dunbartonshire
Project Sponsor	West Dunbartonshire Council
Project Manager	West Dunbartonshire Council
Date	December 2016



Risk Ref	Status	Risk Description	Inherent Impact	Inherent Probability	Inherent Risk Score	Rank	Owner	Control Actions	Residual Impact	Residual Probability	Residual Risk Score	Rank	Date Checked
PHYSICAL / ASSETS													
PA1	Live	Delay to remediation of contaminated land	4	4	16	5	Exxon	Masterplan amended to phase development around remediation programme. Site can be broken down into smaller packages to enable phased approach.	3	3	9	5	Dec-16
PA2	Live	Insufficient infrastructure capacity to enable desired quantum of development	2	2	4	22	WDC – Road & Infrastructure (Raymond Walsh) / Infrastructure Owners	Plan infrastructure maximisation strategies into development	1	1	1	24	Dec-16
POLITICAL													
P1	Live	Delay to programme due to number of Governance levels - Board, Council, PMO, City Deal Cabinet	3	3	9	15	WDC – Project Management (Euan Tyson)	Expedite delivery of project by undertaking proactive work on critical work programme elements and engaging with key stakeholders in advance to ensure they are aware of key project aspects at the earliest possible opportunity	2	2	4	17	Dec-16
P2	Live	Council elections in May 2017 returns an administration less supportive of City Deal.	3	3	9	15	WDC – Project Board	Ensure all members are kept fully informed of the benefits of the project and progress.	2	3	6	10	Dec-16
P3	Live	Council delays decisions on approvals of Business Cases as project progresses.	3	3	9	15	WDC – Project Board	Ensure that the Business Case(s) process is clearly defined and implications of time delays on the project are clearly articulated in reports to Council.	3	3	9	5	Dec-16
PROFESSIONAL													
PR1	Live	Agreement on technical approach with key stakeholders (e.g. Transport Scotland, Network Rail, public utilities, SEPA, etc.) creates timescale delays	5	4	20	2	WDC - Strategic Services & Consultancy (Euan Tyson) / Stakeholders	Regular engagement with key stakeholders throughout project development.	4	3	12	2	Dec-16
PR2	Live	Detailed design / site investigations reveal conditions that will significantly increase costs or affect project delivery	3	2	6	20	WDC – Site Evaluation (Stuart Gibson)	Site investigation works have been undertaken in 2016 to develop understanding of conditions. Technical Due Diligence being undertaken. Mitigation measures will be built into masterplan and detailed designs	2	2	4	17	Dec-16
PR3	Live	Network Rail require eastern access overbridge to be adopted by West Dunbartonshire Council. The bridge deck and parapets don't meet required standards for adoption so have to be replaced.	5	5	25	1	WDC – Road & Infrastructure (Raymond Walsh)	The bridge deck has to be replaced. GRIP 3 Options Study now ongoing to develop the solution.	3	3	9	5	Dec-16

Risk Ref	Status	Risk Description	Inherent Impact	Inherent Probability	Inherent Risk Score	Rank	Owner	Control Actions	Residual Impact	Residual Probability	Residual Risk Score	Rank	Date Checked
FINANCIAL													
F1	Live	Alternative sites are deemed more attractive for development reducing the attractiveness of former Exxon site	4	3	12	6	WDC – Economic Impact (Michael McGuinness)	Option appraisal has identified capacity for and attractiveness of former Exxon site as other local development sites are expected to be fully developed over next 10 years	3	2	6	6	Dec-16
F2	Live	Site fails to deliver the desired levels of economic activity and GVA forecast	2	2	4	15	WDC – Economic Impact (Michael McGuinness)	Economic appraisal will be undertaken as detailed plans are developed to ensure that proposals will deliver target outturns. Early commercial marketing of opportunity will be undertaken.	2	2	4	12	Dec-16
F3	Live	Investing Council finances in a site owned by others	4	3	12	6	WDC – Project Management (Euan Tyson)	Transfer of site to Council ownership is fundamental part of strategy. Heads of Terms are currently under discussion.	2	1	2	15	Dec-16
F4	Live	City Deal does not achieve target GVA levels throughout Clyde Valley with associated financial impact	2	2	4	15	City Deal Board	Work closely with other City Deal partners to deliver projects successfully	2	2	4	12	Dec-16
F5	Live	Insufficient funding due to complexity of site	4	2	8	13	WDC – Project Management (Euan Tyson)	Value engineering through design process to optimise development. Build development in phases and / or seek additional, alternative funding sources.	3	2	6	6	Dec-16
F6	Live	Land value unknown so impact on negotiations with Exxon and impact on distribution of project budget	4	4	16	3	WDC – Project Management (Euan Tyson)	Commercial property advisors have been appointed as part of technical due diligence team to consider land valuation.	2	2	4	12	Dec-16
F7	Live	Insufficient availability of resources for project delivery	3	2	6	14	WDC – Project Management (Euan Tyson)	Dedicated Project Manager to be appointed within WDC and consultant team in early stages of project planning.	2	1	2	15	Dec-16
F8	Live	Council Budget pressures impact upon resources available to progress project	4	3	12	6	WDC – Project Management (Euan Tyson)	Project Board constantly monitor budget and resource constraints on a regular basis	3	2	6	6	Dec-16

Risk Ref	Status	Risk Description	Inherent Impact	Inherent Probability	Inherent Risk Score	Rank	Owner	Control Actions	Residual Impact	Residual Probability	Residual Risk Score	Rank	Date Checked
REGULATORY / LEGAL													
RL1	Live	Necessary statutory approvals for development cannot be gained or are delayed	5	3	15	4	WDC – Legal (Alan Douglas)	Regular reporting of progress within the Council and liaison with key external agencies to ensure all requirements are met	5	2	10	2	Dec-16
RL2	Live	Excessive liabilities associated with contaminated land	3	3	9	8	WDC – Legal (Alan Douglas)	Current site owners will undertake a programme of remediation works and a Technical Due Diligence has been undertaken and will continue to be updated to ensure liabilities are clearly dealt with in terms of land ownership transfer and future work programme	3	2	6	6	Dec-16
RL3	Live	Land assembly requires Compulsory Purchase Order, delaying the project delivery.	3	4	12	5	WDC – Legal (Alan Douglas)	Determine land titles for parcels of land and enter into early discussions with landowners to expedite any necessary CPO.	4	2	8	5	Dec-16
ENVIRONMENTAL													
E1	Live	Environmental constraints (e.g. SSSI, RAMSAR, Ornithology, SPA) critically limits the extent of development or the capacity of the site for development	4	3	12	5	WDC – Environment (Sarah Hammill)	Plan environmental mitigation measures into development through the Masterplan process. Undertake EIA as part of planning process.	3	2	6	6	Dec-16
E2	Live	Fluvial and coastal flooding identified through SEPA plans. Potential to limit development area and/or increase enabling costs	4	4	16	3	WDC – Environment (Sarah Hammill)	Undertake Flood Risk Assessment as part of Masterplan process then develop mitigation strategy to maximise development area	3	3	9	4	Dec-16
CONTRACTUAL													
C1	Live	Delay to or unacceptable terms for transfer of ownership of site from Exxon to West Dunbartonshire Council	5	4	20	1	WDC – Legal (Alan Douglas)	Close working and liaison with Exxon throughout project development. Heads of Terms currently being discussed. Technical Due Diligence complete but ongoing review of new data ongoing.	5	2	10	2	Dec-16
C2	Live	Third party parcels of land required for development cannot be acquired on acceptable terms	5	4	20	1	WDC – Legal (Alan Douglas)	Negotiation with landowners required - underway in November / December 2016. Compulsory Purchase Order can be used if necessary.	5	3	15	1	Dec-16
C3	Live	Sale of site by Exxon to other parties rather than West Dunbartonshire Council	5	2	10	7	WDC – Legal (Alan Douglas) / Exxon	Ongoing engagement with Exxon to acquire the land. Heads of Terms are currently being discussed.	5	1	5	8	Dec-16

## Appendix E Economic Case Technical Appendix

### Guidance & Information Sources

The economic impact assessment has been undertaken in accordance with the HM Treasury Green Book Guidance<sup>10</sup> and the Scottish Enterprise Additionality Guidance.<sup>11</sup>

The following information and data sources have been used in the economic impact model:

- Scottish Government Labour Market Statistics (2014 data published 2016);
- Scottish Government Economic Multipliers (2013 data, published 2016);
- Glasgow and the Clyde Valley Infrastructure Fund: Economic Case (2015);
- Economic Outlook and Scenarios for the Glasgow and the Clyde City Valley Region (2013-2038);
- West Dunbartonshire Economic Development Strategy (2015-2020);
- Former Esso Site, Bowling - Initial Planning Review Report (November 2014);
- Glasgow City Region: Economic Delivery Group – Assurance Framework Review: VfM Engagement with Scottish and UK Governments (November 2016);
- Calculating Cost Per Job – Best Practice Note, Homes & Communities Agency (2015); and
- Building Cost Information Service Data (BCIS, 2015).

### Project for Assessment

Development scenarios for the Project were prepared in an Initial Planning Review of the site in 2014.<sup>12</sup> The findings of this report were subsequently discussed by West Dunbartonshire Council's Economic Development Team, PBA and GVAJamesBarr. Appendix F provides an extract from this report which explains the rationale for each scenario.

The three development scenarios were prepared based on a primary strategy objective for the site 'to increase the business and industry opportunities within West Dunbartonshire'. The quantum of development was also based on the limiting transport factors.<sup>13</sup>

### Planning Scenarios 1-3

Table E1 provides a breakdown of floorspace between each planning scenario. Scenario 3 is the central scenario.

Early appraisal work shows Scenario 3 is likely to deliver the highest levels of net jobs, employment floorspace, GVA and also leave the highest levels of private sector investment whilst staying within the transport constraints.

<sup>10</sup> HM Treasury, The Green Book – Appraisal and Evaluation in Central Government (2011)

<sup>11</sup> Scottish Enterprise Additionality & Economic Impact Assessment Guidance Note (2008)

<sup>12</sup> Former Esso Site, Bowling - Initial Planning Review Report prepared by PBA (November 2014)

<sup>13</sup> A transport assessment showed that vehicle trips beyond 1,000 are likely to be a limiting factor in the quantum of development on the site. "Beyond this number of additional vehicles, the operational efficiency of the road network starts to decline to below desirable levels."

This is a result of the high volume of storage/ distribution and industrial floorspace which is characterised by high GVA per employee values and low vehicle trips per square metre compared to office and business activity. Scenario 3 also provides a broadly comparable level of office and business floorspace as Scenarios 1 and 2.

Table E1 Floorspace Planning Scenarios 1-3

	Scenario 1		Scenario 2		Scenario 3 (Central Scenario)	
	% Floorspace	Floorspace (m2)	% Floorspace	Floorspace (m2)	% Floorspace	Floorspace (m2)
Office (Class 2)	12%	2,400	8%	2,100	4%	1,750
Business (Class 4)	41%	8,250	29%	7,300	18%	7,850
Industrial (Class 5)	20%	4,050	44%	11,000	22%	9,600
Storage/distribution (Class 6)	27%	5,300	18%	4,500	57%	25,000
<b>Total</b>	<b>100%</b>	<b>20,000</b>	<b>100%</b>	<b>24,900</b>	<b>100%</b>	<b>44,200</b>

Source: PBA.

Note: Each of the three broad planning scenarios assume up to 19.10 hectares of the overall site is available for development

Table E2 shows how the level and distribution of Scenario 3 floorspace compares to Scenarios 1 and 2. Scenario 1 provides 55% less overall floorspace compared to Scenario 3 and focuses mainly business floorspace. Scenario 2 provides 44% less floorspace compared to Scenario 3 and is predominately focused on the delivery of industrial floorspace.

Table E2 Scenario 2 and 3 as a Proportion of Scenario 1

Use	Scenario 1 as a % of Scenario 3	Scenario 2 as a % of Scenario 3
Office (Class 2)	37%	20%
Business (Class 4)	5%	-7%
Industrial (Class 5)	-58%	15%
Storage/distribution (Class 6)	-79%	-82%
<b>Total</b>	<b>-55%</b>	<b>-44%</b>

Source: PBA

The following Economic Impact Assessment is based on Scenario 3. Scenarios 1 and 2 are used in the Sensitivity Analysis and Value for Money sections in this Technical Appendix and the main OBC.

## Economic Impact

The principal purpose for the City Deal capital investment is to provide the infrastructure to enable wider investment and secure employment benefits. The Logic Model provided in Figure 2.25 shows how the City Deal funded infrastructure will enable the development of the site which will result in private sector investment and employment.

The Project will therefore deliver positive socio-economic impacts through:

- Construction expenditure (to build the employment floorspace);
- Employment creation;
- Supply chain linkages; and
- Workers spending in the local economy.

## Construction Impact

The development of Scenario 3 will cost approximately £23.42 million. This will support an estimated 274 person years of construction employment<sup>14</sup> and provide £12.17 million GVA.<sup>15</sup>

## Operational Impact

### Economic Impact Model

An Economic Impact Model has been developed to measure net additional employment and Gross Value Added (GVA<sup>16</sup>). Additionality Guidance has been used along with professional judgment to estimate values for the following additionality factors:

- Deadweight: what would happen in the absence of the Project;
- Leakage: the proportion of employment opportunities accessed by people living outside the study area;
- Displacement: the proportion of Project benefit accounted for by a reduction in benefit elsewhere;
- Substitution: when a firm substitutes one activity for another to take advantage of public sector assistances; and
- Multipliers: to estimate further economic activity associated with additional income and supplier purchases.

### Additionality Assumptions: Operational

Table E3 shows the additionality factors used in the Economic Impact Model. The Model is consistent with HM Treasury and Scottish Enterprise guidance.

Dumbarton's Lomondgate project has been the subject of annual monitoring reports for each of the last 5 years. The Exxon site additionality assumptions are therefore based on those used: deadweight is assumed at 25%; displacement ranges from 30% to 50% depending on the use; leakage is considered to be low, ranging from 3% to 10%. Scottish Government Input-Output tables have been employed to identify appropriate multiplier values.

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<sup>14</sup> £23.42 million/ £85,583 (construction expenditure required to support one construction worker per annum in WDC) = 274. 274 person years of construction employment is equivalent to 274 construction workers being on site for one year or 136 workers being onsite per annum for 2 years.

<sup>15</sup> 274 x (£44,449 WDC Construction GVA per head) = £12.17 million

<sup>16</sup> Gross value added (GVA) is the measure of the value of goods and services produced in an area, industry or sector of an economy



Table E3 Additionality Assumptions

	Leakage			Displacement			Multiplier			Deadweight		
	WDC	GCV	Scot.	WDC	GCV	Scot.	WDC	GCV	Scot.	WDC	GCV	Scot.
Class 2 Financial/professional (office)	30%	10%	5%	15%	30%	40%	1.00	1.40	2.00	25%	25%	25%
Class 4 Business (R&D, Industrial)	20%	10%	3%	20%	30%	50%	1.05	1.43	1.90	25%	25%	25%
Class 5 General Industry	20%	8%	3%	20%	30%	50%	1.21	1.65	2.20	25%	25%	25%
Class 6 Storage/distribution	20%	8%	3%	15%	35%	50%	0.75	1.20	1.50	25%	25%	25%

Source: PBA

Note: Substitution is considered to be zero for WDC; GCV and Scotland

### Employment Floorspace: Economic Impact

Employment densities<sup>17</sup> have been used to estimate the level of employment typically associated with each floorspace use.

Table E4 shows that once fully developed the 44,200m<sup>2</sup> development will provide 1,055 gross Full-time Equivalent (FTE) jobs.<sup>18</sup> Net employment will total 689 FTEs providing £64.77 million GVA per annum.

Table E4 Gross & Net Impact (Scenario 3)

Area	2019	2024	2029	Post 2029	Total
Gross (increment)	0	214	363	478	1,055
Net additional (increment)	0	150	239	300	689
Net additional (cumulative)	0	150	390	689	689
<b>Additional GVA</b>	-	<b>£13.46</b>	<b>£35.86</b>	<b>£64.77</b>	

Source: PBA

### Value for Money

The following calculations have been carried out to examine the Projects value for money:

- Cost per job;
- GVA per job; and
- Non-Domestic Business Rate revenue.

<sup>17</sup> Home & Communities Agency - Employment Densities Guide (November 2015)

<sup>18</sup> One Full-Time Equivalent worker is equivalent to one worker working full-time or two workers working part-time.

## Cost per job Guidance

Best practice guidance<sup>19</sup> on calculating cost per job values provides industry benchmark levels from extensive evaluations of land and property development projects.

Table E5 provides cost per job thresholds ranging from projects primarily focused on job creation up to projects with wider strategic objectives. Crucially the Guidance states that a project can justify significantly higher cost per job values if it provides:

- high value jobs in growth sectors (e.g. advanced manufacturing);
- employment opportunities for targeted communities (e.g. long term unemployed in disadvantaged communities); and
- significant benefits such as decontamination of a site or a high quality working environment.

Table E5 Cost per job Benchmark

Scale	Gross cost per net additional job	Indicative description
Low	£28,700	Projects with a key focus on job creation (such as the development of employment space), high private sector investment, low remediation costs or targeted at a small local area with low deadweight and displacement
Mid-point	£39,850	Mid-point between job only objectives and wider regeneration strategic objectives
High	£51,000	Projects with wider objectives (such as cross-cutting regeneration or where the end use is for a specialist purpose), low private sector investment, high remediation costs or targeted at a wide special area with high deadweight and displacement
<p><i>The Guidance also notes: 'A Project may justify <b>significantly</b> higher cost per job if its objectives involve securing the jobs for a key target social group or it delivers other significant benefits as well as the creation of jobs e.g.</i></p> <ul style="list-style-type: none"> <li>• <i>Decontamination of a site;</i></li> <li>• <i>A high quality design of a building or the provision of additional services;</i></li> </ul> <p><i>Strategic jobs such as technology or growth sectors or jobs for targeted people in a targeted community also have particular potential benefits for which it may be worth paying a premium.'</i> (Page 7)</p>		

Source: Calculating Cost Per Job – Best Practice Note. Homes & Communities Agency (2015)

## Cost Per Job

Best practice guidance states the focus for calculating cost per job 'should be dividing the gross public sector cost by the net additional jobs created.' Table E6 shows cost per job values based on a construction cost of £27.90 million and the estimated 689 net additional jobs created from the 44,200m2 development (Table E3).

The Scenario 3 cost per job value is approximately 20% below the benchmark value provided in the Guidance. The project also satisfies all the requirements that permit above average cost per job values

<sup>19</sup> Calculating Cost Per Job – Best Practice Note, Homes & Communities Agency (2015)

namely the provision of high quality jobs in targeted high value growth sectors, local employment opportunities in a disadvantage area and remediation and reclamation of a contaminated site.<sup>20</sup>

Table E6 Estimated Additional NRD Per Annum

Cost: £27.9m	Scenario 3 (44,200m <sup>2</sup> )		Cost per job as a % of £51,000 benchmark value
	Jobs	Cost per job	(<100% = less than benchmark, >100% = more than benchmark)
Net	689	£40,487	79%

Source: PBA

Cost per job values for Scenarios 2 and 3 are provided in the Sensitivity Analysis section.

### GVA Per Job

Average GVA per head in West Dunbartonshire is £48,184. The average GVA per head associated with each of the new net additional jobs is £94,000 which is c.95% higher than average levels. The GVA ratio per job is therefore 1.95 compared to average levels.<sup>21</sup>

Attracting higher value jobs will help strengthen the local labour market by increasing average productivity levels and providing high value employment opportunities to decrease net out-migration levels.

### Business Rate Revenue

Table E7 shows the level of additional non-domestic business rate (NDR) revenue that could accrue to West Dunbartonshire Council once the floorspace is occupied. The calculations were informed by consultation with West Dunbartonshire Council and Dunbartonshire and Argyll & Bute Valuation Joint Board to establish rateable values per square metre for each of the floorspace uses.

Table E7 show the level of business rate revenue that could accumulate assuming a one-year lag between the floorspace in Table C1 being built and occupied. Business rate revenue will total £2.1m by 2029 which is equivalent to £1.6m in 2016 prices.

Table E7 Business Rate Revenue

Year	NDR	NPV of NDR
2019	-	-
2024	£550,463	£480,264
2029	£2,076,543	£1,588,788

Source: PBA

### Sensitivity Analysis

Analysis has been carried out to test the sensitivity of the cost per job, GVA per job and business rate calculations for Scenario 1, 2 and 3.

<sup>20</sup> Decontamination of site will be carried out by the current land owners prior to WDC acquiring the site. Decontaminating costs are not included in the costs outlined in this OBC.

<sup>21</sup> £94,000/ £48,184 = 1.95

## Cost Per Job

The Project's total cost estimate is £27.897m. Excluding optimism bias, preliminaries, design costs reduces the capital expenditure to around £20.9million. Table E8 shows that at this cost the cost per job is below the benchmark level for each scenario.

Table E8 Cost per Job Sensitivity

	Scenario 1		Scenario 2		Scenario 3	
	Jobs	Cost per job	Jobs	Cost per job	Jobs	Cost per job
Net @ £27.9m	453	£61,544	547	£50,997	689	£40,487
Net @ £20.9m	453	£46,204	547	£38,286	689	£30,396
<b>Cost per job as a % of £51,000 benchmark value</b>						
Net @ £27.9m	121%		100%		79%	
Net @ £20.9m	91%		75%		60%	

Source: PBA

## GVA per job

Table E9 shows how each of the Scenarios would contribute to increasing average productivity levels in West Dunbartonshire. Scenario 2 provides the highest GVA increase due to the high concentration of industrial jobs which have high GVA per head values. Scenario 3 does however provide an additional 142 net jobs and around £10m net additional GVA per annum compared to Scenario 2.

Table E9 GVA per job

Year	Scenario 1	Scenario 2	Scenario 3
Net additional GVA (£million)	£37.85	£55.26	£64.77
Net additional jobs (FTEs)	453	547	689
Average GVA per head	£83,511	£101,022	£94,000
As % of Average GVA in WDC	73%	110%	95%
<b>GVA per job ratio</b> <i>(GVA from new net additional jobs / WDC GVA per head average)</i>	<b>1.73</b>	<b>2.10</b>	<b>1.95</b>

Source: PBA

## Business Rate Revenue

Business rate revenue is notably lower for Scenarios 1 and 2 (c.30% and 20% respectively). This is a direct result of the lower level of floorspace.

Scenario 3 would however deliver significant additional business rate revenue (c.£740,000 per annum) from the remaining tranche of floorspace post 2029 (c.24,300m<sup>2</sup>). As shown in table E10.

Table E10 Business Rate Revenue Scenario 1-3, 2019-2029

	Scenario 1		Scenario 2		Scenario 3	
	NDR	NPV of NDR	NDR	NPV of NDR	NDR	NPV of NDR
2019	-	-	-	-	-	-
2024	£464,940	£405,648	£524,475	£457,591	£550,463	£480,264
2029	£1,432,015	£1,109,610	£1,625,778	£1,259,196	£2,076,543	£1,588,788
<b>Total NDR as % of Scenario 3</b>						
2029	69%	70%	78%	79%	100%	100%

Source: PBA

## Conclusion

Scenario 3 provides the largest quantum of floorspace, the highest level of net additional jobs and overall GVA. Scenario 3 also levers the highest level of private sector investment and provides the highest business rate revenue, particularly in the post 2029 period. Unsurprisingly, Scenario 3 provides the strongest Value for Money indicators (with the notable exception of GVA per job).

Scenario 3 has a cost per job which is 20% below the benchmark. The characteristics of the Project also fulfil the criteria set out in the Best Practice Guidance which stipulates that projects can have above average cost per job values if they provide high quality jobs for targeted disadvantaged communities or helps to reclaim a contaminated site.

The Project will contribute to City Deal objectives by enabling a major employment site in a relatively disadvantaged area. The project will deliver almost 700 net additional high value jobs that will contribute to addressing West Dunbartonshire's productivity gap and address the socio-economic issues associated a geographically peripheral economy. The project will also lever private sector investment of some £23.4 million and generate significant annual business rate revenue.

## Appendix F Development of Scenarios 1-3

The text below is an extract from the Initial Planning Review Report prepared by PBA in November 2014. The analysis provides the origin of planning Scenarios 1-3. These were prepared based on limiting transport restrictions on the development of the site. The actual development plots available have evolved since this work was completed but the principles used to establish the development areas remain sound.

### Quantum of Development

This section considers development scenarios for the site. The development scenarios are based on notional development plots A-E as shown in Figure F1 below. Sites F, G and H have not been included because they are allocated as green belt within the proposed LDP. It is unlikely that this allocation will change in the near future.

Figure F1 Development site area



- Plot A: 35,778m<sup>2</sup>
- Plot B: 24,436m<sup>2</sup>
- Plot C: 32,198m<sup>2</sup>
- Plot D: 10,462m<sup>2</sup>
- Plot E: 39,567m<sup>2</sup>

**Total Site Area for Development: 142,441m<sup>2</sup>**

The earlier work undertaken by the transport team has estimated that an additional 1000 vehicles are likely to be the limiting factor in the quantum of development on this site. Beyond this number of additional vehicles, the operational efficiency of the road network starts to decline to below desirable levels. A vehicle occupancy factor of 1.2 has been applied throughout. The work further identified that higher traffic generating development should be located to the west of the site and lower traffic generating development to the east. However, this is a matter for consideration at Masterplan stage.



The following scenarios do not offer commentary on the spatial distribution of development within the site and instead comment only on the overall quantum of development to be achieved.

Before development of a planning application for the site, it is expected that a full Masterplan will be developed including potential uses and their distribution. Having regard to the land uses specified in the proposed LDP, business, industry, and storage and distribution (logistics), are considered to be the uses which will most readily attract an end user. The primary strategy objective for the site; *to increase the business and industry opportunities within West Dunbartonshire* is also noted, and the analysis below reflects this primary goal.

The potential for tourism, leisure and maritime uses as provided for in the LDP is recognised, however these are likely to be secondary uses on the site given the propensity of business, industry and distribution uses to generate a greater return on investment.

Before undertaking an exercise considering a plausible mix of uses on the site, we have first estimated that the following floorspace could be achieved in a single use scenario i.e. if 100% of development was within the single land use category. These figures are calculated using a limiting factor of 1000 additional vehicles on the road network in a peak hour.

Table F1 Achievable floorspace taking account of traffic capacity (single use developments)

Use	Proportion of total floorspace	Floorspace Achievable (sq.m)	Plot Ratio
Commercial office	100%	10,940	8%
Industrial	100%	60,251	42%
Warehouse & Distribution	100%	182,857	128%
IT data & light industry	100%	48,495	34%

Three scenarios are provided below which show a variety of plausible mixed uses on the site. Similarly, these scenarios apply 1000 additional vehicles as the limiting factor.

Table F2 Mixed use development Scenario 1

Use	Proportion of total floorspace	Floorspace Achievable (sq.m)	Plot ratio
Commercial office	48%	9,600	
Industrial	15%	3,000	
Warehouse & Distribution	27%	5,300	
IT data & light industry	11%	2,100	
<b>Total</b>		<b>20,000</b>	<b>14%</b>

Table F3 Mixed use development Scenario 2

Use	Proportion of total floorspace	Floorspace Achievable (sq.m)	Plot ratio
Commercial office	34%	8,400	
Industrial	40%	10,000	
Warehouse & Distribution	18%	4,500	
IT data & light industry	8%	2,000	
<b>Total</b>		<b>24,900</b>	<b>17%</b>

Table F4 Mixed use development Scenario 3

Use	Proportion of total floorspace	Floorspace Achievable (sqm)	Plot ratio
Commercial office	16%	7,000	
Industrial	16%	7,000	
Warehouse & Distribution	57%	25,000	
IT data & light industry	12%	5,200	
<b>Total</b>		<b>44,200</b>	<b>31%</b>

It is notable from the above analysis that the predicted roads capacity constrains the site development potential. Achieving plot ratios of less than 50% on land designated in the LDP as being 'business and industry' opportunity is likely to have a consequential effect on its attractiveness as a development opportunity. The exception to this is warehousing and distribution uses, which have fewer vehicle movements per sqm. of development, thereby allowing a much higher quantum of development before it begins to impact on road network capacity.

## Appendix G Equality Impact Assessment

## EQUALITY IMPACT: SCREENING AND ASSESSMENT FORM

This form is to be used in conjunction with the Equality Impact Assessment Guidelines. Please refer to these before starting; if you require further guidance contact [community.planning@west-dunbarton.gov.uk](mailto:community.planning@west-dunbarton.gov.uk)

<b>Section 1: Policy/Function/Decision (PFD) Details</b>	
A PFD is understood in the broad sense including the full range of functions, activities and decisions the council is responsible for.	
Name of PFD:	Exxon Site Development
Lead Department & other departments/ partners involved:	
Responsible Officer	Euan Tyson
Impact Assessment Team	Euan Tyson, Ricardo Rea
Is this a new or existing PFD?	New
Start date of EIA: 25/10/2016	End date of EIA: <i>ON GOING</i>
Who are the main target groups/ who will be affected by the PFD?	People living in west Dunbartonshire, people seeking employment in West Dunbartonshire, people travel through West Dunbartonshire by road or by training, businesses in West Dunbartonshire. West Dunbartonshire Council staff.
Is the PFD Relevant to the General duty to eliminate discrimination, promote equal opportunities or foster good relations? Please enter brief detail	The proposal is relevant to all parts of the equality duty
Yes:	If yes, complete all sections, 2-8
	If no, complete only sections 1 and 8
	If don't know, complete sections 2 & 3 to help assess relevance

## Section 2: Evidence

Please list the available evidence used to assess the impact of this PFD, including the sources listed below. Please also identify any gaps in evidence and what will be done to address this.

### Available evidence:

Consultation/ Involvement with community, including individuals or groups or staff as relevant	Please refer to Business Case for work so far
Research and relevant information	<p>Please refer to the business cases in terms of overall benefits and challenges</p> <p><b>Public Transport</b></p> <p>'Transport for everyone: an action plan to improve accessibility for all' Department of Transport 2012, for reliance on public transport, and Scottish Household Survey data on modes of transport.</p> <p><b>Welfare Benefits</b></p> <p>Changes are likely to mean that a very considerable number of people in West Dunbartonshire will lose the mobility component of what is now Disability Living Allowance; this will mean that they become as a group more reliant on public transport for work travel and other activities.</p> <p><b>Employment and employability</b></p> <p>These are two major concerns in West Dunbartonshire; the developments will provide opportunities generally. Work through our 'Working 4 U' integrated services on welfare, employability and learning, can help realise benefits especially for more excluded groups.</p>
Officer knowledge	When proposed work is underway there will be considerable transport disruption for an extended period of time, this may impact more on some groups than others. However some steps can be taken to impact the potential negative effects of this. Greater detail is provided in the sections below. West Dunbartonshire Council is the single biggest employer in the area, and we have taken this into account in this stage of the EIOA process.

	The project will provide employment opportunities and improved transport links for people living in West Dunbartonshire, and people moving through the area using the A82		
Equality Monitoring information – including service and employee monitoring			
Feedback from service users, partner or other organisation as relevant			
Other			
<b>Are there any gaps in evidence?</b> Please indicate how these will be addressed			
Gaps identified			
Measure to address these			
<i>Note: Link to Section 6 below Action Plan to address any gaps in evidence</i>			
<b>Section 3: Involvement and Consultation</b> Include involvement and consultation relevant to this PFD, including what has already been done and what is required to be done, how this will be taken and results of the consultation.			
Please outline details of any involvement or consultation, including dates carried out, protected characteristics. Also include involvement or consultation to be carried out as part of the developing and implementing the policy.			
<b>Details of consultations</b>	<b>Dates</b>	<b>Findings</b>	<b>Characteristics</b>



			Race
			Sex
			Gender Reassignment
			Disability
			Age
			Religion/ Belief
			Sexual Orientation
			Civil Partnership/ Marriage
			Pregnancy/ Maternity
			Cross cutting

*Note: Link to Section 6 below Action Plan*

#### **Section 4: Analysis of positive and Negative Impacts**

<b>Protected Characteristic</b>	<b>Positive Impact</b>	<b>Negative Impact</b>	<b>No impact</b>
Cross cutting	When work is completed the provision of the a A82 Relief road will be very positive for everyone using the a82 for transport in	Whilst work is underway anyone using the a82 or training in this and	

	<p>this and surrounding areas</p> <p>The development should provide more jobs in the area and improve the local economy, this is especially important as the area has high unemployment and deprivation.</p> <p>The development has the potential to work well with planned regeneration in Clydebank, along this important corridor.</p>	<p>surrounding areas may experience disruption and delays</p>	
Race	<p>Longer term improved A82 route will particularly benefit groups who rely more on public transport</p>	<p>This group relies more on public transport than some others. Whilst work is being under taken, trains, buses and taxis may be subject to delays</p>	
Sex	<p>Longer term improved A82 route will particularly benefit groups who rely more on public transport</p>	<p>Women rely more on public transport than some others. Whilst work is being under taken, trains, buses and taxis may be subject to delays.</p> <p>Women have more child care and caring responsibilities and are less likely to be able to work flexible</p>	

		given concentration in certain jobs	
Gender Re-assignment			x
Disability	<p>Longer term improved A82 route will particularly benefit groups who rely more on public transport</p> <p>A new road through the development, properly serviced by public transport may be of particular benefit for some disabled working or seeking work in businesses based in the area</p>	<p>This group relies more on public transport than some others.</p> <p>Whilst work is being under taken, trains, buses and taxis may be subject to delays</p>	
Age	Longer term improved A82 route will particularly benefit groups who rely more on public transport	This group relies more on public transport than some others. Whilst work is being under taken, trains, buses and taxis may be subject to delays	
Religion/ Belief			x
Sexual Orientation			x

Civil Partnership/ Marriage; this PC is not listed as relevant for Specific Duties; however under the General Duty we are required to eliminate any discrimination for this PC.			x
<p><i>Note: Link to Section 6 below Action Plan in terms of addressing impacts</i></p>			
<p><b>Section 5: Addressing impacts</b> Select which of the following apply (use can choose more than one) and give a brief explanation – to be expanded in Section 6: Action Plan</p>			
1. No major change	The project is at an early stage, however we have identified broad areas to pay attention to as details are developed and this will help us ensure benefits are realised and that any negative impacts are mitigated as much as reasonably possible		
2. Continue the PFD			
3. Adjust the PFD			

4. Stop and remove the PFD	
Give reasons: See above in box 1. A range of potential actions have been identified below	
<i>Note: Link to Section 6 below Action Plan</i>	

<b>Section 6: Action Plan</b> describe action which will be taken following the assessment in order to: reduce or remove any negative impacts, promote any positive impacts, or gather further information or evidence or further consultation				
Action	Responsible person	Intended outcome	Date	Protected Characteristic
Ensure that measures such as offering flexible hours, and location of work such as working from home are offered by to West Dunbartonshire Council employees and workers	TBC	West Dunbartonshire Council and people working in the area will suffer transport disruption.	In line with timescales as there are identified	Cross cutting
Undertaken work with employers and Chamber of commerce to encourage flexibility whilst works are underway		To help ensure that workers are not disadvantaged and to ensure that the Council can continue to operate as efficiently as possible  See above		

Consultation can be carried out through the West Dunbartonshire Equality Forum	Ricardo Rea	To ensure that all equality groups are aware of developments and can contribute their knowledge and ideas		
Working with SPT and Transport providers	Project Team	To ensure that disruptions are minimised and accessibility of transport is maintained as well as possible  To ensure that planning of public transport after work has been completed takes into account maximising the potential benefits for public transport users		
See above but with particular attention for this group			In line with timescales	Disability
Consultation can be carried out West Dunbartonshire Access for All	Project officers/TBC	To ensure that disabled people are aware of developments and can contribute their knowledge and ideas		
See above but with particular attention for this group			In line with timescales	Gender
				Gender Reassignment
See above but with particular attention for this group			In line with timescales	Race



See above but with particular attention for this group			In line with timescales	Age
				Religion/ Belief
				Sexual Orientation
				Civil Partnership/ Marriage
				Pregnancy/ Maternity

**Are there any negative impacts which cannot be reduced or removed? please outline the reasons for continuing the PFD**

There will be some impacts which will be negatively affecting some groups more whilst construction work is underway.

However the Council has a legitimate aim of improving employment and the economy in West Dunbartonshire, and improving transport links.

The proposals are a proportionate way of taking things forward and we will continue to ensure that equality and fairness considerations inform planning and implementation at each stage.

#### **Section 6a: Procurement Actions, Record of Equality issues for Procurement.**

Complete this section if there is any procurement involved in this Policy which may require action to eliminate discrimination, advancing equality or fostering good relations: **If there is no procurement involved go straight to section 7.**

Confirm that you have read the <u>WDC guidance on equality and procurement</u> if relevant. Y/N		
<b>Question</b>	<b>Measure</b>	<b>Specification</b>
What attitudes / skills should staff have to meet needs of the range of people from equality groups		
What measures are required to ensure that the supplies, services or works are accessible for to people from equality groups (this includes physical access and access to information/ communication)		
What arrangements are required to ensure that the supplies, services or works respond to particular religious or cultural requirements?		
What arrangements are required to ensure that the supplies, services or works meet the needs of equality groups		
Any other equality issues that should be taken into account in the contract specification:		
<b>Section 7: Monitoring and review</b>		
Please detail the arrangements for review and monitoring of the policy		
How will the PFD be monitored?		
What equalities monitoring will be put in place?		
When will the PFD be reviewed?		

Is there any procurement involved in this PFD? If yes please confirm that you have read the WDC Equality and Diversity guidance on procurement

### Section 8: Signatures

The following signatures are required:

Lead/ Responsible Officer:

Signature:

*Gary Tachai*

Date:

*23/1/17*

EIA Trained Officer:

Signature:

*R. Rea*

Date:

*23/1/2017.*

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**WEST DUNBARTONSHIRE COUNCIL**  
**Report by the Strategic Lead - Resources**  
**Council: 22 February 2017**

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**Subject: General Services Budgetary Control Report to 31 December 2016  
 (Period 9)**

**1. Purpose**

- 1.1** The purpose of this report is to advise Council on the progress of both the General Services revenue budget 2016/17 and the approved capital programme for the period to 31 December 2016.

**2. Recommendations**

**2.1** Council are asked to:

- i) note that the revenue account currently shows a projected annual favourable variance of £2.023m (0.94% of the total budget);
- ii) note that the capital account shows a projected annual favourable variance of £30.032m (28.07% of the budget) and a projected project life adverse variance of £2.869m (0.91% of project life budget); and

**3. Background**

Revenue

- 3.1** At the meeting of West Dunbartonshire Council on 24 February 2016, Members agreed the revenue estimates for 2016/2017. A total net budget of £214.913m was approved for General Services.
- 3.2** An element of funding due to be received from the Scottish Government on behalf of Educational spend (raising attainment), will be received specifically linked to the level of spend incurred (£1.023m) has now been transferred to Education for ease of monitoring. Therefore amending the net spend being monitored to £213.890m at that time.
- 3.3** There have been further adjustments to the Council's net budget – as agreed by Council throughout the year. Net spend of £214.227m is now being monitored, as noted below:

	<b>£m</b>	<b>£m</b>
Budget agreed in February 2016		214.913
<u>Adjustments:</u>		
Raising attainment – 3.2 above	(1.023)	
Council Tax recurring variance (transferred to Contingency Fund)	0.250	
Your Community revenue funding	0.060	
Community Food Share	0.017	
Business Stream Grants	0.010	
		(0.686)
<b>Revised Net Spend</b>		<b>214.227</b>

### Capital

- 3.4** At the meeting of Council on 24 February 2016, Members also agreed the updated 10 year General Services Capital Plan for 2016/2017 to 2025/26. The next three years from 2016/17 to 2018/19 have been approved in detail with the remaining 7 years being indicative at this stage.

The total project life budget approved for projects that had either commenced or were due to commence in that period totalled £304.333m.

Since then the following budget adjustments have taken place revising the project life budget to £316.458m as detailed below.

<b>Budget Agreed February 2016</b>	<b>£304.333m</b>
Additional slippage carried forward from 2015/16	£6.838m
Additional grant funding from Scottish Government re Children and Young Persons	£0.530m
Budget for Digital Media Platform	£0.004m
New budget re Dalmonach CE Centre as agreed by Members on 27 April 2016	£1.150m
Additional grant funding from Sustrans	£0.014m
Additional grant funding from Strathclyde Passenger Transport	£0.145m
Additional grant funding re Clydebank Community Sports Hub	£0.636m
Additional Budget for Inler Park as agreed by Members on 26 October 2016	£0.250m
Budget Increase re Balloch School Campus as agreed by Members on 29 June 2016	£0.888m
Additional Budget for 110 new vehicles as agreed by Members on 31 August 2016	£1.400m
Budget Acceleration for Vehicle Safety Measure as agreed by Members on 31 August 2016	£0.100m
HRA Contribution re Dalmuir Works	£0.125m
Match funding re Community Capital Fund	<u>£0.045m</u>
<b>Revised Budget</b>	<b><u>£316.458m</u></b>



#### **4. Main Issues**

##### Revenue

- 4.1** The summary report at Appendix 1 currently identifies a projected annual favourable variance (underspend) of £2.023m (0.94% of the total budget) and service reports by Strategic Leads are attached as Appendix 2. This includes an assumption of a further £0.353m underspend in year, achieved through the implementation of management adjustments (as reported to Council in October and December 2016).
- 4.2** Notes on the projected annual variances in excess of £0.050m are highlighted and noted within Appendix 3, with additional information on action being taken to minimise or mitigate overspends where possible.
- 4.3** Although the report indicates that expenditure is favourable in comparison to that anticipated during the budget exercise, the present variance should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March and which could affect the year end results.
- 4.4** Agreed savings and management adjustments actioned within 2016/17 are monitored with current indications showing that of the total target being monitored (£4.947m), the majority of actions are currently on target to be achieved. However it indicates that £0.805m is currently not on target (see Appendix 4). It should be noted that any variances are included within the service information and variances identified within this report.
- 4.5** Following the year end, recurring variances have now been identified and the report now highlights a transfer of budget into the contingency fund for these variances - valued at £1.223m. Following Council in December 2016, a further adjustment to the budget has been made (£0.170m). Therefore the total in the contingency fund is now £1.393m.

##### Capital

- 4.6** The current progress on the capital plan is shown in Appendices 5 to 8.
- 4.7** The overall programme summary report at Appendix 5 shows that planned expenditure and resource for 2016/17 is lower than previously anticipated by £30.032m (28.07% of the 2016/17 budget). Based upon current assumptions, over the life of the projects planned expenditure and resource is higher than anticipated by £2.869m (0.91% of a total budget of £316m). The present variances should be viewed in the knowledge that there are a number of variable factors which could arise between now and project end dates which could affect the overall capital programme.
- 4.8** Appendix 5 also provides both an analysis of the overall programme at each alert status and a summary budgetary control report. The tables at the top detail both the number of projects and the corresponding spend as a percentage of the overall programme currently at red, amber or green alert status for project life and the current year.

It currently shows that for the project life overview 29 projects (33% of total projects) have spend to date of £18.629m (15% of total spend) and are at red alert, 3 projects (3.4% of total projects) have spend to date of £17.379m (14% of total spend) and are at amber alert while 56 projects (63.6% of total projects) have spend to date of £87.920m (71% of total spend) and are at green alert.

The corresponding figures for the current year are 29 projects (33% of total projects) with spend to date of £8.667m (18.9% of total spend), 3 projects (3.4% of total projects) with spend to date of £1.374m (3% of total spend) and 56 projects (63.6% of total projects) with spend to date of £35.852m (78.1% of total spend) respectively.

- 4.9** Appendices 6 and 7 details financial analysis of projects at both red and amber status, with additional information on action being taken to minimise or mitigate under or overspends where possible, while Appendix 8 provides an analysis of overall resources.

## **5. People Implications**

- 5.1** There are no people implications.

## **6. Financial and Procurement Implications**

- 6.1** Other than the financial position noted above, there are no financial implications or procurement from this budgetary control report.

## **7. Risk Analysis**

- 7.1** The main risks are as follows:

- (a) The present variances should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March and which could affect the year end results for both the revenue and capital budgets; and
- (b) As a consequence of current market conditions, capital receipts may either not be received or they may be less than anticipated.

## **8. Equalities Impact Assessment (EIA)**

- 8.1** No equalities impact assessment was required in relation to this report.

## **9. Consultation**

- 9.1** All services involved in delivering the revenue and capital budgets have been consulted in the compilation of this report.

## 10. Strategic Assessment

- 10.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the 5 strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council.

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Stephen West  
Strategic Lead - Resources

Date: 24 January 2016

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**Person to Contact:** Gillian McNeilly, Finance Manager  
Council Offices, Garshake Road, Dumbarton  
Telephone: (01389) 737194  
E-mail: [gillian.mcneilly@west-dunbarton.gov.uk](mailto:gillian.mcneilly@west-dunbarton.gov.uk)

**Appendices:**

- Appendix 1 - Revenue Budgetary Control 2016/17  
– Corporate Summary
- Appendix 2 - Revenue Budgetary Control 2016/17  
– Strategic Lead Summaries
- Appendix 3 - Analysis of Revenue Variances over  
£50,000
- Appendix 4 - 2016/17 Savings and Management  
Adjustments Monitoring
- Appendix 5 - Overall Capital Programme Summary  
Financials
- Appendix 6 - Analysis of Projects at Red Status
- Appendix 7 - Analysis of Projects at Amber Status
- Appendix 8 - Analysis of Resources

**Background Papers:** Ledger output – period 9  
General Services Revenue Estimates 2016/17  
General Services 10 Year Capital Plan Update - Council 24  
February 2016

**Wards Affected** All Wards



WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017

APPENDIX 1

PERIOD END DATE

31 December 2016

Department Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17	Annual RAG Status
	£000	£000		£000	£000	%
Resources	4,322	4,103	95%	4,309	(13)	0%
Regulatory	4,594	4,014	87%	4,457	(137)	-3%
People & Technology	5,665	4,370	77%	5,605	(60)	-1%
Communications, Culture and Community	5,378	3,883	72%	5,339	(40)	-1%
Education, Learning and Attainment	88,643	66,160	75%	88,266	(377)	0%
Environment and Neighbourhood	27,996	20,934	75%	27,719	(277)	-1%
Housing and Employability	3,639	2,902	80%	3,770	131	4%
Regeneration	(1,172)	(517)	44%	(1,114)	58	5%
Miscellaneous Services	5,148	4,686	91%	5,882	734	14%
Loan Charges	10,478	7,549	72%	10,065	(413)	-4%
Requisition (VJB)	733	550	75%	733	0	0%
Requisition (SPT)	1,843	1,397	76%	1,863	20	1%
Requisition (HSCP)	61,515	41,499	67%	61,515	0	0%
Non GAE Allocation	(5,948)	(4,239)	71%	(5,652)	296	5%
Contingency Fund	1,393	0	0%	0	(1,393)	-100%
<b>Total Expenditure</b>	<b>214,227</b>	<b>157,291</b>	<b>73%</b>	<b>212,757</b>	<b>(1,470)</b>	<b>-1%</b>
Council Tax/CT Replacement Scheme	(40,800)	(24,229)	59%	(41,000)	(200)	0%
Revenue Support Grant/ NDR	(171,630)	(77,045)	45%	(171,630)	0	0%
Use of Reserves	(1,797)	(1,348)	75%	(1,797)	0	0%
<b>Total Resources</b>	<b>(214,227)</b>	<b>(102,622)</b>	<b>48%</b>	<b>(214,427)</b>	<b>(200)</b>	<b>0%</b>
<b>Net Expenditure</b>	<b>(0)</b>	<b>54,670</b>		<b>(1,670)</b>	<b>(1,670)</b>	<b>-0.78%</b>
Management Adjustments Identified - in year effect				(353)	(353)	
<b>Net Expenditure</b>	<b>(0)</b>	<b>54,670</b>		<b>(2,023)</b>	<b>(2,023)</b>	<b>-0.94%</b>

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
RESOURCES SUMMARY

APPENDIX 2

PERIOD END DATE

31 December 2016

Service / Subjective Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17	Annual RAG Status
Service Summary	£000	£000		£000	£000	%
Audit	353	330	93%	344	(9)	-3%
Finance	1,428	1,137	80%	1,463	35	2%
Rent Rebates & Allowances	(15)	(7)	47%	(22)	(7)	-47%
Revenues & Benefits	2,309	1,857	80%	2,259	(50)	-2%
Debtors & Creditors	330	269	82%	340	10	3%
Cost of Collection of Rates	41	3	7%	41	0	0%
Cost of Collection of Council Tax	(752)	(155)	21%	(751)	1	0%
Procurement	628	669	107%	635	7	1%
<b>Total Net Expenditure</b>	<b>4,322</b>	<b>4,103</b>	<b>95%</b>	<b>4,309</b>	<b>(13)</b>	<b>0%</b>









WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
REGULATORY SUMMARY

APPENDIX 2

PERIOD END DATE

31 December 2016

Service / Subjective Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17	Annual RAG Status
<b>Service Summary</b>	<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
Administrative & Democratic Services	2,570	2,507	98%	2,474	(96)	-4% 
Environmental Health/ Trading Standards	1,174	818	70%	1,153	(21)	-2% 
Licensing	(155)	(112)	72%	(122)	33	21% 
Legal Services	664	514	77%	615	(49)	-7% 
Planning	341	287	84%	337	(4)	-1% 
<b>Total Net Expenditure</b>	<b>4,594</b>	<b>4,014</b>	<b>87%</b>	<b>4,457</b>	<b>(137)</b>	<b>-3% </b>

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
PEOPLE AND TECHNOLOGY

APPENDIX 2

PERIOD END DATE

31 December 2016

Service / Subjective Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17	Annual RAG Status
<b>Service Summary</b>	<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
Transactional Services	697	508	73%	698	1	0% ↓
Human Resources (including risk)	1,305	863	66%	1,257	(48)	-4% ↑
Information Services	3,189	2,661	83%	3,200	11	0% ↓
Change Support	474	338	71%	450	(24)	-5% ↑
<b>Total Net Expenditure</b>	<b>5,665</b>	<b>4,370</b>	<b>77%</b>	<b>5,605</b>	<b>(60)</b>	<b>-1% ↑</b>

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
COMMUNICATIONS, CULTURE AND COMMUNITIES

APPENDIX 2

PERIOD END DATE

31 December 2016

Service / Subjective Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17	Annual RAG Status
<b>Service Summary</b>	<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
Communications & Marketing	276	206	75%	267	(9)	-3% ↑
Customer Service	1,190	835	70%	1,170	(20)	-2% ↑
Policy, Planning and Performance	454	343	76%	446	(8)	-2% ↑
Libraries, Museums, Culture	3,181	2,279	72%	3,175	(6)	0% ↑
Clydebank Town Hall	277	220	79%	281	4	1% ↓
<b>Total Net Expenditure</b>	<b>5,378</b>	<b>3,883</b>	<b>72%</b>	<b>5,339</b>	<b>(40)</b>	<b>-1% ↑</b>

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
EDUCATION, LEARNING AND ATTAINMENT

APPENDIX 2

PERIOD END DATE

31 December 2016

Service / Subjective Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17	Annual RAG Status	
Service Summary	£000	£000		£000	£000	%	
Primary Schools	24,884	18,639	75%	24,833	(51)	0%	↑
Secondary Schools	23,890	18,411	77%	23,883	(7)	0%	↑
Special Schools	14,462	10,327	71%	14,583	121	1%	↓
Psychological Services	543	401	74%	542	(1)	0%	↑
Sport Development / Active Schools	528	410	78%	535	7	1%	↓
Early Education	7,832	5,300	68%	7,449	(383)	-5%	↑
PPP	14,019	10,795	77%	14,061	42	0%	↓
Curriculum for Excellence	306	6	2%	311	6	2%	↓
Central Admin	267	183	68%	225	(42)	-16%	↑
Workforce CPD	378	238	63%	374	(4)	-1%	↑
Performance & Improvement	520	374	72%	458	(63)	-12%	↑
Education Development	1,015	1,077	106%	1,011	(4)	0%	↑
Total Net Expenditure	88,643	66,160	75%	88,266	(377)	0%	↑

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
ENVIRONMENT AND NEIGHBOURHOOD

APPENDIX 2

PERIOD END DATE

31 December 2016

Service / Subjective Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17	Annual RAG Status	
Service Summary	£000	£000		£000	£000	%	
Transport, Fleet & Maintenance Services	(112)	0	0%	(112)	0	0%	→
Roads Operations	(733)	(554)	76%	(753)	(21)	-3%	↑
Roads Services	4,410	3,077	70%	4,426	16	0%	↓
Facilities Management	325	263	81%	332	7	2%	↓
Grounds Maintenance & Street Cleaning Client	7,103	5,327	75%	7,103	0	0%	→
Outdoor Services	476	378	79%	511	35	7%	↓
Events	121	105	87%	121	0	0%	→
Office Accommodation	1,444	956	66%	1,572	129	9%	↓
CPP Investments	0	0	-	0	0	0%	→
Leisure Management	3,418	2,957	87%	3,430	12	0%	↓
Building Cleaning	1,649	1,006	61%	1,419	(230)	-14%	↑
Building Cleaning PPP	(211)	(189)	90%	(183)	28	13%	↓
Facilities Assistants	2,187	1,421	65%	2,042	(145)	-7%	↑
Burial Grounds	(52)	(51)	97%	(71)	(19)	37%	↑
Crematorium	(858)	(573)	67%	(939)	(81)	-9%	↑
Waste Services	6,952	5,003	72%	6,941	(11)	0%	↑
Catering Services	4,089	2,688	66%	4,044	(45)	-1%	↑
Depots	0	(83)	-	0	0	0%	→
Ground Maintenance & Street Cleaning Trading A/c	(2,212)	(798)	36%	(2,164)	48	2%	↓
Total Net Expenditure	27,996	20,934	75%	27,719	(277)	-1%	↑

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
HOUSING AND EMPLOYABILITY

APPENDIX 2

PERIOD END DATE

31 December 2016







Service / Subjective Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17		Annual RAG Status
Service Summary	£000	£000		£000	£000	%	
Homeless Persons	(7)	111	-1585%	158	165	-2354%	↓
Private Sector housing	91	20	22%	86	(5)	-5%	↑
Anti Social Behaviour	809	481	59%	703	(106)	-13%	↑
Private Sector Housing Grants	(22)	(17)	75%	(22)	0	0%	→
Working4U	2,038	1,898	93%	2,092	54	3%	↓
Communities	730	409	56%	754	24	3%	↓
Total Net Expenditure	3,639	2,902	80%	3,770	131	4%	↓

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
REGENERATION

APPENDIX 2

PERIOD END DATE

31 December 2016

Service / Subjective Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17	Annual RAG Status
<b>Service Summary</b>	<b>£000</b>	<b>£000</b>	<b>%</b>	<b>£000</b>	<b>£000</b>	<b>%</b>
Housing Maintenance Trading A/c	(1,020)	(771)	76%	(1,037)	(17)	-2% 
Corporate Assets and Capital Investment Programme	(2,983)	(1,867)	63%	(2,846)	137	5% 
Economic Development	538	494	92%	480	(58)	-11% 
Central Repairs & Maintenance	1,322	925	70%	1,321	(1)	0% 
Consultancy Services	971	702	72%	968	(3)	0% 
<b>Total Net Expenditure</b>	<b>(1,172)</b>	<b>(517)</b>	<b>44%</b>	<b>(1,114)</b>	<b>58</b>	<b>-5%</b> 



WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
MISCELLANEOUS

APPENDIX 2

PERIOD END DATE

31 December 2016

Service / Subjective Summary	Total Budget 2016/17	Spend to Date 2016/17	% Spend of the Total Budget	Forecast Spend	Forecast Variance 2016/17		Annual RAG Status
Service Summary	£000	£000		£000	£000	%	
Sundry Services	2,400	2,592	108%	3,097	697	29%	↓
Members Allowances, etc	564	416	74%	564	0	0%	→
CPP	461	346	75%	461	0	0%	→
European Employability	510	383	75%	510	0	0%	→
Chief Executive, Directors and Strategic Leads	1,213	950	78%	1,250	37	3%	↓
<b>Total Net Expenditure</b>	<b>5,148</b>	<b>4,686</b>	<b>91%</b>	<b>5,882</b>	<b>734</b>	<b>14%</b>	<b>↓</b>

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
ANALYSIS FOR VARIANCES OVER £50,000

APPENDIX 3

YEAR END DATE

31 December 2016

Budget Details	Variance Analysis			
	Total Budget	Forecast Spend	Variance	RAG Status
	£000	£000	£000	%

**Regulatory**

Administrative & Democratic Services	2,570	2,474	(96)	-4%	↑
Service Description	This services deals with the administration functions and Democrtatic Services wiithn the Authority				
Main Issues / Reason for Variance	The main reason for the variance is due to vacancies.				
Mitigating Action	No mitigating action required.				
Anticipated Outcome	It is anticipated that the underspend will contiune throughout the year.				

**Education , Learning and Attainment**

Primary Schools	24,884	24,833	(51)	0%	↑
Service Description	This service area includes all Primary Schools.				
Main Issues / Reason for Variance	Employee Costs are currently showing a favourable variance due to lower than anticipated cover costs. This favourable variance will be used to off-set adverse variances in transport and property costs. Property costs are higher than anticipated due to non-domestic rates charges. Due to a decrease in demand for school meals it is anticipated that there will be an adverse income variance.				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	The underspend within staffing is likely to continue for the reminder of the year.				

**WEST DUNBARTONSHIRE COUNCIL**  
**REVENUE BUDGETARY CONTROL 2016/2017**  
**ANALYSIS FOR VARIANCES OVER £50,000**

**APPENDIX 3**

**YEAR END DATE**

**31 December 2016**

Budget Details	Variance Analysis				RAG Status
	Total Budget	Forecast Spend	Variance		
	£000	£000	£000	%	
Special Schools	14,462	14,583	121	1%	↓
Service Description	This service area covers all ASN Services.				
Main Issues / Reason for Variance	Payments to Other Bodies is overspent due to an additional 10 children being placed within Residential and Daycare compared with the same period last year. Transport Costs are higher than anticipated due to the increase in Transport Fleet Costs. These services are demand-led and can fluctuate throughout the year. This overspend is partially offset by an underspend within staffing and additional income from Sale of Meals.				
Mitigating Action	The requirement for daycare and residential placements are demand-led services. However, the actual usage throughout the year will be reviewed regularly to identify where there is scope to reduce the number of placements.				
Anticipated Outcome	If current levels of demand continue then it is anticipated that these budgets will overspend.				
Early Education	7,832	7,449	(383)	-5%	↑
Service Description	This services area includes all Early Years establishments within West Dunbartonshire.				
Main Issues / Reason for Variance	There is an underspend in salaries due to a restructuring of the service and staffing levels being lower as nursery rolls are not yet at their maximum. There has been a decrease in the number of children being placed with childminders resulting in an anticipated underspend and some underspends in transport and property costs. It is also anticipated that there will be a favourable variance in income.				
Mitigating Action	Officers will continue to monitor the budget.				
Anticipated Outcome	Favourable variance within staffing; payments to other bodies and income is anticipated at year end				
Performance & Improvement	520	458	(62)	-12%	↑
Service Description	This service covers the monitoring of policies and improvement on curriculum within Education				
Main Issues / Reason for Variance	This variance has arisen because of vacancies and transfer of some employee costs to capital.				
Mitigating Action	No mitigating action required				
Anticipated Outcome	It is anticipated that this favourable variance against employee costs will continue				

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
ANALYSIS FOR VARIANCES OVER £50,000

APPENDIX 3

YEAR END DATE

31 December 2016

Budget Details	Variance Analysis				RAG Status
	Total Budget	Forecast Spend	Variance		
	£000	£000	£000	%	
<b>Environment and Neighbourhood</b>					
Office Accommodation	1,444	1,572	129	9%	↓
Service Description	Provision of shared office accommodation				
Main Issues / Reason for Variance	Continuing unbudgeted spend on Rosebury together with unbudgeted costs of New Clydebank Office				
Mitigating Action	Rosebury closed at end of December reducing cost pressure on this budget however an assumption has been built into the expected overspend .				
Anticipated Outcome	An overspend is expected at year end				
Building Cleaning	1,649	1,419	(230)	-14%	↑
Service Description	This service provides cleaning services across all council buildings				
Main Issues / Reason for Variance	The favourable variance is due to managing the delivery of service more efficiently resulting in underspend being achieved .				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	Underspend will be achieved				
Facilities Assistants	2,187	2,042	(145)	-7%	↑
Service Description	This service provides janitors and cleaners throughout the public buildings				
Main Issues / Reason for Variance	The favourable variance is due to managed staffing vacancies within the service together with unbudgeted additional income for out of hours rechargeable work				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	Underspend will be achieved				
Crematorium	(858)	(939)	(81)	-9%	↑
Service Description	Provision of Crematorium Services				
Main Issues / Reason for Variance	Favourable income variance due to increase in number of cremations being carried out				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	If current demand continues then an over recovery of income will be achieved				

WEST DUNBARTONSHIRE COUNCIL  
REVENUE BUDGETARY CONTROL 2016/2017  
ANALYSIS FOR VARIANCES OVER £50,000

APPENDIX 3

YEAR END DATE

31 December 2016

Budget Details	Variance Analysis				RAG Status
	Total Budget	Forecast Spend	Variance		
	£000	£000	£000	%	
<b>Housing and Employability</b>					

Homeless Persons	(7)	158	165	-2354%	↓
Service Description	This service seeks to prevent homelessness occurring across the authority and improves access to support services				
Main Issues / Reason for Variance	Projection of income is less than originally anticipated mainly due to the demand for residential homeless accommodation being less than previous year when the budget was set (5,776 days per month average at time of budget setting vs current average 5,423 per month). There is also lower than budgeted income due to later than anticipated completion of additional supported accommodation units .				
Mitigating Action	It is anticipated that there will be an adverse variance in Supported accommodation income at year end . The income from Homeless units is demand led so further changes in demand would affect this variance				
Anticipated Outcome	It is anticipated that there will be an adverse variance in Supported accommodation income at year end . The income from Homeless units is demand led so further changes in demand would affect this variance				

Anti Social Behaviour	809	703	(106)	-13%	↑
Service Description	Provision of Anti Social behaviour service				
Main Issues / Reason for Variance	Staffing savings have arisen following restructure - both direct staffing costs and indirect recharge from HRA have reduced				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	Underspend will be achieved				

Working4U	2,038	2,092	54	3%	↓
Service Description	This service incorporates a number of individual services the Council provides to its residents such as Advice services on benefits and debt, as well as community learning and development				
Main Issues / Reason for Variance	This adverse variance is due to the an underachievement of the savings target by £70K in order to maintain adequate welfare rights service				
Mitigating Action	Management will continue to monitor and maximise actions taken to achieve a level of savings, where appropriate				
Anticipated Outcome	At this time, an overspend is anticipated				

**WEST DUNBARTONSHIRE COUNCIL**  
**REVENUE BUDGETARY CONTROL 2016/2017**  
**ANALYSIS FOR VARIANCES OVER £50,000**

**APPENDIX 3**

**YEAR END DATE**

**31 December 2016**

Budget Details	Variance Analysis				RAG Status
	Total Budget	Forecast Spend	Variance		
	£000	£000	£000	%	
<b>Regeneration</b>					

Corporate Assets and Capital Investment Programme	(2,983)	(2,846)	137	5%	↓
Service Description	This service provides asset and estate management				
Main Issues / Reason for Variance	Income is anticipated to be adverse due to a reduction in rental income linked to the events surrounding the issues with BHS and anticipated reduction in recharge of employees cost to capital. Rates costs are also likely to be adverse due to an increase in the rates charges for surplus properties. These are partially offset by favourable staffing variance due to vacancies.				
Mitigating Action	Limited action can be taken to minimise this overspend.				
Anticipated Outcome	An overspend is anticipated.				

Economic Development	538	480	(58)	-11%	↑
Service Description	Promotion of regeneration activities within West Dunbartonshire Council				
Main Issues / Reason for Variance	The favourable variance is due to managing staff vacancies within the service				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	Underspend will be achieved				

**Miscellaneous**

Sundry Services	2,400	3,097	697	29%	↓
Service Description	This service area budgets for non departmental specific costs such as pensions costs, external grants and elderly welfare payments, external audit fees and insurance costs. The service heading also holds a number of general savings options which have still to be fully allocated				
Main Issues / Reason for Variance	Areas for shared services are currently being considered/ sought. Currently internal audit with the LL&T National Park has been agreed.				
Mitigating Action	Management will continue to monitor and maximise actions taken to achieve a level of savings, where appropriate				
Anticipated Outcome	An overspend is anticipated				

**WEST DUNBARTONSHIRE COUNCIL**  
**REVENUE BUDGETARY CONTROL 2016/2017**  
**ANALYSIS FOR VARIANCES OVER £50,000**

**APPENDIX 3**

**YEAR END DATE**

**31 December 2016**

Budget Details	Variance Analysis			
	Total Budget	Forecast Spend	Variance	RAG Status
	£000	£000	£000	%
<b>Other</b>				

Loan Charges	10,478	10,065	(413)	-4%	↑
Service Description	This budget covers the servicing of the Council's external borrowing requirements				
Main Issues / Reason for Variance	A favourable variance is anticipated due to the final level of capital borrowing required in 2015/16				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	Underspend will be achieved				

Non GAE Allocation	(5,948)	(5,652)	296	5%	↓
Service Description	This is the allocation of support service costs to other council services - excluding General services) - such as HRA, capital, external bodies				
Main Issues / Reason for Variance	In line with 2015/16 year end, it is anticipated that the allocation of central administration to non GAE services is lower than budgeted, resulting in this adverse variance				
Mitigating Action	Limited action can be taken to minimise this overspend.				
Anticipated Outcome	An adverse variance is anticipated				

Contingency Fund	1,393	0	(1,393)	-100%	↑
Service Description	The contingency fund is used to accommodate externally influenced movements in departmental budgets				
Main Issues / Reason for Variance	Following a 2015/16 year end recurring variance exercise, budgets no longer required have been removed from departments and transferred into the contingency fund.				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	Underspend will be achieved				

Council Tax/CT Replacement Scheme	(40,800)	(41,000)	(200)	0%	↑
Service Description	This details amounts of income anticipated to be collected from residents in the form of Council tax				
Main Issues / Reason for Variance	Level of Council Tax charges are higher than budgeted due to the level of house build in the area being higher than anticipated				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	Underspend will be achieved				



Efficiency reference		Efficiency Detail	budgeted Amount £	Projection of Total Saved £	Projection of Total Not Saved £	Comment
2016/17	MA1	Further service delivery rationalisation in CL&D, Working4U, Community Engagement	50,000	50,000	-	saving on target to be achieved
2016/17	MA2	Reduction in Advertising	2,214	2,214	-	saving on target to be achieved
2016/17	MA3	Review of staffing structures within Corporate Services	263,357	263,357	-	saving on target to be achieved
2016/17	MA4	Introduce Marriage Officers	2,500	2,500	-	saving on target to be achieved
2016/17	MA5	Stop provision of bottled water at committee meetings	3,000	3,000	-	saving on target to be achieved
2016/17	MA6	Increase target for Corporate review of Administration Services	50,000	50,000	-	saving on target to be achieved
2016/17	MA7	Reduction of stationery budgets	15,000	15,000	-	saving on target to be achieved
2016/17	MA8	Advertising changes for Elected Member Surgeries	3,000	3,000	-	saving on target to be achieved
2016/17	MA9	CS travel/mileage reductions - introduction of pool cars	20,000	20,000	-	saving on target to be achieved
2016/17	MA10	Employability Service vacates Poplar Road	21,000	21,000	-	saving on target to be achieved
2016/17	MA27	Catering Service Review	120,000	120,000	-	saving on target to be achieved
2016/17	MA28	Facilities Assistants service review	50,000	50,000	-	saving on target to be achieved
2016/17	MA29	Reduce bus shelter cleaning - Budgeted under Requisitions	20,000	-	20,000	SPT has advised this cannot be actioned until 1/4/17
2016/17	MA30	Ashton View Supported Accommodation extension	60,000	0	60,000	The extension is now progressing and is expected to be completed by end of March 2017. Due to this there will be no additional income from this will be realised in 1617
2016/17	MA31	Review of staffing structures	118,585	118,585	-	saving on target to be achieved
2016/17	MA32	Redesign of Service	432,119	412,119	20,000	Management remain committed to delivering this saving and are exploring opportunities
2016/17	S2S	Oil to gas heating conversion	9,500	9,500	-	saving on target to be achieved
2016/17	S2S	Introduce solar panels	9,000	9,000	-	saving on target to be achieved
2016/17	S2S	street lighting	25,000	25,000	-	saving on target to be achieved
2016/17	S2S	leisure energy	18,500	6,400	12,100	Capital project to facilitate this saving is behind schedule
2016/17	S2S	bank street alexandria	2,000	2,000	-	saving on target to be achieved
2016/17	S2S	medical centre alexandria	25,000	25,000	12,500	This adverse variance is due to the demolition taking place later than anticipated
2016/17	S2S	pooled cars	17,500	17,500	-	saving on target to be achieved
2015/16	MA2	Service Rationalisation: Corporate & Community Planning; Advice Services; CLD; Performance and Policy; Anti-Social Behaviour; and potentially others	1,338,000	1,268,000	70,000	This adverse variance is due to the an underachievement of the savings target by £70K in order to maintain adequate welfare rights service
2015/16	MA3	Implement Staffing Future Operating Model - Organisation Wide	500,000	500,000	-	saving on target to be achieved
2015/16	MA4	Clerical & Admin Review - Organisation Wide	200,000	200,000	-	saving on target to be achieved
2015/16	MA6	Maximise services delivered via one stop shop and contact centre, complemented by optimising on-line transactions	100,000	100,000	-	saving on target to be achieved

Efficiency reference		Efficiency Detail	budgeted Amount £	Projection of Total Saved £	Projection of Total Not Saved £	Comment
2015/16	MA11	New workforce models within Corporate Services through removal of vacant posts, more efficient working practices	124,065	124,065	-	saving on target to be achieved
2015/16	MA33	Review of staffing provision through removal of vacant posts and service rationalisation	77,000	77,000	-	saving on target to be achieved
2015/16	MA40	School Transport - Rationalise/re-organise various transport routes into more economic options	67,313	48,000	19,313	rationalisation remains ongoing - however capacity on local networks makes the deliverability of this saving highly problematic. Other options continue to be explored to assist in delivering this saving.
2015/16	MA42	Restructuring of Teaching Promoted Posts - Secondary schools	375,000	270,891	104,109	The total projected saving over two years (2015/16 and 2016/17) was £600k. In 2015/16 the target saving of £225k was exceeded by £50k. However, the year 2 target of £375k will not be fully achieved due to the resolution agreed in relation to the recent industrial action. Offsetting this in this financial year was the saving from 2 strike days.
2015/16	MA47	Reduced cost of Fleet Maintenance through more modern fleet	40,000	40,000	-	saving on target to be achieved
2015/16	MA48	Reduce costs of managing Roads re-design & operations service and reduction in maintenance following ongoing capital investment	37,000	37,000	-	saving on target to be achieved
2015/16	MA49	Rationalise management of Consultancy Services and Corporate Assets	54,900	54,900	-	saving on target to be achieved
2015/16	MA50	Reduce the costs of Central Maintenance through improved supplier management	85,000	85,000	-	saving on target to be achieved
2015/16	MA54	DLO - increasing access to external business opportunities through competitive tendering processes	100,000	100,000	-	saving on target to be achieved
2015/16	LG1	TU facility time	11,878	11,878	-	saving on target to be achieved
2015/16	SO24	shared services	500,000	13,000	487,000	Areas for shared services are currently being considered/ sought. Currently internal audit with the LL&T National Park has been agreed
TOTAL			4,947,431	4,154,909	805,022	

WEST DUNBARTONSHIRE COUNCIL  
GENERAL SERVICES CAPITAL PROGRAMME  
OVERALL PROGRAMME SUMMARY

APPENDIX 5

MONTH END DATE 31 December 2016

PERIOD 9

Project Status Analysis	Project Life Status Analysis				Current Year Project Status Analysis			
	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status
Red								
Projects are forecast to be overspent and/or experience material delay to completion	29	33.0%	18,628	15.0%	29	33.0%	8,667	18.9%
Amber								
Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	3	3.4%	17,379	14.0%	3	3.4%	1,374	3.0%
Green								
Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	56	63.6%	87,920	70.9%	56	63.6%	35,852	78.12%
TOTAL EXPENDITURE	88	100%	123,927	100%	88	100%	45,893	100%

Project Status Analysis	Project Life Financials				Current Year Financials					
	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Re-Phasing £000	Over/ (Under) £000
Red										
Projects are forecast to be overspent and/or significant delay to completion	144,009	18,628	144,558	549	52,765	8,667	23,110	(29,655)	(30,232)	577
Amber										
Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	18,945	17,379	20,444	1,499	4,436	1,374	4,139	(297)	(300)	3
Green										
Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	153,504	87,920	154,324	820	49,776	35,852	49,697	(79)	(31)	(49)
TOTAL EXPENDITURE	316,458	123,927	319,327	2,869	106,977	45,893	76,945	(30,032)	(30,563)	531
TOTAL RESOURCES	(316,458)	(123,927)	(319,327)	(2,869)	(106,977)	(45,893)	(76,945)	30,032		
NET EXPENDITURE	0	0	- 0	- 0	0	(0)	0	0		

WEST DUNBARTONSHIRE COUNCIL  
GENERAL SERVICES CAPITAL PROGRAMME  
ANALYSIS OF PROJECTS AT RED ALERT STATUS

APPENDIX 6

MONTH END DATE

31 December 2016

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

1 Allotment Development (Ian Bain)

Project Life Financials	400	0	0%	400	0	0%
Current Year Financials	400	0	0%	0	(400)	-100%

Project Description To develop an allotment site at Dumbarton Common

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Mar-18

**Main Issues / Reason for Variance**

3 sites have been identified at Dillipchip Park, Havoc Park, and Mountblow and we are now working with Environmental Health to establish if there are any contamination issues, should know by end January 2107. It has been identified that all 3 sites have varying degrees of contamination. Officers are currently working with Environmental Health to identify mitigating actions that can be taken to make sites suitable for allotment development and thereafter plans will then be developed to create 40 allotments at each site for community use. Officer are hopeful of an outcome re the contamination issues by end of January 2017, a specific procurement officer has been assigned and a QS and architect in place - first full meeting of all staff involved took place in January to discuss project requirements. Dillichip is anticipated to be the first site to be developed and officers are hopeful that works on this site will commence in this financial year. Some community consultation has taken place for this site. Likely to be site investigation works only in 16/17

**Mitigating Action**

Due to the contamination opportunity to mitigate is limited, however discussions continue with Environmental Health to establish suitability of land identified. It is anticipated that the allotments will comprised raised bed, therefore there is no requirement to dig.

**Anticipated Outcome**

Development of 120 individual allotments to take pressure off current 10 year waiting list, however completion will be later than anticipated

2 Bereavement Services Office Conversion (Ian Bain)

Project Life Financials	130	2	1%	130	0	0%
Current Year Financials	130	2	1%	30	(100)	-77%

Project Description Conversion of Bungalow at Clydebank Crematorium Into Bereavement Services Office

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Dec-17

**Main Issues / Reason for Variance**

Initial rot works are now complete, although were more extensive than first anticipated therefore took longer to resolve. Building warrant application was submitted on 5th December. Drawings will be provided to the Quantity Surveyor for costings and tender preparation. It is anticipated that this will go out to tender early February 2017.

**Mitigating Action**

For reasons detailed above the ability to mitigate is limited, however officers will continue to engage with Consultancy Services and Procurement to ensure project remains on revised programme.

**Anticipated Outcome**

New office accommodation for Bereavement Services.

MONTH END DATE

31 December 2016

PERIOD

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

3 **Community Sports Facilities - Holm Park (Ian Bain)**

Project Life Financials	500	0	0%	500	0	0%
Current Year Financials	500	0	0%	30	(470)	-94%
Project Description	Develop a new 3G pitch to act as a home venue for Clydebank FC with extensive community access.					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Mar-17		

**Main Issues / Reason for Variance**

Discussions are taking place with Clydebank FC and Yoker FC with a view to developing a community facility at Holm Park Yoker and it is unlikely that full spend will be incurred in this financial year with anticipated spend of £0.030m in relation to professional fees. Both clubs have applied for funding of £0.125m each from the Community Sports fund which will increase total project budget to £0.750m. Applications are currently being evaluated with the outcome expected by end January 2017. A business plan is being developed which has resulted in the reported delay of this project however it is anticipated that these plans will be assessed by then end of the financial year.

**Mitigating Action**

Opportunity to mitigate is limited due to development of business plan

**Anticipated Outcome**

a new community accessible 3G pitch in the Clydebank Area.

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**APPENDIX 6**

**MONTH END DATE**

**31 December 2016**

**PERIOD**

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

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Local Economic Development (Michael McGuinness)						
Project Life Financials	2,041	243	12%	2,041	0	0%
Current Year Financials	2,041	243	12%	800	(1,241)	-61%
Project Description	Budget to facilitate the delivery of Regeneration throughout West Dunbartonshire , aligned to the Economic Strategy 2015-20. - external funding will be sought to maximise opportunities for redevelopment of these sites					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Mar-18		
Main Issues / Reason for Variance						
This budget contains a number of projects that are linked to the delivery of the Economic Strategy, Infrastructure Investment Plan and Charrette Action Plans as detailed below.						
Bowling Basin - Allocation of £0.050m to continue support for Scottish Canal's regeneration of the area in advance of development of a partnership agreement. One-off payment to Scottish Canals to be paid by end of financial year.						
Dumbarton Town Centre & Waterfront - £0.432m has been allocated to progress the waterfront walk and cycleway project towards implementation stage, undertake initial works for Glencairn House (£110k, which will be complete and paid in 16/17) whilst plans for a longer term use are developed and implementation of the first phase of floodlighting for Dumbarton Rock and Castle. A planning application for the waterfront paythway was submitted in December 2016 which is still under consideration, expected to go to planning February/March 17 with works anticipated to commence late 17/18. Planning guidance is being progressed regarding formal agreements with land owners, with responses from all stakeholders due early Feb 2017. Given the complexity of these developments some delays will be experienced in delivering the walkway and it is anticipated we will require approx £0.182m budget to be slipped into 17/18.						
Mitchell Way Redevelopment - £0.080m has been allocated and includes the demolition of 30-40 Mitchell Way (now complete) and property advisory services to enable progress with the redevelopment of Mitchell Way. This funding is committed and will be spent in 2016/17.						
Clydebank Town Centre - this budget has been adjusted from £0.288m to £0.148m to take account of a virement of £140k for the Clydebank Town Centre Office project. The remaining funding is committed towards investigating a Business Improvement District (BID) at Clydebank Business Park, works to Bruce Street Baths, Queens Quay consultancy fees and charrette projects. Spend of £0.090m already incurred.						
St Eunan's Site - This project encompasses the capping and reuse of the former St Eunan's School site in Clydebank. At this time it is anticipated that the cost of this project (based on current proposals) is estimated at £1.552m. A Green Infrastructure Fund (GIF) application was submitted to Scottish Natural Heritage seeking £0.621m towards the project covering 40% of the works, the outcome of which will be known by the end of February 2017 at the earliest. Part of the Council's required £0.932m of capital funding towards the project has already been approved being £0.250m from Asset Management and £0.100m from the Environmental Improvement Fund. A report was submitted to the IRED Committee in December seeking members agreement to an allocation of funds from the Local Economic Development budget towards the implementation works. At this time it is unlikely that (due to the complexities of the works required and the importance of community involvement in the outcome for the site) significant expenditure will be incurred this financial year.						
Balloch Charrette - £0.140m has been allocated towards design development costs for Balloch Village and Station Squares, options appraisal and tourism work for Balloch Castle and Park and parking survey work. Currently working with Sustrans through a number of community consultations. Community Links application to Sustrans will be submitted 17th Feb 2017 for match funding towards Balloch Village and Station Squares and associated charrette projects. It is anticipated that the outcome of the funding bid will be known by the end of April 2017. Anticipated to spend £20k by end of financial year with remaining budget to be slipped. Delay due to Sustrans consultation process and investigating - they have agreed to lead the project and be potential future funding partner.						
Mitigating Action						
Projects within this budget are currently in development and are at various stages of commitment. For the reasons stated above opportunity to mitigate against underspend in this financial year is limited.						

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**MONTH END DATE**

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

**Anticipated Outcome**

Significant progress with transformational projects including Dumbarton Waterfront, strategic disposal sites and Alexandria town centre and further progress with implementing Charrette Action Plans.

**5 Auld Street Clydebank (Bond) (Raymond Walsh)**

Project Life Financials	400	144	36%	400	0	0%
Current Year Financials	287	31	11%	50	(237)	-83%

Project Description Completion of roadworks associated with Auld Street housing development

Project Lifecycle Planned End Date 31-Mar-16 Forecast End Date 31-Mar-18

**Main Issues / Reason for Variance**

Developer progressing house construction however timescales are dependant on the cooperation and support of the developer to facilitate access by WDC to complete the works and it is unlikely that full spend will be achieved in this financial year.

**Mitigating Action**

Outwith our control however regular meetings being held with developer to ensure access to site is achieved at the earliest date.

**Anticipated Outcome**

Contractor to complete roadworks as soon as possible.

**6 Gruggies Burn Flood Prevention (Raymond Walsh)**

Project Life Financials	15,000	112	1%	15,000	(0)	0%
Current Year Financials	524	36	7%	55	(469)	-90%

Project Description Commission of Gruggies Flood Prevention Scheme

Project Lifecycle Planned End Date 31-Mar-20 Forecast End Date 31-Mar-20

**Main Issues / Reason for Variance**

Scheme optioneering has now been evaluated and the option to increase capacity at 3 bridges is being developed as the preferred option. This option will minimise inline storage requirements and the impact of raised walls along the urban stretches of the Gruggies Burn. An interim report is required in order to identify land ownership, structural/utility/access issues, etc. Procurement have provided an updated assessment for the scope of work required, however it is unlikely that full spend will be incurred in this financial year.

**Mitigating Action**

If SEPA and community councils are not in agreement with proposals, scheme will require to be re-assessed with regards to extent of property protection levels being offered.

**Anticipated Outcome**

Scheme developed to design and planning approval stage.



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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

7

Integrated Housing Management System (Graham Watters)						
Project Life Financials	624	57	9%	624	0	0%
Current Year Financials	604	37	6%	229	(375)	-62%
Project Description	This is a budget to support the necessary development and on-going requirements of implementing the Council's Integrated Housing Management System.					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Aug-18		
<b>Main Issues / Reason for Variance</b>						
The timetable with regards to the purchase of the IHMS IT solution and subsequent implementation was altered to allow investigation for the potential of sharing systems or services with other neighbouring authorities and housing providers. This investigation concluded that no suitable shared service opportunities existed and that therefore WDC should begin the process for procuring an IHMS IT solution from a supplier. Following the completion of the tender evaluation process, the IHMS Project agreed to appoint a preferred supplier for the ICT solution on 3 June 2016. The preferred supplier (Aareon UK) has been notified and de-brief meetings were held with two unsuccessful bidders. WDC entered into pre-contract discussions with Aareon UK, with both parties anticipated to sign the contracts by end of January 2017. This was delayed due to commercial negotiations and the implementation plan requiring amendments to match the commercial bid of Aareon. Discussions with the IT supplier around the Terms & Conditions of the contract has sought to ensure that the agreed payment plan is beneficial to WDC. Other notable forecasted expenditure in Q4 2016/17 will be in relation to the purchase of mobile working device hardware for Homelessness Services staff, Building Services staff and Asset & Investment staff. ICT Services have now identified suitable software. 20 trial devices were ordered on 4 November 2016 to be trialled across Housing and Building Services with anticipated delivery by end of January 2017. Implementation date of system is anticipated to be June 2018, with any issues to be resolved within the next couple of months.						
<b>Mitigating Action</b>						
A staffing structure for the Project Team was approved by the Project Board in March 2016. Interviews for 4 Technical Support Officers (which will complete the project team) took place early July and with all 4 officers having now started. The new team structure being in place is beneficial for commencement the essential liaison work with Aareon UK development staff. This will help to mitigate any risks to further implementation slippage. The project team will monitor progress project and implementation closely for opportunities to catch up. Development work is underway relating to process mapping and data cleansing which will assist in meeting the timescales set out within the project plan.						
<b>Anticipated Outcome</b>						
Fully integrated housing management IT system procured from an approved government framework (CCS). The department will also go through service re-design during implementation to ensure the benefits that can be achieved from the system are fully maximised in order to provide maximum value. The project will require to be re-phased over 16/17 to 18/19 for full project spend.						

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

**8 Vehicle Replacement (Rodney Thornton)**

Project Life Financials	2,225	286	13%	2,225	(0)	0%
Current Year Financials	2,225	286	13%	1,295	(930)	-42%
Project Description	Replacement of vehicles which have reached end of programmed lifespan (7 year heavy vehicles, 10 year light vehicles)					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Mar-17		

**Main Issues / Reason for Variance**

In relation of the replacement of vehicles scheduled for 2016/17 consultation with vehicle user departments is now complete and orders have been placed with suppliers for the relevant vehicles. In August 2016 Members approved acceleration of £0.100m from 2017/18 into 2016/17 (to enable enhanced safety features to be installed in the Council's heavy vehicle (HGV) fleet). At the same meeting Members also approved an increase of £1.4m to the current year vehicle replacement budget to fund the purchase of 110 vehicles. Due to programmed frontline service delivery workload these vehicles are currently externally hired vehicles (the majority of which have been on hire to the Council for over 3 years). A review of this provision has concluded that it would be more cost effective to purchase these vehicles with an anticipated annual revenue saving of approximately £0.222m. Work is now underway with Scotland Excel and Capita, the Council's treasury advisers, to procure the vehicles and at this time it is anticipated that the 110 vehicles will be purchased by the end of March 2017. At the outset of this project it was identified that there would be a 6 to 9 month timeline from approval of funding to project completion. From Council approval, on 31 August 2016, Officers have been involved with current hired fleet users identifying the exact vehicle types for the works to be performed, sourcing and modifying vehicle specifications, liaising with Scotland Excel and TPPL on technical aspects, warranty periods and the procurement process. Following this invitations to tender were sent out in December 2016 with a return date of January 2017 with the

**Mitigating Action**

None required at this time

**Anticipated Outcome**

Project partially complete by end of financial year including additional safety enhancement works and new vehicles to replace those currently externally hired.

**9 Strathleven Park and Ride Car Park (Raymond Walsh)**

Project Life Financials	425	0	0%	285	(140)	-33%
Current Year Financials	425	0	0%	140	(285)	-67%
Project Description	Provision of additional car parking off Strathleven Place adjoining Church car Park. To be utilised as park and ride and overflow for town centre parking					
Project Lifecycle	Planned End Date	31-Mar-16	Forecast End Date	31-Mar-18		

**Main Issues / Reason for Variance**

Planning approval was granted February 2016, however this project is part funded by SPT and at the time of project approval it was anticipated that funding of £0.215m would be received with the acknowledgement that the project could not commence until confirmation of external funding was received. External funding has now been confirmed at £0.070m and a report was submitted to IRED committee in December advising members of the funding reduction and seeking approval to commence the tendering process with the project now valued at £0.285m.

**Mitigating Action**

There is no mitigating action that can be taken at the moment due to planning application timescales

**Anticipated Outcome**

Scheme to commence once tendering process completed.

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

10 Posties Park Hub (Ian Bain)

Project Life Financials	1,699	24	1%	1,700	1	0%
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Current Year Financials	1,676	1	0%	40	(1,636)	-98%
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Project Description  
Creation of a sports hub at Posties/Marinecraft to include a new changing pavilion/Gym, new all-weather 6 lane running track, conversion of blaze sports pitch to grass, new fencing, upgrade of existing floodlights and additional car parking. This combines the budget approved by the Council in February 2015 for Community Sports Facilities at Posties Park, draw down of budget from the generic sports facilities budget line and anticipated match funding from Sports Scotland.

Project Lifecycle	Planned End Date	30-Sep-16	Forecast End Date	31-Mar-18
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**Main Issues / Reason for Variance**

Planning application was submitted in October 2016. A stage 2 funding application has been submitted to Sports Scotland with the outcome due once planning has been approved. The project will then be procured with an anticipated start date of July 2017, due to amended Procurement dates.

**Mitigating Action**

There is no mitigating action that can be taken at the moment due to grant application timescales

**Anticipated Outcome**

Creation of sports hub by March 2018

11 Replacement of Equipment at Clydebank Crematorium (Ian Bain)

Project Life Financials	1,570	1,617	103%	1,617	47	3%
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Current Year Financials	94	141	150%	141	47	50%
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Project Description  
Installation of two new cremators with associated mercury abatement equipment.

Project Lifecycle	Planned End Date	30-Nov-16	Forecast End Date	30-Nov-16
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**Main Issues / Reason for Variance**

Project now complete. However there is a slight overspend which is due to a number of factors which include more asbestos than initially anticipated, deterioration to site access from project approval to works commencing resulting in additional works to ensure the facility was DDA compliant and also the purchase of memorial bookcases.

**Mitigating Action**

None available as project is complete

**Anticipated Outcome**

New cremators fully installed and functional and building DDA compliant.

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

12 Kilmaronock Cemetery Extension (Ian Bain)

Project Life Financials	225	0	0%	225	0	0%
Current Year Financials	225	0	0%	30	(195)	-87%

Project Description Extension of existing cemetery at Kilmaronock. Project not due to start April 2016. Procurement process anticipate starting August 2015.

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Dec-17

**Main Issues / Reason for Variance**

Development work has commenced and an initial meeting took place with one external consultant to gauge estimate of cost. Project team now in place with initial team meeting taking place in January. First task required, due to shortage in expertise, is to engage external consultant to design extension and thereafter procurement of external works package with works anticipated to start Spring 2017 - Procurement currently progressing with the tender progress re design. At this time it is anticipated that only consultant fees will be incurred in this financial year.

**Mitigating Action**

None available at this time.

**Anticipated Outcome**

Extension of existing cemetery at Kilmaronock

13 Vale of Leven Cemetery Extension (Ian Bain)

Project Life Financials	650	155	24%	650	0	0%
Current Year Financials	561	66	12%	100	(461)	-82%

Project Description Extension of existing cemetery in Vale of Leven

Project Lifecycle Planned End Date 31-Mar-16 Forecast End Date 31-Mar-17

**Main Issues / Reason for Variance**

As previously reported there has been difficulties purchasing the preferred site with the land owner appointing a land agent to negotiate on his behalf resulting in delays to the project. The Land Agent advised us of their valuation (based on a change to the business model) which was in excess of the value that WDC have placed on the land (based on agricultural rates) resulting in the land owner contacting the Estates section to request a meeting to discuss a new proposal. This meeting did not lead to a satisfactory outcome with the Council progressing with compulsory purchase of the land. The compulsory purchase valuation has identified that the purchase costs are out with the scope of the project budget. 3 other sites have been identified and estates section have commenced discussions with the land owners. We are currently at a critical point due to the number of remaining lairs with capacity for one year, there have been paths identified within the existing cemetery to create new lairs which should add an additional capacity for a further two years.

**Mitigating Action**

Identify suitable alternative sites.

**Anticipated Outcome**

A suitable site is identified and purchased to provide a sustainable burial environment.

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APPENDIX 6

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

14 **Levensgrove Park (Ian Bain)**

Project Life Financials	3,623	245	7%	3,623	(0)	0%
Current Year Financials	3,411	33	1%	50	(3,361)	-99%

Project Description Restoration and Regeneration of Levensgrove Park

Project Lifecycle Planned End Date 31-Mar-16 Forecast End Date 28-Feb-19

**Main Issues / Reason for Variance**

The project has now been awarded a stage two pass with funding of £2.8m (£0.100m higher than anticipated) now in place. Pre-start meeting has been held with HLF and project management consultants. QS is currently working on spend profile and finalised programme will be developed by December 2016. It is anticipated that the ITT will go out mid January with an estimated start date of May 2017.

**Mitigating Action**

None required at this time

**Anticipated Outcome**

Successful delivery of restoration project.

15 **Creation of Environmental Improvement Fund (Ian Bain)**

Project Life Financials	1,625	54	3%	1,625	0	0%
Current Year Financials	675	54	8%	510	(165)	-24%

Project Description This fund has been created to deliver environmental improvement projects for communities throughout West Dunbartonshire.

Project Lifecycle Planned End Date 31-Mar-18 Forecast End Date 31-Mar-18

**Main Issues / Reason for Variance**

A report was submitted to IRED Committee in September detailing proposals to fully allocated this budget with spend in this financial year anticipated to be £0.510m at this time related to £0.090m for tree planting, £0.250m to improve open space and community access and £0.170m relating to regeneration works at Dalmuir which will be part funded by a £0.125m contribution from the HRA

**Mitigating Action**

None available at this time due to initial arbitrary budget phasing

**Anticipated Outcome**

Improved green network and environment in West Dunbartonshire.

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

16 Community Capital Fund (Ian Bain)

Project Life Financials	3,545	1,250	35%	3,545	0	0%
Current Year Financials	2,490	195	8%	963	(1,527)	-61%

Project Description Upgrade and improve recreational facilities throughout West Dunbartonshire.

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Mar-18

**Main Issues / Reason for Variance**

Nine play park projects (Haldane, Bonhill, Christie Park, Dumbarton Common, Dumbarton Overburn, Hardgate, Linnvale, Goldenhill Park and Tullichewan) have been tendered with returns received and these projects will be delivered by 31st March 2017. A delay in the award of these contracts has resulted in a negative impact in the procurement timetable for the next set of identified projects and the full budget will not be spent in this financial year, however a project team is now in place comprising procurement, QS and greenspace officers and are developing documentation for the next projects

**Mitigating Action**

Officers are identifying and developing further projects to be delivered in 2017/18.

**Anticipated Outcome**

Improved recreational facilities throughout WDC

17 Exxon City Deal (Michael McGuinness)

Project Life Financials	27,897	453	2%	27,897	(0)	0%
Current Year Financials	508	262	52%	300	(208)	-41%

Project Description As part of the City Deal project the WDC Exxon site at Bowling regeneration with alternative A82 route included.

Project Lifecycle Planned End Date 01-Mar-21 Forecast End Date 31-Mar-24

**Main Issues / Reason for Variance**

The project is progressing towards an Outline Business Case for February 2017 which is anticipated to cost approximately £0.220m. In addition to this cost expenditure will continue with exploratory and investigative studies during this period, however it is unlikely that total spend in this financial year will exceed £0.300m at this time. A site access and a site sale exclusivity agreement (for a 12 month period) has been agreed with Exxon. The Head of Terms agreement is still under discussion with Exxon with a view to conclude an agreement for the acquisition of the site by April 2017.

**Mitigating Action**

Future reports to Council will be provided to expand on any further details as required to update on the Exxon Project and site development and approval of Outline Business Case. A risk register forming part of the Strategic Business Case will be updated and developed to form the outline Business Case due in February 2017.

**Anticipated Outcome**

Progressing the City Deal development at Exxon towards an Outline Business Case.

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

18 **Queens Quay (Michael McGuinness)**

Project Life Financials	15,620	626	4%	15,620	(0)	0%
Current Year Financials	9,378	289	3%	2,329	(7,049)	-75%
Project Description	Queens Quay regeneration					
Project Lifecycle	Planned End Date	31-Mar-18	Forecast End Date	30-Jun-18		

**Main Issues / Reason for Variance**

As part of a three year commitment to spend £15.620m on infrastructure at Queens Quay, Clydebank planning application in principle has been approved and detailed applications relating to Roads and Waterfront public realm have been lodged with Planning to seek consent. The work packages have now been re-profiled with anticipated expenditure for 2016/17 of £2.329m, 17/18 £12.629m, 18/19 £0.327m. There have been delays due to design solutions which were complex and took longer than anticipated, which subsequently resulted in the road construction consent also being delayed. Although budget has slipped into the following financial year it is still anticipated the project will be complete within the original 3 year time frame with the exception of landscaping and boundary wall treatments (£.0327m in 18/19).

**Mitigating Action**

Regular update meetings are held with site owners. We also have an internal board for this project where budgets and risk register are discussed in detail.

**Anticipated Outcome**

Regeneration of Queens Quay to be completed by March 2018 with the exception of landscaping and boundary walls.

19 **Community Sports Fund (Ian Bain)**

Project Life Financials	1,130	139	12%	1,130	(0)	0%
Current Year Financials	1,029	38	4%	529	(500)	-49%
Project Description	Match funding of up to 75% for local sports clubs to develop business cases to improve facilities.					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Mar-18		

**Main Issues / Reason for Variance**

Continuing to receive and assess new grant applications that will be processed over the life of the fund. There are other applications that have been submitted or are in the process of being submitted which will require to be evaluated. In addition there are a number of projects that are under discussion and consideration whilst groups develop their plans. Grant payments are evidenced based and therefore full spend on this budget is conditional on both receipt of applications from sports clubs which meet the grant criteria, and the successful completion of the project by the applying club resulting in risk that the increased budget may not be fully spent in 16/17. Received in 5 applications which have been assessed prior to the end of December. Three have been valued at £0.125m each and one at £0.068m. Projects have been approved although it is likely that most of the spend will show in 17/18.

**Mitigating Action**

Officers will monitor and assess applications received and stop awarding grants once the full budget has been awarded/allocated to groups.

**Anticipated Outcome**

Improve sport facilities to a wide range of organisations WDC



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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

20 Invest in "Your Community Initiative" (Amanda Coulthard)

Project Life Financials	1,000	0	0%	1,000	0	0%
Current Year Financials	500	0	0%	250	(250)	-50%
Project Description	Capital budget to support roll out of your community. This will deliver on implementation of a participatory budgeting approach in 17 defined neighbourhoods and support spend to					
Project Lifecycle	Planned End Date	31-Mar-18	Forecast End Date	31-Mar-18		

**Main Issues / Reason for Variance**

Project is focused on delivering capital support to localised community empowerment. £0.425m has been allocated to participatory budgeting which will allow local residents to feel ownership of how money is spent in their local area. Applications were recieved towards the end of October, have been assessed and voting sessions have taken place. At this time there is only approximately £0.048m of eligible bids that are appropriate to be funded from capital with the intention that a second round of applications will be opened early February. It is anticipated that all agreed applications totalling £0.048m will be paid in this financial year. The remainder of the budget (£0.575m) will be used to invest in areas where an improvement solution or short term remedial action is required based on community led improvement. Plans for this part of the budget likely to spend £0.200m in 16/17 including additional lighting and cctv (£0.037m) and bin provision (£0.130m). The remaining budget of £0.250 will be re-phased into 17/18.

**Mitigating Action**

The opportunity to mitigate is limited due to the leve of applications received. Officers will support groups with submission of invoicing to ensure spend is maximised.

**Anticipated Outcome**

Increased community participation and empowerment, in line with aspiration of new legislation. A sense of trust between community and services that action will be taken where it is required, and that services are responsive to varying local needs.

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

21

Office Rationalisation (Craig Jardine)						
Project Life Financials	21,427	6,558	31%	21,427	0	0%
Current Year Financials	11,239	4,434	39%	9,278	(1,961)	-17%
Project Description	Delivery of office rationalisation programme					
Project Lifecycle	Planned End Date		31-Oct-17	Forecast End Date		31-Jan-19
New Dumbarton Office	Planned Opening Date		May-17	Forecast Opening Date		Jan-18
Main Issues / Reason for Variance						
<p>General - The Office Rationalisation Programme budget was increased as part of the Capital Plan Refresh in February 2016 as result of a business case refresh which allows for additional works at Bridge Street to reduce future dilapidation liabilities and enables implementation of modern working practices within the building over the remaining 8 year lease; remediation works to the new Dumbarton office arising from the discovery of a significant Gas storage tank on site; increase in base cost for Dumbarton due to higher than anticipated construction industry rates from Market return and increases in the size of the Clydebank Town Centre Office. Overall costs related to the New Dumbarton Office and the Clydebank Town Centre Office are anticipated to increase by approximately £0.434m as noted below, however at this time it is anticipated that these cost increases can be absorbed within the overall budget for Office Rationalisation .</p> <p>New Build Dumbarton - Enabling works valued at £1.213m commenced on site on the 6th June and are now complete. Financial Close for the main contract was achieved on 2nd September 2016 with anticipated completion by December 2017. The organisation will relocate to the new office in Dumbarton January 2018.</p> <p>Document Strategy - a sum of £0.250m was approved by Members within the capital plan refresh to take forward document strategy in anticipation of staff moving location January 2018.</p> <p>Clydebank Town Centre Office - New facility opened on Monday the 5th December.</p> <p>Data Centre in Aurora House - 3 tenders received with costs currently being reviewed by WDC Procurement team - it is believed the infrastructure for the electrical charging points at Aurora House was included within the electrical works for the data centre as well as the specific costs for the external charging points. Virement of £0.020m from the budget for the electrical charging units will be sought to contribute to the increased costs resulting from the tender returns.</p> <p>Bridge Street - GHI contracts have been awarded the Pre Construction contract to develop an effective workplace environment whilst addressing several building defects such as heating system, windows, etc. a detailed design has been developed. Bridge Street has now been completely vacated, allowing the Contractor access to all areas and allowing services to be disconnected during strip out works. The project is anticipated to be completed within this financial year.</p>						
Mitigating Action						
<p>Due to additional works required at Bridge Street and unforeseen remediation works at the New Dumbarton Office the opportunity to mitigate is limited. Additional budget requirements were included within the capital plan refresh report which was approved by Members on 24 February 2016. The project remains within budget, and works are progressing well on site in Dumbarton.</p>						
Anticipated Outcome						
Delivery of the business case						

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

22 Pappert Woodland Wind Farm (Craig Jardine)

Project Life Financials	3,699	0	0%	3,699	0	0%
Current Year Financials	294	0	0%	50	(244)	-83%

Project Description Provision of new windfarm

Project Lifecycle Planned End Date 31-Mar-19 Forecast End Date 31-Mar-21

**Main Issues / Reason for Variance**

A revised scheme has been developed following the revised feed in tariff amendments made by Westminster. This has meant a smaller scheme is still viable which will include a 1.5 mega watt windfarm. This smaller scheme will still generate a substantial feed in tariff generating an annual income of £0.450m with a pay back of 8 years. WDC continue to meet with Lomond Energy to establish access rights and any potential for joint working. Visual impact survey and bird survey tenders have now been issued and this will allow consultation with statutory partners which will allow the remainder of the development phase to progress.

**Mitigating Action**

Project team communicates regularly with Lomond Energy to ensure any revised project is agreed as soon as possible. Officers cannot progress the project any faster until a revised agreement is reached with Lomond Energy.

**Anticipated Outcome**

Success project completion generating savings as estimated through the revised feed in tariff arrangements.

23 Regeneration Fund (Michael McGuinness)

Project Life Financials	12,400	0	0%	12,400	0	0%
Current Year Financials	1,000	0	0%	0	(1,000)	-100%

Project Description Match funding for various regeneration projects currently in development

Project Lifecycle Planned End Date 31-Mar-20 Forecast End Date 31-Mar-20

**Main Issues / Reason for Variance**

This budget was created by Members late 2015/16 and officers were asked to develop spend plans and report these plans to Members at an appropriate time. Due to the time required to develop plans the capital plan refresh agreed by Members in February 16 contained an arbitrary budget phasing. A report was presented to the IRED Committee in September 2016 seeking approval of a notional budget allocation of £7m at this time to deliver key projects including works to Dumbarton Waterfront, pedestrian crossing access at the A814 in Clydebank, investment at Bowling Basin, and the introduction of two public squares in Balloch. £2m funding from Sustrans has been secured in relation to the A814 project and it is hoped that further external funding will be secured for Dumbarton Waterfront and Balloch. Each project will be subject to future Committee approval of detailed proposals / business cases. It is anticipated that there will be no spend in this financial year due to timescales of external funding applications / bidding processes.

**Mitigating Action**

None required at this time

**Anticipated Outcome**

Regeneration of West Dunbartonshire

**WEST DUNBARTONSHIRE COUNCIL  
GENERAL SERVICES CAPITAL PROGRAMME  
ANALYSIS OF PROJECTS AT RED ALERT STATUS**

**APPENDIX 6**

**MONTH END DATE**

**31 December 2016**

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**9**

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

**24 OLSP New Build (Craig Jardine)**

Project Life Financials	2,947	2,439	83%	3,677	730	25%
Current Year Financials	250	41	16%	780	530	212%

Project Description Design and construction of new Secondary School in Bellsmyre, Dumbarton

Project Lifecycle Planned End Date 31-Dec-17 Forecast End Date 31-Dec-18

Opening Dates Planned Opening Date Oct-16 Forecast Opening Date Oct-17

**Main Issues / Reason for Variance**

Financial Close was achieved in March 2016 and site works have already commenced and are progressing well. Due to ESA10 delay, the majority of the associated works to the new high school such as the demolition of the existing school will not be carried out this financial year. All remaining works will be carried out during financial year 2017/18. In addition to the budgeted project costs the cost of the purchase of the land from the HRA has to be taken into account in this financial year resulting in an anticipated project life overspend of £0.730m.

**Mitigating Action**

Construction has started as Financial Close was achieved in March 2016 (after ESA10 issue was resolved) and is progressing well. Monthly Progress Meetings to take place to review progress on site and Project Boards taking place every month.

**Anticipated Outcome**

Project to be completed in October 2017 in line with new programme.

**25 Children and Young Persons / Early Years (Laura Mason)**

Project Life Financials	2,646	1,081	41%	2,646	0	0%
Current Year Financials	1,989	424	21%	507	(1,482)	-75%

Project Description New funding announced July 2014 re the implementation of the Children and Young Persons Bill in relation to 2,3 and 4 year olds looked after or under a kinship order and additional 2 year olds from households in receipt of certain out of work benefits

Project Lifecycle Planned End Date 31-Mar-16 Forecast End Date 31-Aug-18

**Main Issues / Reason for Variance**

The budget will be used to support the expansion of Early Years provision and work is currently underway to identify appropriate developments that will enable the Council to fulfil its requirement to expand the Early Years provision. A report on the Early Years Strategy was approved at Committee in August 2016. This budget has been allocated over 11 separate projects, 10 of which are proceeding to programme. A project to create ELCC classrooms in approximately 11 primaries is currently at the design stage and will proceed to tender for onsite works in June 2017.

**Mitigating Action**

Opportunity to mitigate is limited

**Anticipated Outcome**

Provision of improved early years services incorporating a change in delivery of services.

WEST DUNBARTONSHIRE COUNCIL  
GENERAL SERVICES CAPITAL PROGRAMME  
ANALYSIS OF PROJECTS AT RED ALERT STATUS

APPENDIX 6

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

26 **New Balloch Campus (Haldane PS, St Kessog's PS, Jamestown PS & EECC) (Craig Jardine)**

Project Life Financials	16,464	3,033	18%	16,464	0	0%
Current Year Financials	8,091	1,970	24%	4,488	(3,603)	-45%
Project Description	Construction of new primary school in Balloch to incorporate St Kessog's PS, Haldane PS and Jamestown PS and EE&CC)					
Project Lifecycle	Planned End Date	31-Aug-18	Forecast End Date	01-Feb-19		
Opening Dates	Planned Opening Date	01-Aug-17	Forecast Opening Date	01-Feb-18		

**Main Issues / Reason for Variance**

Financial Close has been achieved and new forecast spend has been provided, taking into consideration the revised programme to accommodate the necessary works for the removal of the asbestos. Dark ground geotechnical surveys identified the presence of asbestos on the site resulting in a remediation strategy needing to be developed and further approval by WDC Planning and Environmental Health departments was also required. This has resulted in a circa 12 weeks delay.

**Mitigating Action**

The opportunity to mitigate is limited due to the presence of asbestos and the requirement to deal with it appropriately

**Anticipated Outcome**

Delivery of project slightly delayed and within revised budget

27 **Leisure Energy Projects (Fiona McGuigan)**

Project Life Financials	277	14	5%	277	0	0%
Current Year Financials	277	14	5%	37	(240)	-87%
Project Description	Measures to be installed at both Meadow Centre & Vale of Leven Swimming Pool; new pool hall Air Handling Units, upgrade lighting, circulating pumps Vale of Leven Swimming Pool, internal and external lighting and draught proofing.					
Project Lifecycle	Planned End Date	31-Jan-17	Forecast End Date	31-Dec-17		

**Main Issues / Reason for Variance**

Meadow Centre Air Handling Unit - due to costs coming back from suppliers at more than 40% over budget a decision has been taken to re-tender in the new year. VOL Pool Air Handling Unit is delayed until next year following scoping exercise anticipated costs have risen and further investigation works are required to establish overall feasibility. Heating/BMS upgrades are now complete and awaiting payment. Lighting upgrades are almost complete with system improvement works are now complete and awaiting final account.

**Mitigating Action**

Ongoing meetings with the Energy Efficiency Officer.

**Anticipated Outcome**

A small number of projects will be complete by end of year with VOL and Meadow Centre Air Handling Units anticipated to complete next year.

WEST DUNBARTONSHIRE COUNCIL  
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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

28 **Choices Programme (Laura Mason/John Corcoran)**

Project Life Financials	750	2	0%	750	0	0%
Current Year Financials	750	2	0%	2	(748)	-100%
Project Description	Bringing together Central Support Services which will include relocation of Choices Programme.					
Project Lifecycle	Planned End Date	31-Mar-18	Forecast End Date	31-Mar-18		

**Main Issues / Reason for Variance**

Project is dependant on new Balloch Campus delivery dates, however project cannot commence until Jamestown PS has been vacated. Plans have now been designed and bill of quantities are currently being worked up in conjunction with the service need of Choices. A paper went to Education Committee on 7th December for approval for consultation process to take place, approval was granted for consultation to commence early 2017.

**Mitigating Action**

None available at this time

**Anticipated Outcome**

New modern facility for Choice delivering a saving of £49k per annum.

WEST DUNBARTONSHIRE COUNCIL  
GENERAL SERVICES CAPITAL PROGRAMME  
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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

29 Clydebank Community Sports Hub (Craig Jardine)

Project Life Financials	3,070	93	3%	2,980	(90)	-3%
Current Year Financials	1,192	68	6%	97	(1,095)	-92%

Project Description Creation of a multi purpose sports hub in Clydebank

Project Lifecycle Planned End Date 31-Dec-18 Forecast End Date 31-Jan-19

**Main Issues / Reason for Variance**

The target budget as reported to the project board in August was £3.070m which was an increase of £0.636m over that approved by Council in February. The October Project Board endorsed a further revised target budget of £2.980m based on funds secured to date. It was agreed the target budget must now be frozen to allow the tender information to be prepared and aligned to meet the programme dates driven primarily by the RCGF grant deadline of 31 March 17. The total project cost has increased due to a number of factors affecting the construction costs of both the building and the pitches. The Project team are continuing the value engineering exercise to reduce anticipated costs to align the design with the budget of £2.980m. External funding now secured is £2,130m including £1m of Regeneration Capital Grant Funding (RCGF) confirmed on 20th May 2016, £0.500m from Sportscotland, £0.300m from the Gaelic Athletic Association, £0.100m from CCSH, £0.040m from Scottish Rugby Union, £0.020m from the Scottish Landfill Communities Fund and £0.020m from the Robertson Trust. The project is in Royal Institute of British Architects (RIBA) Stage 4 and conditional planning consent was secured on 22nd June 2016. Now looking to mobilise and start construction in April 2017 with completion Jan 2018. In the event that value engineering is not sufficient to close the funding gap, efforts continue to be made to secure the necessary external funding and in this regard efforts continue with the Civil Aviation Flight Path Fund and any other Landfill funds to secure further funding as a contingency. The Sports Hub have been successful in securing their £0.100m contribution through a loan from Social Investment Scotland based on a business plan showing income streams from the use of the improved facilities. Estimated costs for the removal of the asbestos containing materials within the existing building has now been defined at £5,000 based on the analysis of the recently commissioned refurbishment and demolition asbestos survey. Current focus is in finalising billing and tender

**Mitigating Action**

Monthly project board meetings and CIT monitoring project costs and timelines. Also have specific timelines and governance through RCGF and other external funding. The capital investment team will continue to engage with the Design Team to value engineer the most recent cost plans back down to the £2.980m budget. We continue to review external funding grant conditions for compliance purposes and provide status updates as the project progresses, as required.

**Anticipated Outcome**

Project delivered to budget.

**TOTAL PROJECTS AT RED STATUS**

Project Life Financials	144,009	18,628	13%	144,558	549	0%
Current Year Financials	52,765	8,667	16%	23,110	(29,655)	-56%



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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

1 **Building Upgrades (John Corcoran)**

Project Life Financials	3,848	1,256	33%	3,848	0	0%
Current Year Financials	3,848	1,256	33%	3,648	(200)	-5%

Project Description Lifecycle and reactive building upgrades

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Mar-17

**Main Issues / Reason for Variance**

This budget has been allocated to a variety of projects. Balloch Castle works (£560K) are progressing to programme. Municipal buildings works (£1.570m) are progressing with Phase1 almost complete and Phase 2 commenced on 17th October 2016. OHR Pitch (£278k) - tenders now returned and contractor appointed, works started on site end of September 2016 and progressing to programme. Clydemuir MUGA (£220k) - tender being prepared but is unlikely to show significant spend in this financial year resulting in rephasing of £200k.

**Mitigating Action**

None required at this time

**Anticipated Outcome**

Underspend anticipated at this time, partly due to some costs being realigned to condition survey projects.

2 **Schools Fund (Bonhill and Goldenhill New Build)**

Project Life Financials	14,597	16,096	110%	16,096	1,499	10%
Current Year Financials	88	91	103%	91	3	3%

Project Description Outstanding retention monies to the new build of Bonhill PS

Project Lifecycle Planned End Date 15-Aug-11 Forecast End Date 30-Nov-16

**Main Issues / Reason for Variance**

The final retention payment has been agreed at £91k .

**Mitigating Action**

None required at this time

**Anticipated Outcome**

Project complete satisfactorily

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

3 Upgrade of Clydebank Library (Gill Graham)

Project Life Financials	500	28	6%	500	0	0%
Current Year Financials	500	28	6%	400	(100)	-20%

Project Description Refurbishment of the existing Clydebank Library to deliver a fit for purpose modern library designed around the needs of the customer. This will protect a historic landmark and original Carnegie library whilst offering the potential to build upon the development of a 'cultural quarter' focused around Clydebank Town Hall.

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 30-Apr-18

**Main Issues / Reason for Variance**

Following a report to the Strategic Asset Management Group on 18th October 2016, the project has been incorporated into the regular reporting mechanism for the Council's capital projects in order to allow it to receive additional support from the Council's professional team and henceforward be progressed in the normal capital project manner. Following the completion of consultation with Libraries and Cultural stakeholders the revised plans were evaluated and it became evident that external refurbishment and necessary works to the fabric of the building would consume the majority of the available budget. A decision was therefore taken to split the project into two phases with Phase 1 aimed at refurbishing the structure of the building and extending lift access to the upper storey to improve accessibility. Planning permission for Phase 1 has been applied for and the tender documents are currently being prepared. Phase 1 is expected to complete by 31-Mar-17. Stage 2 to redesign, alter and fit-out the interior of the Library to provide a modern, flexible layout will cost an additional c. £500k and applications to external funding providers such as Heritage Lottery Fund, RCGF, Historic Environment Scotland are underway. Once satisfactory funding has been obtained the tender for internals will go out ASAP. The entire project is anticipated to be physically complete by 30th April 2018 with retention due thereafter.

**Mitigating Action**

Once it became evident that the budget was insufficient to complete the entire project to the required standard a decision was taken to split the project into two phases so as avoid delays in halting the deterioration and making the building weatherproof and improving accessibility.

**Anticipated Outcome**

Full refurbishment of library

**TOTAL PROJECTS AT AMBER STATUS**

Project Life Financials	18,945	17,379	92%	20,444	1,499	8%
Current Year Financials	4,436	1,374	31%	4,139	(297)	-7%

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Budget Details	Project Life Financials				
	Budget	Spend to Date	Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000

**1 Capital Resources Brought Forward**

Project Life Financials	(529)	(22)	4%	(531)	(2)	0%
Current Year Financials	(529)	(22)	4%	(177)	352	-67%

Project Description These are grants and contributions received in 2015/16 in advance of expenditure being incurred and have been carried forward to match spend in 2016/17 in accordance with accounting regulations.

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Mar-17

**Main Issues / Reason for Variance**

These resources are held in the Council's balance sheet. At this time resources related to Posties Park and Auld Street Bond are unlikely to be applied in 2016/17.

**Mitigating Action**

None available due to project delays as detailed in red status updates

**Anticipated Outcome**

Resources will be matched against appropriate spend in 2016/17 and 2017/18

**2 General Capital Grant**

Project Life Financials	(22,068)	(5,262)	24%	(22,060)	8	0%
Current Year Financials	(7,500)	(5,262)	70%	(7,492)	8	0%

Project Description This resource is a block grant received from the Scottish Government to fund a proportion of the Council's anticipated capital expenditure each year.

Project Lifecycle Planned End Date 31-Mar-18 Forecast End Date 31-Mar-18

**Main Issues / Reason for Variance**

Finance circular indicates that grant income received will be slightly lower than forecast

**Mitigating Action**

None available

**Anticipated Outcome**

Resources allocated against capital spend

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Budget Details	Project Life Financials				
	Budget	Spend to Date		Forecast Spend	Forecast Variance
	£000	£000	%	£000	£000

### 3 Specific Capital Grant

Project Life Financials	(41,838)	(592)	1%	(42,430)	(592)	1%
Current Year Financials	(1,578)	(592)	38%	(1,948)	(370)	23%

Project Description This relates to income due from the City Deal, Regeneration Capital Fund relating to CCSH, Cycling, Walking Safer Streets and SFT funding re Balloch School Campus

Project Lifecycle Planned End Date 31-Mar-16 Forecast End Date 31-Mar-16

#### Main Issues / Reason for Variance

Grant income is anticipated to be higher than budget due to anticipated funding from SFT of £0.592m in relation to the additional cost of dealing with asbestos at Balloch School Campus. It is anticipated that City Deal grant income will be less than anticipated due to in year spend

#### Mitigating Action

None available at this time

#### Anticipated Outcome

Resources allocated against capital spend

### 4 Other Grants / Contributions

Project Life Financials	(5,642)	(85)	2%	(5,714)	(72)	1%
Current Year Financials	(4,489)	(85)	2%	(824)	3,665	-82%

Project Description This resource includes match funding for roads and sports related projects

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Mar-19

#### Main Issues / Reason for Variance

Heritage Lottery Funding is match funding relating to Levensgrove Park and funds will be drawn down as the project progresses. Funding of £2.8m has been awarded and at this time it is anticipated that the funds will not be received until 2017/18 and 2018/19. It is also anticipated that Sports Scotland funding of £0.500m will not be received until 2017/18.

#### Mitigating Action

None required at this time

#### Anticipated Outcome

Grant funding awarded and drawn down as expected

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Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

**5 Capital Receipts**

Project Life Financials	(32,393)	(495)	2%	(32,393)	0	0%
Current Year Financials	(6,914)	(495)	7%	(604)	6,310	-91%

Project Description Mainly sale of land and surplus assets but includes some sale of vehicles.

Project Lifecycle Planned End Date 31-Mar-22 Forecast End Date 31-Mar-22

**Main Issues / Reason for Variance**

Capital receipts anticipated in the current year have been affected by potential site issues, however capital receipts will be anticipated to received in future years.

**Mitigating Action**

Officers are progressing asset sales in accordance with the asset disposal strategy where possible, some site issues are outwith officers control, however alternative disposals will be pursued where appropriate.

**Anticipated Outcome**

Capital receipts will be received in future years.

**6 Prudential Borrowing**

Project Life Financials	(137,905)	(39,436)	29%	(137,751)	154	0%
Current Year Financials	(85,553)	(39,436)	46%	(65,487)	20,066	-23%

Project Description Prudential borrowing required is determined by factors such as total spend incurred and whether any additional resources are achieved - such as additional capital receipts, etc.

Project Lifecycle Planned End Date 31-Mar-22 Forecast End Date 31-Mar-22

**Main Issues / Reason for Variance**

Both re-phasing of capital spend in 2016/17 and anticipated project overspends have an impact on current and future prudential borrowing.

**Mitigating Action**

In relation to the current year a range of mitigating actions are noted on the previous analysis of red and amber projects

**Anticipated Outcome**

Minimise the impact of prudential borrowing requirements.

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Budget Details	Project Life Financials				
	Budget	Spend to Date		Forecast Spend	Forecast Variance
	£000	£000	%	£000	£000

7

CFCR						
Project Life Financials	(414)	0	0%	(414)	0	0%
Current Year Financials	(414)	0	0%	(414)	0	0%
Project Description	Capital Funded from Current Revenue					
Project Lifecycle	Planned End Date	31-Mar-16	Forecast End Date	31-Mar-16		
Main Issues / Reason for Variance						
The value of CFCR released during the year is determined by the level of spend on the projects to be funded by this method. At this time it is unlikely that CFCR related to wind turbines and cashless catering will be released.						
Mitigating Action						
In relation to the current year a range of mitigating actions are noted on the previous analysis of red and amber projects						
Anticipated Outcome						
CFCR will be applied to match appropriate spend in 2015/16						

<b>PRIOR RESOURCES</b>	(75,669)	(78,034)	103%	(78,034)	(2,365)	3%
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<b>TOTAL RESOURCES</b>						
Project Life Financials	(316,458)	(123,927)	39%	(319,326)	(2,868)	1%
Current Year Financials	(106,977)	(45,893)	43%	(76,945)	30,032	-28%





## WEST DUNBARTONSHIRE COUNCIL

### Report by the Strategic Director of Regeneration, Environment and Growth

Council: 22 February 2017

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**Subject:     Housing Revenue Account Budgetary Control Report  
                 to 31 December 2016 (Period 9)**

#### **1.     Purpose**

- 1.1**     The purpose of the report is to provide members with an update on the financial performance to 31 December 2016 (Period 9) of the HRA revenue and capital budgets.

#### **2.     Recommendations**

- 2.1**     Council are asked to:

- i)     Consider and note the projected favourable revenue variance of £0.504m (1.2%).
- ii)    Consider and note the position advised in relation to the capital budget which is currently projecting an in-year favourable variance of £9.214m (32.4%), of which £8.858m (31.1%) relates to project re-phasing and an in-year underspend of £0.356m (3.8%).

#### **3.     Background**

##### Revenue

- 3.1**     At the meeting of West Dunbartonshire Council on 24 February 2016, Members agreed the revenue estimates for 2016/2017 and a total budget of £42.777m

##### Capital

- 3.2**     At the meeting of Council on 24 February 2016, Members also agreed the updated Capital Plan for 2016/17 which has been augmented by re-phasing from 2015/16 to produce a total planned spend for 2016/17 of £28.425m. The funding of this is shown within Appendix 5.

#### **4.     Main Issues**

##### Revenue Budget

- 4.1**     The current budgetary position for HRA Revenue is summarised in Appendix 1 with information regarding projected variances valued at greater than £50,000 being provided as Appendix 2. The analysis shows the projected variance for HRA Revenue is a surplus of £0.504m

#### Capital Budget

- 4.2** The HRA capital summary position is shown in Appendix 3. Information on projects that are highlighted as being within the red and amber categories is provided in Appendix 4. A summary of anticipated resources is shown in Appendix 5. The analysis shows that for the in-year planned spend there is currently a favourable variance of £9.214m, of which £8.858m relates to project re-phasing and an in-year underspend of £0.356m.

### **5. People Implications**

- 5.1** There are no people implications.

### **6. Financial and Procurement Implications**

- 6.1** Other than the financial position noted above, there are no financial implications of the budgetary control report. There are no procurement implications arising from this report.

### **7. Risk Analysis**

- 7.1** The main financial risks to the ongoing financial position relate to unforeseen cost being identified between now and the end of the financial year. This can affect all service areas.

### **8. Equalities Impact Assessment (EIA)**

- 8.1** The report is for noting and therefore no Equalities Impact Assessment was completed for this report.

### **9 Consultation**

- 9.1** The views of both Finance and Legal services have been requested on this report and both have advised there are neither any issues nor concerns with the proposal. As the report is for noting no further consultation is envisaged.

### **10. Strategic Environmental Assessment**

- 10.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the five strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council. This report is for noting and, therefore, does not directly affect any of the strategic priorities.

**Richard Cairns**  
**Strategic Director of Regeneration, Environment and Growth**

**Date: 12 January 2017**

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**Person to Contact:** Janice Rainey - Business Unit Finance Partner (HEED),  
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737704, e-mail [janice.rainey@west-dunbarton.gov.uk](mailto:janice.rainey@west-dunbarton.gov.uk)

**Appendices:** Appendix 1 - Budgetary Position (Revenue)  
Appendix 2 - Variance analysis (Revenue)  
Appendix 3 - Budgetary Position (Capital)  
Appendix 4 - Variance analysis (Capital)  
Appendix 5 – Resources (Capital)

**Background Papers:** None

**Wards Affected:** All



**HRA BUDGETARY CONTROL REPORT**  
**MONITORING PERIOD : 1 APRIL 2016 to 31 DECEMBER 2016**

<b>2015/2016</b>		<b>2016/2017</b>	<b>Actual</b>	<b>% actual</b>	<b>Forecast</b>	<b>Forecast</b>	<b>% Forecast</b>
<b><u>Outturn</u></b>		<b><u>Estimate</u></b>	<b><u>To Date</u></b>	<b><u>to date</u></b>	<b><u>Outturn</u></b>	<b><u>Variance</u></b>	<b><u>Variance</u></b>
<b>£000s</b>		<b>£000s</b>	<b>£000s</b>		<b>£000s</b>	<b>£000s</b>	
	<b>EXPENDITURE</b>						
5,141	EMPLOYEE COSTS	5,531	3,703	67%	5,130	(401)	-7%
1,430	PROPERTY COSTS	1,845	1,361	74%	1,811	(34)	-2%
106	TRANSPORT COSTS	125	62	50%	106	(19)	-15%
338	SUPPLIES, SERVICES AND ADMIN	354	298	84%	366	12	3%
2,090	SUPPORT SERVICES	2,161	1,587	73%	2,141	(20)	-1%
153	OTHER EXPENDITURE	183	135	74%	146	(37)	-20%
12,147	REPAIRS & MAINTENANCE	12,071	8,844	73%	11,826	(245)	-2%
1,113	BAD DEBT PROVISION	1,060	835	79%	1,113	53	5%
406	COUNCIL TAX ON VOID HOUSES	385	349	91%	388	3	1%
1,373	LOST RENTS	1,070	715	67%	953	(117)	-11%
15,399	LOAN CHARGES	17,992	13,494	75%	17,992	0	0%
<b>39,696</b>	<b>GROSS EXPENDITURE</b>	<b>42,777</b>	<b>31,383</b>	<b>73%</b>	<b>41,972</b>	<b>(805)</b>	<b>-1.9%</b>
	<b>INCOME</b>						
39,005	House Rents	39,902	29,896	75%	39,861	41	0%
228	Lockup Rents	227	169	74%	225	2	1%
1,087	Factoring/Insurance Charges	1,083	744	69%	1,115	(32)	-3%
132	Other rents	138	93	67%	138	0	0%
46	Interest on Revenue Balance	40	0	0%	46	(6)	-15%
221	Miscellaneous income	112	37	33%	143	(31)	-28%
984	Reallocated salaries	1,275	778	61%	948	327	26%
<b>41,703</b>	<b>GROSS INCOME</b>	<b>42,777</b>	<b>31,717</b>	<b>74%</b>	<b>42,476</b>	<b>301</b>	<b>1%</b>
<b>(2,007)</b>	<b>NET EXPENDITURE</b>	<b>0</b>	<b>(334)</b>		<b>(504)</b>	<b>(504)</b>	

WEST DUNBARTONSHIRE COUNCIL  
HRA REVENUE BUDGETARY CONTROL 2016/2017  
ANALYSIS FOR VARIANCES OVER £50,000

APPENDIX 2

MONTH END DATE 31 December 2016

PERIOD 9

Budget Details		Project Life Financials					
Subjective Analysis	Budget Holder	Budget	Actual to Date	% Spend to Date	Forecast Spend	Forecast Variance	RAG Status
		£000	£000	%	£000	£000	%

EMPLOYEE COSTS		5,531	3,703	67%	5,130	(401)	-7%	↑
<b>Subjective Description</b>								
This budget covers all employees charged directly to the HRA including caretakers								
<b>Variance Narrative</b>								
<b>Main Issues</b>	Underspend in salary costs due to staff restructure savings and vacancies . Also staff overtime continues to be managed and is now forecast to be £65k less than budget.							
<b>Mitigating Action</b>	No mitigating action is required as the variance is favourable							
<b>Anticipated Outcome</b>	A year end underspend of £401k is anticipated.							

Budget Details		Project Life Financials					
Subjective Analysis	Budget Holder	Budget	Actual to Date	% Spend to Date	Forecast Spend	Forecast Variance	RAG Status
		£000	£000	%	£000	£000	%

REPAIRS & MAINTENANCE		12,071	8,844	73%	11,826	(245)	-2%	↑
<b>Service Description</b>								
This budget covers all repair and maintenance expenditure to houses and lockups								
<b>Variance Narrative</b>								
<b>Main Issues</b>	This favourable variance is due to agreed maintenance contract costs being less than budgeted							
<b>Mitigating Action</b>	No mitigating action is required as the variance is favourable							
<b>Anticipated Outcome</b>	Overall underspend is anticipated							

Budget Details		Project Life Financials					
Subjective Analysis	Budget Holder	Budget	Actual to Date	% Spend to Date	Forecast Spend	Forecast Variance	RAG Status
		£000	£000	%	£000	£000	%

BAD DEBT PROVISION		1,060	835	79%	1,113	53	5%	↓
<b>Service Description</b>								
This budget allows for the provision for bad and doubtful debts to be maintained at an appropriate level								
<b>Variance Narrative</b>								
<b>Main Issues</b>	The Bad debt provision is likely to be more in line with last year's outturn.							
<b>Mitigating Action</b>	Year end position reported							
<b>Anticipated Outcome</b>	An overspend of £53k							

Budget Details		Project Life Financials					
Subjective Analysis	Budget Holder	Budget	Actual to Date	% Spend to Date	Forecast Spend	Forecast Variance	RAG Status
		£000	£000	%	£000	£000	%
LOST RENTS		1,070	715	67%	953	(117)	-11% ↑
<b>Service Description</b>							
Rents lost on void houses and lockups							
<b>Variance Narrative</b>							
<b>Main Issues</b>	Budget was calculated based on the average rent per void property which had been set too high.						
<b>Mitigating Action</b>	No mitigating action is required as the variance is favourable						
<b>Anticipated Outcome</b>	A favourable variance of £126k						

Budget Details		Project Life Financials					
Subjective Analysis	Budget Holder	Budget	Actual to Date	% Spend to Date	Forecast Income	Forecast Variance	RAG Status
		£000	£000	%	£000	£000	%
REALLOCATED SALARIES		(1,275)	(778)	0%	(948)	(327)	26% ↑
<b>Service Description</b>							
This budget covers employee costs recharged to accounts outwith the HRA, principally HRA Capital and HMTA.							
<b>Variance Narrative</b>							
<b>Main Issues</b>	Reduction due to a number of staff leaving and the restructure of duties around this resulting in a lower recharge being appropriate						
<b>Mitigating Action</b>	This will be offset by underspend in employee costs						
<b>Anticipated Outcome</b>	Lower allocation of employee costs from HRA of £327K						





WEST DUNBARTONSHIRE COUNCIL  
HRA CAPITAL PROGRAMME  
OVERALL PROGRAMME SUMMARY

APPENDIX 3

MONTH END DATE 31 December 2016

PERIOD 9

Project Status Analysis	Project Life Status Analysis				Current Year Project Status Analysis			
	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status
Red								
Projects are forecast to be overspent and/or experience material delay to completion	7	24%	22,312	52%	7	24%	2,122	22%
Amber								
Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	1	3%	1,371	3%	1	3%	225	2%
Green								
Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	21	72%	18,985	44%	21	72%	7,202	75%
TOTAL EXPENDITURE	29	100%	42,667	100%	29	100%	9,549	100%

Project Status Analysis	Project Life Financials				Current Year Financials					
	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Re-Phasing £000	Over/ (Under) £000
Red										
Projects are forecast to be overspent and/or significant delay to completion	49,696	22,312	49,956	260	13,067	2,122	4,427	(8,640)	(8,640)	0
Amber										
Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	2,047	1,371	1,914	(133)	768	225	550	(218)	(218)	0
Green										
Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	29,256	18,985	29,239	(17)	14,590	7,202	14,234	(356)	0	(356)
TOTAL EXPENDITURE	80,999	42,667	81,110	111	28,425	9,549	19,211	(9,214)	(8,858)	(356)
TOTAL RESOURCES	(80,999)	(42,667)	(81,110)	(111)	(28,425)	(9,549)	(19,211)	9,214		
NET EXPENDITURE	0	0	0	0	0	0	(0)	(0)		

MONTH END DATE

31 December 2016

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

1 **CCTV Projects (Myra Feeney/Scot McLelland)**

Project Life Financials	131	0	0%	131	0	0%
Current Year Financials	131	0	0%	10	(121)	-92%
Project Description	This is a budget to undertake specific minor projects concerning the cctv network that covers housing estates that assist in maintaining community safety and enhance neighbourhood well-being in line with Council's housing strategy and community objectives.					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Mar-18		

**Main Issues / Reason for Variance**

Technical specification and tender information is complete, there was a delay in the scope/specification of works required. Procurement team to process tender strategy documentation to allow publishing, procurement team anticipate this will be done by the End of January 2017. Project officers have advised of the need for a long lead in and police vetting to allow contractors to work within the CCTV monitoring station. The delay in going to tender will likely impact on the ability to complete work by year end. Forecast updated to reflect this and re-phase spend to 17/18, potential for £10k spend.

**Mitigating Action**

Procurement officers to progress to keep on target for tender publication asap.

**Anticipated Outcome**

Procurement officers to progress to keep on target for tender publication asap.

2 **Community Safety Projects (Myra Feeney)**

Project Life Financials	155	0	0%	155	0	0%
Current Year Financials	155	0	0%	50	(105)	-68%
Project Description	This is a budget to undertake specific minor projects that assist in maintaining community safety and enhance neighbourhood well-being in line with Council's housing strategy and community objectives, examples: Improved lighting in and around housing areas and walkways; Implementing secure entry systems to blocks where owner-occupiers have refused to participate; Fencing to retain boundaries and create defensible spaces					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Mar-18		

**Main Issues / Reason for Variance**

Housing Estate Management identified a number of tenement properties that require installation of door entry systems. This has been delayed due to the number of owners involved. Discussions are taking place with WDTRO and through our management and committee framework to reach a decision on use of HRA capital funds to progress works which provide a more secure living environment and which prevent further deterioration of the councils physical assets. These installs have previously been refused by owners as not priority works required.

**Mitigating Action**

Scope of project identified. Housing Estate Management to consider owner no-cost implications and approve project for progression. Analysis of quantity, cost, number of tenants affected and implications of lost rent to be assessed to help inform decision.

**Anticipated Outcome**

Forecast spending tentatively reduced pending agreement of works from HMT, and balance of budget will be required to be pushed back into 17/18 financial year.

MONTH END DATE

31 December 2016

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

3 Integrated Housing Management System (John Kerr/Graham Watters)

Project Life Financials	876	78	9%	876	0	0%
Current Year Financials	854	56	7%	322	(532)	-62%

Project Description This is a budget to support the necessary development and on-going requirements of implementing the Council's Integrated Housing Management System.

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Aug-18

**Main Issues / Reason for Variance**

The timetable with regards to the purchase of the IHMS IT solution and subsequent implementation was altered to allow investigation for the potential of sharing systems or services with other neighbouring authorities and housing providers. This investigation concluded that no suitable shared service opportunities existed and that therefore WDC should begin the process for procuring an IHMS IT solution from a supplier. Following the completion of the tender evaluation process, the IHMS Project agreed to appoint a preferred supplier for the ICT solution on 3 June 2016. The preferred supplier (Aareon UK) has been notified and de-brief meetings have been held with two unsuccessful bidders. WDC has now entered into pre-contract discussions with Aareon UK, the first meeting having taken place on 14 July 2016. Whilst the Terms and Conditions document is yet to be signed a Letter of Intent was developed and signed which allowed initial sessions between Aareon and WDC to take place on 22, 23, 27 September and 4 October. It is expected that the Terms and Conditions including the Project Plan will be agreed by the end of January 2017 which will allow the full implementation to commence. This has been further delayed due to commercial negotiations and the implementation plan requiring amendments to match the commercial bid of Aareon. Once the implementation plan has been agreed with the supplier, it will then be possible to provide more precise detail on forecast expenditure from the overall budget, and how this will be staged across the life of the project. Discussions with the IT supplier around the Terms & Conditions of the contract will seek to ensure that the agreed payment plan is beneficial to WDC. Other notable forecast expenditure in Q3 2016/17 will be in relation to the purchase of additional mobile working devices for staff. ICT Services have now identified suitable software. 20 trial devices were ordered on 4 November 2016 to be trialled across Housing and Building Services

**Mitigating Action**

A staffing structure for the Project Team was approved by the Project Board in March 2016. Interviews for 4 Technical Support Officers (which will complete the project team) took place early July and with all 4 officers having now started. The new team structure being in place is beneficial for commencement of the essential liaison work with Aareon UK development staff. This will help to mitigate any risks to further implementation slippage. The project team will monitor progress project and implementation closely for opportunities to catch up. Development work is underway relating to process mapping and data cleansing which will assist in meeting the timescales set out within the project plan.

**Anticipated Outcome**

Fully integrated housing management IT system procured from an approved government framework (CCS). The department will also go through service re-design during implementation to ensure the benefits that can be achieved from the system are fully maximised in order to provide maximum value. The project will require to be re-phased over 16/17 to 18/19 for full project spend.

MONTH END DATE

31 December 2016

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

4 Targeted EESH Compliance Works (Stewart Paton)

Project Life Financials	4,047	1,670	41%	4,047	0	0%
Current Year Financials	4,047	1,670	41%	2,000	(2,047)	-51%
Project Description	This budget is to focus on work required to meet the standards for EESSH compliance. These are spread throughout West Dunbartonshire and involve varied types of energy improvement work.					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Mar-17		

**Main Issues / Reason for Variance**

Works are progressing with incumbent contractor and anticipated to complete this section of programme by Dec/Jan (weather is impacting). Building Services has completed their first pilot project and progressing to next phase. Building Services continue to experience problems in resourcing/recruitment to support this programme. In year budget will not be met, forecast reduced to reflect this and balance of budget to re-phase in future years. Monitoring of this programme will be close to determine output by end of January 2017. Programme target 200, completed 100.

**Mitigating Action**

Outgoing incumbent contractor is nearing completion of their phase, January 2017. Options to be considered to maximise expenditure. Incumbent contractors contract has expired therefore unable to instruct additional workload. Back-up Contractor tender has been evaluated, following award additional work will be instructed to maximise spend opportunities by year end. Building Services continue their programmed installations.

**Anticipated Outcome**

Building Services to continue recruitment drive. Increase output on ongoing work. Increase delivery via back-up contractor. Maximise opportunities to meet year end spend targets. Forecast reduced to reflect issues and budget to re-phase over future years.

5 Regeneration/ Demolition of Surplus Stock (Jackie Gallen/Stewart Paton)

Project Life Financials	8,899	7,086	80%	8,947	48	1%
Current Year Financials	2,204	343	16%	900	(1,304)	-59%
Project Description	The bulk of this budget is to fund 'Demolition of addresses surplus to Council requirements' and also includes homeloss and disturbance budget.					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Mar-18		

**Main Issues / Reason for Variance**

Alexander Street/Creveul Court/O'Hare - Pre-demolition surveys, clearances and service disconnections being arranged at O'Hare and Alexander St sites. Procurement process to follow after certificates confirming service disconnections received. A tenant still remains at Cruvel Court and negotiations continue with regards to decant. It is anticipated that O'Hare and Alexander St will underway by year end but not complete. Issues with sitting tenant in Cruvel Court is delaying this progress.

Glenside/Muir Road - contract underway, anticipated to be complete by January/February 2017. Final costs are anticipated to be less than budget.

**Mitigating Action**

Alexander Street/Creveul Court/O'Hare - Officers to keep progress on track with all proposed demolition sites. Appropriate officers will continue focused efforts at Cruvel Court in relation to decant.

**Anticipated Outcome**

Officers to process payments as soon as possible to meet demand and maximise spend. Likely to underspend against budget, saving potential.

MONTH END DATE

31 December 2016

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

6 Non-Traditional and Traditional Improvement Works (Stewart Paton)

Project Life Financials	2,461	2	0%	2,461	0	0%
Current Year Financials	2,461	2	0%	500	(1,961)	-80%

Project Description This budget is for the proposed upgrade work to properties at Risk St, Dumbarton.

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Mar-18

**Main Issues / Reason for Variance**

Tenders are back and are currently being evaluated, this is anticipated to be completed by end of January 2017, however the delivery of the full project is subject to owners agreement and completion of project and spend could be impacted if owners do not agree. Year end forecast reduced to reflect this, increase in re-phase to 17/18

**Mitigating Action**

None available, await tender returns and evaluation.

**Anticipated Outcome**

Tenders to return and evaluate by end of January 2017 allowing further consultation with owners to determine full extent of project to be agreed to commence per block.

WEST DUNBARTONSHIRE COUNCIL  
HRA CAPITAL PROGRAMME  
ANALYSIS OF PROJECTS AT RED ALERT STATUS

APPENDIX 4

MONTH END DATE

31 December 2016

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

7 New Build Housing (Stewart Paton/John Kerr)

Project Life Financials	33,127	13,476	41%	33,339	212	1%
Current Year Financials	3,215	51	2%	645	(2,570)	-80%

Project Description This budget is to fund new build social housing programme

Project Lifecycle Planned End Date 31-Mar-21 Forecast End Date 31-Mar-21

**Main Issues / Reason for Variance**

Hill Street, Bonhill no issues. Retention payment due end of Jan 17.  
Second Avenue, Clydebank. New Build Contractor now procured. Tender returns indicated that costs are likely to be £0.600m more than budget, however it is anticipated that this cost increase will be partially offset by an increase in grant income which is now estimated to be £2.360m compared to the initial estimate of £2m (this increase is due to each property attracting grant income of £0.59m per unit compared to the initial estimate of £0.050m. This results in a net increase of £0.140m which is assumed at this time to be funded within the overall new build programme project life forecast spend. Site start is tentatively anticipated for December, therefore year end forecast reduced to £500k project lifecycle costs to be re-phased. Central Bellsmyre no issues. Retention payment due end of Jan 17.

**Mitigating Action**

Hill Street none required.  
Second Avenue, Clydebank - Project team will work monitor and work closely with contractor to maximise year end spend to reduce variance gap.  
Central Bellsmyre none required.

**Anticipated Outcome**

Hill Street retention to be paid by year end. Work to Second Avenue to commence as soon as possible to maximise year end spend with the overall project planned to complete over two years. Central Bellsmyre retention to be paid by year end.

**TOTAL PROJECTS AT RED STATUS**

Project Life Financials	49,696	22,312	45%	49,956	260	1%
Current Year Financials	13,067	2,122	16%	4,427	(8,640)	-66%



WEST DUNBARTONSHIRE COUNCIL  
HRA CAPITAL PROGRAMME  
ANALYSIS OF PROJECTS AT AMBER ALERT STATUS

APPENDIX 4

MONTH END DATE

31 December 2016

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

1 Defective Structures/Component Renewals (Stewart Paton)

Project Life Financials	2,047	1,371	67%	1,914	(133)	-6%
Current Year Financials	768	225	29%	550	(218)	-28%

Project Description This budget is to fund the continuous programme of work to address specific structural faults in a number of tenement properties in Drumry.

Project Lifecycle Planned End Date 31-Mar-17 Forecast End Date 31-Mar-17

**Main Issues / Reason for Variance**

Work is complete on current block and next block is scheduled to complete decant in Nov. Past experience has shown this can be problematic and lengthy. Completion of next block and spend may be impacted. Year end forecast tentatively reduced to £550k to reflect this. Remaining budget to re-phase to 17/18

**Mitigating Action**

Project team will endeavour to complete the recant/decant process. Appropriate officers will plan to keep the progress of this ongoing and reduce any delays where possible to keep project on target.

**Anticipated Outcome**

Current block to complete, transition kept to a minimum and next block complete by year end maximising spend. Remaining budget to re-phase to 17/18

**TOTAL PROJECTS AT AMBER STATUS**

Project Life Financials	2,047	1,371	67%	1,914	(133)	-6%
Current Year Financials	768	225	29%	550	(218)	-28%

MONTH END DATE

31 December 2017

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

**1 New Build Capital Grant**

Project Life Financials	(13,514)	(4,799)	36%	(13,299)	215	-2%
Current Year Financials	(2,000)	0	0%	(750)	1,250	-63%
Project Description	This resources relates to the Scottish Government grant funding towards new build council house programmes					
Project Lifecycle	Planned End Date	31-Mar-21	Forecast End Date	31-Mar-21		

**Main Issues / Reason for Variance**

Unbudgeted income was received in 2015/16 for the purchase of the St Andrew's site. It is anticipated that grant income in relation to Second Avenue will not be fully received in 2016/17 due to delays in spend as detailed in the red status project update.

**Mitigating Action**

None available due to project delay

**Anticipated Outcome**

Delay in receipt of new build grant income

**2 Capital Receipts**

Project Life Financials	(586)	(1,489)	254%	(2,219)	(1,633)	279%
Current Year Financials	(586)	(1,489)	254%	(2,219)	(1,633)	279%
Project Description	This resource relates primarily to the sale of council houses, tenant/client contributions.					
Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	31-Mar-17		

**Main Issues / Reason for Variance**

This income relates to Council House Sales and disposal of other HRA land and assets. Income received to date is in excess of budget due to the number and value of house sales concluded in the year to date (£1.490m). In addition to this income of £730k in relation to sale of land in Bellsmyre (site to be used for OLSP New Build) is anticipated to be received in 16/17.

**Mitigating Action**

None required at this time

**Anticipated Outcome**

Capital receipts anticipated to be received in excess of original forecast.

MONTH END DATE

31 December 2017

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

**3 Other Grants/Contributions**

Project Life Financials	0	(452)	100%	(452)	(452)	100%
Current Year Financials	0	(452)	100%	(452)	(452)	100%

Project Description This resource relates primarily to the grants and other contributions received in relation to energy efficiency works, owner occupier contributions.

Project Lifecycle Planned End Date 31-Mar-16 Forecast End Date 31-Mar-16

**Main Issues / Reason for Variance**

Income received to date in 2016/17 relates to owner occupier contributions relating to roofing works (£0.145m) and scottish government funding related to energy efficiency works (£0.307m).

**Mitigating Action**

None required at this time

**Anticipated Outcome**

Contributions will reduce overall prudential borrowing required

**4 CFCR**

Project Life Financials	(2,189)	0	0%	(2,189)	0	0%
Current Year Financials	(2,189)	0	0%	(2,189)	0	0%

Project Description Capital Funded from Current Revenue

Project Lifecycle Planned End Date 31-Mar-20 Forecast End Date 31-Mar-20

**Main Issues / Reason for Variance**

No issues anticipated at this time.

**Mitigating Action**

None required at this time

**Anticipated Outcome**

CFCR applied as expected at year end

MONTH END DATE

31 December 2017

PERIOD

9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Forecast Variance	
	£000	£000	%	£000	£000	%

5	<b>Prudential Borrowing</b>						
	Project Life Financials	(23,626)	(7,599)	32%	(34,689)	(11,063)	47%
	Current Year Financials	(23,626)	(7,599)	32%	(13,588)	10,038	-42%
	Project Description	Prudential borrowing required is determined by factors such as total spend incurred and whether any additional resources are achieved - such as additional capital receipts, etc.					
	Project Lifecycle	Planned End Date	31-Mar-20	Forecast End Date	31-Mar-20		
	<b>Main Issues / Reason for Variance</b>						
	Prudential borrowing is likely to be less than required due to additional income received from grants and other contributions along with project underspends and rephasings required						
<b>Mitigating Action</b>							
None required at this time							
<b>Anticipated Outcome</b>							
Prudential borrowing less than anticipated							

6	Loan Repayments						
	Project Life Financials	(24)	(10)	40%	(14)	10	-43%
	Current Year Financials	(24)	(10)	40%	(14)	10	-43%
	Project Description	Loan repayments in relation to purchased properties					
	Project Lifecycle	Planned End Date		31-Mar-18	Forecast End Date		31-Mar-18
	Main Issues / Reason for Variance						
	Loan repayments anticipated to be less than forecast						
Mitigating Action							
None available due to nature of loan repayments							
Anticipated Outcome							
Loan repayments received less than anticipated							

Prior Year Resources Applied	(41,060)	(28,319)	69%	(28,248)	12,812	-31%
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<b>TOTAL RESOURCES</b>						
Project Life Financials	(80,999)	(42,667)	53%	(81,110)	(111)	0%
Current Year Financials	(28,425)	(9,549)	34%	(19,211)	9,214	-32%

## WEST DUNBARTONSHIRE COUNCIL

### Report by the Strategic Lead – Housing and Employability

**Council: 22 February 2017**

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**Subject:     Housing Revenue Account (HRA) Estimates 2017/2018**

#### **1.     Purpose**

- 1.1**     The purpose of this report is to seek Council approval in respect to setting the housing revenue budget for 2017/18 and the level of weekly rent increase for 2017/18 which is sufficient to fund the revenue budget for 2017/18 and the associated capital investment programme.
- 1.2**     The report also provides Council with information in relation to the Housing capital programme and its relationship with the revenue budget, seeking approval of an update to the Programme.

#### **2.     Recommendations**

- 2.1**     It is recommended that Council:
  - i)     Note the outcome of the tenant consultation process, detailed in Appendix 1;
  - ii)    Note the progress made, per Appendix 2, in the HRA Housing capital programme for the period 2016/17 as approved by Members at the Council meeting of 24 February 2016;
  - iii)   Agree the five year capital programme of work set out in Appendix 3 to this report and the overall resources to fund;
  - iv)    Agree that the capital programme will be carried out by a mixture of contracts procured on the open market and by a Service Level Agreement (SLA) with the Council's in-house Direct Labour Organisation (DLO);
  - v)     Agree the revenue budget for 2017/18 as detailed in Appendix 4;
  - vi)    Agree the weekly rent increase for 2017/18 at an average £1.69 on a 52 week basis (£1.87 on a 47 week basis), equating to 2.25% to meet the planned net revenue HRA budget as detailed in Appendix 4;

- vii) Agree to increase rents at the Gypsy Travellers site by the same percentage;
- viii) Agree to maintain the existing level of lock up rent levels at £5.55 per week on a 52 week basis (£6.02 on a 47 week basis) at the same levels as for 2016/17; and
- ix) Note the increase in the prudential reserve target for 2017/18 (from £0.830m to £0.846m).

### **3. Background**

**3.1** In June 2012 the Council took the decision to halt the partial stock transfer process and retain the housing stock and to address the challenges of improving homes and meeting housing need by:

- Investing approximately £85 million to improve homes;
- Embarking on a programme of demolition and regeneration of sites; and
- Progress on a council house building programme.

**3.2** In considering the structure of the budget consideration has been given to:

- Increasing revenues and reducing costs by:
  - improving void performance;
  - improving estate management generally; and
  - improved asset management.
- Financial Impact – ongoing implementation of various welfare reform changes;
- Financing the investment required to maintain Scottish Housing Quality Standard (SHQS), the Energy Efficiency Standard for Social Housing (EESH); and
- Managing the interface with owners/sold property.

**3.3** In preparing these estimates the following factors have been taken into account:

- Nil inflation has been assumed on all non-protected budget lines;
- Provision has been made for a pay increase of 1.2%; and
- A 3% turnover saving has been applied to employee costs.

**3.4** For financial year 2016/17 West Dunbartonshire's average weekly rent was sixth highest of Scotland's 26 housing authorities, £4.51 (6.7%) above the national average of £67.45 and £23.69 (24.8%) below the authority with the highest

average weekly rent. In comparison with the overall Scottish average including Registered Social Landlords, West Dunbartonshire's average weekly rent was £0.94 (1.3%) below average.

#### **4. Main Issues**

##### **4.1 HRA Capital Investment**

**4.1.1** At Council on 24 February 2016 a 5 year programme of HRA capital work for 2016/21 was reported and approved. Progress on 2016/17 work is shown in Appendix 2, information on variances is provided in the HRA Budgetary Control report which is included in the papers for this Council meeting. The overall slippage in 2016/17 is £8.858m (31.2%).

**4.1.2** The HRA capital programme is derived from data from the current stock condition survey and, where appropriate, technical assessment of staff. The main drivers for the programme are for the Council to meet the requirements of the Scottish Housing Quality Standard (SHQS), the Energy Efficiency Standard for Social Housing (EESH) and meet its landlord obligations and health and safety responsibilities. In addition to the core stock, the programme includes the Council's new house build programme.

**4.1.3** The 5 year plan has now been rolled forward a year to 2021/22 and recognises progress made and any re-phrasings of projects and anticipated funding that have been necessary. The result of this review is shown as Appendix 3 and result in changes to the expected level of loan charges to the following from 2017/18 to 2021/22:

2017/18	£11.757m
2018/19	£11.963m
2019/20	£11.959m
2020/21	£12.549m
2021/22	£12.993m

**4.1.4** It should be noted that the 30 year HRA business model has been prepared on the basis that there will be fluctuations in inflation over the period of the plan. These assumptions would need to be revised in the event of long-term inflation forecasts being above target (the planning assumption for long-term inflation in the business model is 2%, in line with UK Treasury target) or additional pressures on the revenue account becoming apparent. The other key variable within the business model is the capital expenditure requirements which can alter depending on circumstances and priorities. The HRA business model is updated annually to recognise the most up-to-date information.

**4.1.5** In considering affordability, a key output from the HRA business model is the percentage of rental stream that is required to fund debt charges. This is an



indicator for the amount of prudential borrowing that can be undertaken. When the decision was taken to retain all the housing stock in WDC the investment requirements needed to achieve the Scottish Housing Quality Standard coupled with the historic debt structure of HRA debt suggested that the “debt affordability” percentage in West Dunbartonshire should not exceed 55%. The most recent update for 2017/18 has an average percentage of 44.4% with a peak of 51.7% in 2036/37 and declining sharply thereafter to 32.9% by the end of the 30 year period. The annual debt affordability percentages under the most recent update therefore continue to be within acceptable range and the model therefore remains robust and viable in terms of debt affordability.

- 4.1.6** The Council's external auditors have raised concerns around the level of borrowing which the Council currently holds in general and analysis (which indicates that the Council is amongst the highest levels of borrowing in Scotland) includes the significant HRA investment in achieving SHQS.

## **4.2 HRA Revenue Estimates 2017/18**

The revenue estimates for 2017/18 are attached as Appendix 4 shows an increase in net expenditure, since 2016/17, of £0.890m. This is the amount which needs to be recovered via the proposed rent increase and equates to 2.25% based on expected housing stock and occupancy levels. Appendix 4 provides information on the breakdown of the budget and provides explanations for the main year on year variances.

## **4.3 Reserves**

- 4.3.1** At March 2016, the HRA reserve was £6.217m, consisting of:

	<b>£m</b>
Regeneration of housing stock	5.387
2016/17 prudential reserve	<u>0.830</u>
	<b><u>6.217</u></b>

- 4.3.2** It is currently forecast (per the probable outturn identified in the Budgetary Control report for Period 9 which is subject of another report to this meeting) that there will be an in-year surplus on the HRA revenue account at the end of 2016/17 of £0.504m.

- 4.3.3** Council policy is that an HRA Prudential Reserve of 2% of gross expenditure should be maintained. Based upon the recommended budget for 2017/18, this equates to £0.846m for 2017/18 (previously £0.830m). The increase in the prudential reserve of £0.016m for 2017/18 is anticipated to come from the forecast annual surplus for 2016/17. It is prudent to recommend that the budget for 2017/18 retains reserves at this level.

- 4.3.4** It is anticipated that £2.189m of the £5.387m held at March 2016 in respect of regeneration of stock reserves will be utilised during 2016/17. Council policy established a number of years ago is that any surpluses will be earmarked for the purpose of regeneration of the housing stock. Therefore by 31 March 2017 the above would result in the reserves being as follows:

	£m
In year projected surplus within the revenue account	0.488
Unused Reserves from previous year	3.198
<b>Projected Earmarked Reserves at 31/03/2017</b>	<b>3.686</b>
Prudential reserve 2017/18	0.846
<b>Total Projected Reserves</b>	<b>4.532</b>

- 4.3.5** Members could choose to re-designate, for other purposes, the funding earmarked for the regeneration of stock, however the consequences of this could be higher than anticipated increases in rent or reduced expenditure in future years.

#### **4.4 Rent Increase**

- 4.4.1** The Council is required to consider the level of weekly rent increase for the financial year 2017/18 and agree an appropriate rent rate which meets the estimated costs of providing the Housing Service in 2017/18 as identified in the Appendix 4.
- 4.4.2** In determining the level of weekly rent increase due cognisance must be taken of changing service demands as well as the requirements for investment as detailed in the Standard Delivery Plan and the need for robust financial planning and management to ensure that the Council delivers on its investment commitments. In addition the decision of the Council in June 2012 regarding its policy on stock retention, which set out clearly the rent increase requirements to support the Council's investment needs, must be recognised.
- 4.4.3** The required weekly percentage rent increase contained within the attached HRA estimate is an average £1.69 on a 52 week basis (£1.87 on a 47 week basis) which equates to 2.25%.
- 4.4.4** The attached budget as recommended sets a rent level that satisfies best practice in maintaining a prudential balance, ensuring that all reasonable contingencies are taken into account and is sufficient to support the Council's HRA investment programme.
- 4.4.5** The report to Council in June 2012 on "Meeting the Scottish Housing Quality Standard" indicated that in the event of stock transfer not proceeding a rent

increase of at least RPI plus 4.5% would be required in order to finance the level of capital expenditure needed to meet the Scottish Housing Quality Standard by 2015. This was indicated in the June Council report to be an increase of 7.63% in each year up to and including 2017/18 and 3.5% annually thereafter.

- 4.4.6** At the rent consultation meetings held in November 2016 the draft Housing Revenue Account Estimates for 2017/18 and the department's plans to achieve and maintain the Scottish Housing Quality Standard were discussed. Following this, the HRA business plan was updated to recognise the current revenue account position, revised inflationary assumptions and the proposed capital programme as shaped by the results of the full house condition survey.

The required rent increase to maintain current level of service and proposed capital investment was calculated as 2.25%.

- 4.4.7** A survey of tenants was undertaken regarding options for setting the rent and tenants were asked to select from 3 options:

Option 1

2.25% increase to maintain current level of service and capital investment

Option 2

2.5% increase which would provide an additional £0.100m to be utilised in respect of welfare reform, fuel poverty and improving neighbourhoods

Option 3

3% increase which would provide an additional £0.300m to be utilised in respect of welfare reform, fuel poverty and improving neighbourhoods

There were 65 respondents to the survey with the majority opting for option 1, as follows:

- Option 1      43%
- Option 2      24%
- Option 3      33%

Further information from the survey is provided in Appendix 1.

- 4.4.8** A further public rent consultation meeting was held on 17 January 2017 and the survey results were discussed. There was mixed views from those present around what the best option would be with some tenants perceiving that the lowest rise would be preferable whereas others thought the additional funding to deal with issues important to tenants was worth the extra rent rise.

The proposed rent increases required for a robust and affordable business plan would be 2.25% for 2017/18 and onwards. By 2018/19 average rents will be

11.6% less than those projected in the business plan reported to Council in June 2012 (£76.77 per week as opposed to £86.87 per week).

**4.4.9** It is recommended that Council increase rents at the Gypsy Travellers site by the same percentage as the housing rents at 2.25%.

**4.4.9** The Strategic Lead for Housing and Employability has acknowledged that the consultation has highlighted that tenants are concerned about issues such as welfare reform and fuel poverty and will ensure that appropriate actions are put into place to address this including:

- Review of Capital Programme to identify work required to enhance energy efficiency;
- Providing support and advice to tenants to help them get best available energy deals; and
- Ensuring tenants are aware of assistance from the working4U service available with benefits and getting into work.

## **5. People Implications**

**5.1** There are no personnel issues.

## **6. Financial and Procurement Implications**

**6.1** The financial implications are as detailed within the report and Appendices. There are no direct procurement implications from this report.

## **7. Risk Analysis**

**7.1** The key driver for determining rents for Council properties is the HRA investment plan. Failure to set rents consistent with the delivery of this plan will potentially result in insufficient funding being available to meet the aspirations highlighted above.

**7.2** In producing the budget a number of assumptions have been made in relation to performance around rent recovery, voids and the impact of welfare reform. These issues will be closely monitored during 2017/18 and members advised of any significant variations that will impact materially on the sufficiency of the budget as proposed.

**7.3** In terms of the capital programme the main financial risks relate to:

- i) whether inflation increases costs resulting in plans requiring to be reviewed upwards;
- ii) site investigations results potentially impacting on the realisation of anticipated capital receipts and

- iii) longer-term affordability requires to be considered in determining appropriate levels of capital funding.

Ongoing budgetary control processes will monitor the above issues and any problems will be reported to a future Council meeting for consideration.

## **8. Equalities Impact Assessment (EIA)**

- 8.1** An EIA screening has been undertaken by officers and no issues were identified.

## **9. Consultation**

- 9.1** The Council has a statutory requirement to carry out a rent consultation exercise. Details of the consultation can be seen in Appendix 1.
- 9.2** A HRA budget scrutiny group has now been set up to include tenant representatives. This group meet with Officers and Convenor monthly and examines the HRA to ensure increased transparency and demonstrate Value for Money to tenants.

## **10. Strategic Assessment**

- 10.1** The proposals contained in this report directly address four of the Council's five strategic priorities as agreed at 26 September 2012, Members agreed five strategic priorities, namely Life Chances for Children and Young People, Care and Promotion of Independence with Older People, Local Housing and Environmentally Sustainable Infrastructure and Wellbeing of Communities and Protection of Welfare of Vulnerable People. The investment in, and provision of attractive affordable housing will also indirectly support the objective of economic growth and employability through supporting employment and improving place attractiveness.
- 10.2** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the five strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council.

**Peter Barry**  
**Strategic Lead – Housing and Employability**  
**Date: 9 February 2017**

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<b>Person to Contact:</b>	<p>Janice Rainey - Business Unit Finance Partner, Council Offices, Garshake Road, Dumbarton, G82 3PU, telephone: 01389 737707, e-mail: <a href="mailto:janice.rainey@west-dunbarton.gov.uk">janice.rainey@west-dunbarton.gov.uk</a></p> <p>Alan Young - Housing Asset and Investment Manager, Overburn Avenue, Dumbarton, telephone: 01389 608950, email: <a href="mailto:alan.young@west-dunbarton.gov.uk">alan.young@west-dunbarton.gov.uk</a></p>
<b>Appendices:</b>	<p>Appendix 1: Consultation information</p> <p>Appendix 2: HRA Capital Projects Forecast Outturn and Slippage 2016/17</p> <p>Appendix 3: HRA Capital programme Financial Year 2017/22</p> <p>Appendix 4: 2017/18 Housing Revenue Account Estimate</p>
<b>Background Papers:</b>	<p>EIA screening Consultation Planning Sheet</p>
<b>Wards Affected:</b>	<p>All</p>





## APPENDIX 1

### Housing Services

### Consultation Recording Sheet

Housing Service ...Housing Development

Person responsible: Janice Rainey and Jane Mack

Consultation Start date: 13/11/16 End Date 17/1/17

1.	The name of consultation / participation exercise?	Rent consultation 2017/18
2.	Its aims and objectives?	Discuss and get agreement from tenants on HRA Budget estimates and subsequent rent increase level for 2017/18.
3.	Who did you invite/include? (e.g. all tenants, tenant from the interested tenants register, RTOs, staff)	All tenants (via Housing News) and members of WDTRO, TRAs, Scrutiny Panel, Sheltered Housing Forum and Interested Tenant Register members.
4.	What methods did you use to promote/invite stakeholders to get involved? (e.g. letters, posters, website)	<p>Consultation process included 2 public meetings and a public survey. Specific invites to all members of the above groups inviting them to the public meetings were sent. The Council's website was also used to advertise the public meetings and survey as well as social media. It was also promoted with reminders on our Tenant Participation Facebook account.</p> <p>The on-line survey was promoted on the Council's website and paper copies with pre-paid envelopes were sent to all active group members as listed above as well as being available on demand. The link was also made available via the Council's tenant newsletter 'Housing News'</p> <p>Relevant Council officers were also utilised to promote the survey to tenants they engaged with.</p>
5.	Who actually took part? (Number of individuals and or number of tenant organisations represented)	<p>15 tenants attended the public meeting on 3/11/16 with 6 TRA's being represented, 2 Scrutiny Panel members and 2 individual tenants.</p> <p>17 tenants attended the public meeting on the 17/1/17 with 5 TRA's being represented, 2 Scrutiny Panel members, 2 Sheltered Housing Forum and 2 individual tenants.</p>

	67 tenants responded to the survey.
6. What method(s) did you use to obtain their views? (e.g. focus/working group, newsletter, survey)  Why did you choose this method(s)?	<p>A presentation was given at the first public meeting which outlined the Housing Revenue budget estimates for 2017/18. The HRA methodology was presented using a good practice model developed by the Scottish Housing Network and our own Joint Rent Group.</p> <p>A survey was developed to collect specific views on 3 options of rent increases that came from the public meeting and options available through the Council's Business plan.</p> <p>These methods were chosen to gather a range of views. The rent consultation process had been discussed as part of our Joint Rent Group and tenants were wanting clearer information and options so that their involvement was part of the decision making process.</p> <p>The information provided was presented in as clear and understandable way as possible and explained at the public meeting so that tenants were able to question the information. The HRA methodology, copy of presentation and meeting notes were also made available online for any tenant to refer to.</p>
7. What good practice or minimum standards can you evidence as part of your consultation?	<p>An 8 week consultation period was agreed to collect views.</p> <p>Paper surveys were also made available for those without on line access.</p> <p>Both Public meetings were arranged for 6pm to accommodate as many people as possible. Meeting room had loop system and in an accessible building. Transport was also arranged for any tenant that required it to assist them getting to the meeting.</p> <p>The Joint Rent Group had worked on improving the clarity of financial information made available as part of the rent consultation process and comments from the group were used to make the information as clear and understandable as possible. All financial information (meeting notes and HRA budget estimates) were also available on line for public scrutiny.</p>
8. What was the outcome of the consultation?	The tenant views expressed at the public meeting as well as the survey results were put forward as the proposed rent increase going for Council approval and for future priority actions by the Housing Service.

9.	How did you feedback to participants the outcome?	<p>Survey report to be sent to all respondents, results made available on webpages and in the Spring Housing News.</p> <p>All rent increases must be notified to tenants in writing with 28 days notice so all tenants will be advised of the rent increase and how much the increase means for their own weekly and annual rent charge.</p>
10.	How did tenant involvement influence your consultation?	<p>Tenant involvement has influenced our review of our rent consultation process and the setting up of our Joint Rent Group which is made up of tenant volunteers, Housing Convenor , Housing and Finance staff. The financial information provided was clearer and easier for tenants to understand because it had been considered by the Joint Rent Group first.</p> <p>For the first time we also provided options for tenants to consider in relation the the level of rents to increase their involvement in the decision making process.</p>
11.	Are you able to demonstrate this?	YES
12.	How have you demonstrated to tenants that involvement made a difference?	<p>The preferred option for a 2.25% rent increase is being put forward as the rent proposal to be considered by Councillors.</p> <p>Acknowledgement of tenant's views expressed the importance of welfare reform implications and poverty issues and agreement reached to take these forward as service priorities within existing budget provision.</p>
13.	Did you check with participants that they were happy with the opportunities given to make their views known and that they felt that we listened and acted upon them?	<p>The WDTR0 and tenant volunteers on the Joint Rent Group have stated that they were happy with the improvements made to the information provided and the options they were given. The discussions at both the public meetings were very informed and constructive. The Rent Consultation format will be subject to ongoing review in line with recently published good practice information from Scottish Housing Regulator.</p>

What worked well, what didn't work well – or any other comments you have.

Comments: Both public meetings had more attendees than previous years and it is hoped that numbers will continue to increase each year as tenants see that they can question financial information and voice their views. It is also hoped to increase tenant

involvement earlier in the process when resourcing and priorities are being discussed as they determine the rent level and so tenant needs need to be involved in those discussions for their involvement in rent setting to be meaningful. It is also hoped that by prioritising some of the consultative exercises at an early stage we will avoid future consultative exercises encompassing the festive periods and generally a recess period for our Registered Tenant Organisations.

**WEST DUNBARTONSHIRE COUNCIL**  
**2016/17 Variances**

**CAPITAL PROJECTS FORECAST OUTTURN AND SLIPPAGE 2016/17**

**RESOURCES**

	Budget	Forecast	Slippage	Over / (Under)
	£000's	Outturn £000's	£000's	Recovery £000's
New Build Grant	2,000	750	1,250	0
Other Grants/Contributions	0	451	0	451
Loan Repayments	24	14	0	(10)
Anticipated Capital Receipts	586	2,219	0	1,633
Prudential Borrowing	23,626	13,588	7,608	(2,430)
CFCR	2,189	2,189	0	0
	<b>28,425</b>	<b>19,211</b>	<b>8,858</b>	<b>(356)</b>

**CAPITAL EXPENDITURE**

	Budget	Forecast	Slippage	Over / (Under)
	£000's	Outturn £000's	£000's	Spend £000's
<b>OTHER CAPITAL EXPENDITURE</b>				
special needs adaptations	300	300	0	0
cctv projects	131	10	121	0
priority projects as advised by Housing Management	140	140	0	0
community safety projects	155	50	105	0
capitalised minor works	800	800	0	0
housing asset management	50	50	0	0
integrated housing management system	854	322	532	0
				0
<b>MAJOR COMPONENT REPLACEMENTS</b>				
targeted SHQS compliance works	600	400	0	(200)
targeted EESSH compliance works	4,047	2,000	2,047	0
building external component renewals	2,600	2,600	0	0
doors/window component renewals	1,250	1,250	0	0
external stores/garages/bin stores/drainage component renewals	127	127	0	0
secure entry component renewals	90	90	0	0
statutory/regulatory compliance works (lifts/electrical/legionella/fire etc)	256	256	0	0
non traditional and traditional improvement works	2,461	500	1,961	0
heating improvement works	600	600	0	0
energy improvements/energy efficiency works	100	100	0	0
modern facilities and services	590	590	0	0
				0
<b>VOID CAPITAL</b>				
void house strategy programme	2,500	2,500	0	0
				0
<b>DEMOLITIONS</b>				
regeneration/demolition of surplus stock	2,204	900	1,304	0
clydebank east demolition/homeloss disturbance payments	180	180	0	0
				0
<b>CONTINGENCIES</b>				
contingencies	100	5	0	(95)
				0
<b>STRUCTURAL &amp; ENVIRONMENTAL</b>				
multi-storey renewal works	240	240	0	0
defective structures / component renewals	768	550	218	0
drumry structural works				0
internal floor structures				0
individual/common balcony/porch works				0
internal close works, stairs/landings/railings/windows				0
environmental improvement works	1,405	1,406	0	1
asbestos management works	300	300	0	0
				0
<b>AFFORDABLE SUPPLY PROGRAMME</b>				
projects to deliver housing policies/strategies	562	500		(62)
new build housing	3,215	645	2,570	0
				0
<b>SUPPORT COSTS</b>				
Direct Project Support	1,800	1,800	0	0
				0
<b>TOTAL</b>	<b>28,425</b>	<b>19,211</b>	<b>8,858</b>	<b>(356)</b>
	28,425	19,211	8,858	(356)

## WEST DUNBARTONSHIRE COUNCIL

## FINANCIAL YEAR 2017-22

## APPENDIX 3

	2017-18	2018-19	2019-20	2020-21	2021-22	2017-22
	£000's	£000's	£000's	£000's	£000's	£000's
<b>ANTICIPATED RESOURCES</b>						
carry forward	7,458	700	700	0	0	8,858
new build grant	1,640	5,085	4,555	1,271	4,992	17,543
prudential borrowing	15,460	12,432	23,126	15,649	19,880	86,547
other grants/contributions	600	2,100	2,580	600	600	6,480
loan repayments	14	14	14	2		44
CFCR	2,865	3,519	4,020	3,583	3,583	17,570
<b>TOTAL ANTICIPATED RESOURCES</b>	<b>28,037</b>	<b>23,850</b>	<b>34,995</b>	<b>21,105</b>	<b>29,055</b>	<b>137,042</b>
<b>CAPITAL EXPENDITURE PLAN</b>						
<b>OTHER CAPITAL EXPENDITURE</b>	<b>1,250</b>	<b>1,300</b>	<b>1,250</b>	<b>900</b>	<b>850</b>	<b>5,550</b>
special needs adaptations	300	300	300	300	300	1,500
priority projects as advised by Housing Management	100	100	100	100	100	500
community safety projects	0	50	0	50	0	100
capitalised minor works	800	800	800	400	400	3,200
housing asset management	50	50	50	50	50	250
<b>MAJOR COMPONENT REPLACEMENTS</b>	<b>9,330</b>	<b>9,330</b>	<b>9,330</b>	<b>8,880</b>	<b>8,680</b>	<b>45,550</b>
targeted SHQS compliance works	300	300	300	300	300	1,500
targeted EESSH compliance works	3,450	3,450	3,450	3,450	3,450	17,250
building external component renewals, roofs/chimneys/flashings/fascias/gutters/svp	2,600	2,600	2,600	2,600	2,400	12,800
doors/window component renewals	1,500	1,500	1,500	1,500	1,500	7,500
external stores/garages/bin stores/drainage component renewals	70	70	70	40	40	290
secure entry component renewals	70	70	70	40	40	290
statutory/regulatory/compliance works (lifts/electrical/legionella/fire etc)	100	100	100	100	100	500
heating improvement works	600	600	600	500	500	2,800
energy improvements/energy efficiency works	50	50	50	50	50	250
modern facilities and services	590	590	590	300	300	2,370
<b>VOID CAPITAL</b>	<b>2,500</b>	<b>2,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>9,500</b>
void house strategy programme	2,500	2,500	1,500	1,500	1,500	9,500
<b>DEMOLITIONS</b>	<b>0</b>	<b>40</b>	<b>60</b>	<b>3,000</b>	<b>3,000</b>	<b>6,100</b>
Clydebank East demolition/homeloss & disturbance	0	40	60	3,000	3,000	6,100
<b>CONTINGENCIES</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>500</b>
contingencies	100	100	100	100	100	500
<b>STRUCTURAL &amp; ENVIRONMENTAL</b>	<b>1,880</b>	<b>1,880</b>	<b>1,880</b>	<b>1,500</b>	<b>1,500</b>	<b>8,640</b>
defective structures/component renewals	300	300	300	300	300	1,500
environmental renewal works, paths/fences/walls/parking area's	1,280	1,280	1,280	900	900	5,640
asbestos management works	300	300	300	300	300	1,500
<b>AFFORDABLE HOUSING SUPPLY PROGRAMME</b>	<b>3,719</b>	<b>6,200</b>	<b>18,375</b>	<b>3,425</b>	<b>11,625</b>	<b>43,344</b>
projects to deliver housing policies/strategies	500	500	500	500	500	2,500
new house build	3,219	5,700	17,875	2,925	11,125	40,844
<b>SUPPORT COSTS</b>	<b>1,800</b>	<b>1,800</b>	<b>1,800</b>	<b>1,800</b>	<b>1,800</b>	<b>9,000</b>
Direct Project Support	1,800	1,800	1,800	1,800	1,800	9,000
<b>SUB TOTAL</b>	<b>20,579</b>	<b>23,150</b>	<b>34,295</b>	<b>21,105</b>	<b>29,055</b>	<b>128,184</b>
<b>COMMITTED EXPENDITURE RE-PHASED FROM 2016-17 (at P9)</b>						
cctv	121	0	0	0	0	121
community safety projects	105	0	0	0	0	105
integrated housing management system	532	0	0	0	0	532
targeted EESSH compliance works	647	700	700	0	0	2,047
non traditional and traditional improvement works	1,961	0	0	0	0	1,961
regeneration/demolition of surplus stock	1,304	0	0	0	0	1,304
defective structures / component renewals	218	0	0	0	0	218
new build housing (singer st/second ave)	2,570	0	0	0	0	2,570
<b>RE-PHASED COMMITTED EXPENDITURE</b>	<b>7,458</b>	<b>700</b>	<b>700</b>	<b>0</b>	<b>0</b>	<b>8,858</b>
<b>ANNUAL TOTAL</b>	<b>28,037</b>	<b>23,850</b>	<b>34,995</b>	<b>21,105</b>	<b>29,055</b>	<b>137,042</b>

## DRAFT HRA ESTIMATES 2017/18

2015/16 Outturn £000	EXPENDITURE	2016/17 Estimate £000	Probable Outturn £000	2017/2018 Estimate £000	Movement year on year £000	Comments on Movements > £50,000
5,141	EMPLOYEE COSTS	5,531	5,130	5,736	205	Employee pay award 1.2% and cost of new staffing model
1,430	PROPERTY COSTS	1,845	1,811	1,819	(26)	
106	TRANSPORT COSTS	125	106	105	(20)	
338	SUPPLIES, SERVICES AND ADMIN	354	366	327	(27)	
2,090	SUPPORT SERVICES	2,161	2,141	2,141	(20)	
153	OTHER EXPENDITURE	183	146	157	(26)	
12,147	REPAIRS & MAINTENANCE	12,071	11,826	11,716	(355)	Reduced in line with current level of demand and taking cognisance of reduced costs from demolished housing
1,113	BAD DEBT PROVISION	1,060	1,113	1,113	53	Assumed BDP will continue at same rate as currently required
406	COUNCIL TAX ON VOID HOUSES	385	388	326	(59)	Various initiatives taking place to reduce void numbers
1,373	LOST RENTS	1,070	953	887	(183)	Various initiatives taking place to reduce void numbers
15,399	LOAN CHARGES AND CAPITAL FINANCED THROUGH CURRENT REVENUE	17,992	17,992	19,222	1,230	The principal determinants of loan charges are the average pool interest rate and the level of borrowing. Net capital expenditure planned to support the department's investment priorities will continue at a high level (£19m projected for 2016/17). The loan charges on the 2016/17 expenditure will start to become repayable in 2017/18. All borrowing will be accommodated within the authorised prudential limits that will be presented to Council for approval within the Annual Treasury Strategy and is consistent with the projections contained within the HRA 30 year business plan.
39,696	GROSS EXPENDITURE	42,777	41,972	43,549	772	

2015/16 Outturn £000	Income	2016/17 Estimate £000	Probable Outturn £000	2017/2018 Estimate £000	Movement year on year £000	
39,005	HOUSES	39,902	39,861	39,722	(180)	Updated information around expected demolitions & other changes to stock numbers have resulted in the number of houses expected to be available for renting being lower than that calculated in 2016/17
228	LOCKUPS	227	225	227	0	
1,087	FACTORING/INSURANCE	1,083	1,115	1,136	53	2017/18 Estimate has been revised to reflect the increased level of income currently being received
132	OTHER RENTS	138	138	143	5	
46	INTEREST ON REVENUE BALANCE	40	46	46	6	
	TRANSFER FROM RESERVE		0	0	0	
221	MISCELLANEOUS INCOME	112	143	143	31	
984	REALLOCATED SALARIES	1,275	948	1,242	(33)	
41,703	GROSS INCOME	42,777	42,476	42,659	(118)	

-	2,007	NET EXPENDITURE	0	(504)	890	890
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average stock 2017/18	10,131
required rent increase (52 wks)	£1.69
average rent 2016/17	£75.08
as a %	2.25%

Prudential reserve	830		846
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**WEST DUNBARTONSHIRE COUNCIL**  
**Report by the Strategic Lead - Resources**  
**Council: 22 February 2017**

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**Subject: Dumbarton Common Good Budget 2017/18**

**1. Purpose**

- 1.1** The purpose of this report is to provide Council with an update on the Dumbarton Common Good budget and seek approval for a revised budget for 2017/18.

**2. Recommendations**

- 2.1** Members are asked to:

- (a) note the probable outturn for the budget 2016/17, as set out in Appendix 1;
- (b) approve the revised 2017/18 budget as set out in Appendix 1; and
- (c) note the projected balances carried forward of £0.361m at 31 March 2017 and £0.153m at 31 March 2018 (based upon the draft revised budget 2017/18).

**3. Background**

- 3.1** Following a report to Council on 6 February 2013, Members agreed a five year budget for Dumbarton Common Good – 2013/14 to 2017/18.
- 3.2** Updates on the budget and actual outturns continue to be reported to Corporate Services Committee. There have been ongoing revisions to the annual budgets due to issues such as increased property costs; increased income levels, spend on small grants and the level of spend on the Town Management budget. Revised budgets for 2016/17 and 2017/18 were reported to and agreed by Corporate Services Committee on 11 May 2016.

**4. Main Issues**

- 4.1** Appendix 1 provides details of the financial performance of the Common Good budget from 2015/16, together with a revised budget for 2017/18 for consideration and approval.
- 4.2** The original five year budget agreed a total spend of £0.325m towards Town Centre Management (£0.065m per annum), which is administered through a grant process. The grants have been advertised, however this budget has seen less spend to date than anticipated. Any in-year underspend on this budget each year has been brought forward and budgeted for spend the following year to ensure the overall budget allocation to Town Centre Management remains at £0.325m. For 2017/18, this budget is now projected to sit at £0.274m, with £0.051m in total awarded.

- 4.3** Variances between the 2016/17 approved budget the probable outturn include:

Town Centre Management slippage	£(208,855)
Small Grants underspend	£(6,000)
Income - favourable	£(693)
	<u>£(215,548)</u>

- 4.4** Movements from the 2017/18 draft updated budget from that approved by Corporate Services Committee in May 2016 include:

Town Centre Management slippage	£208,855
Income	£(693)
	<u>£208,162</u>

- 4.5** The five year budget set in 2013 projected that reserves would be £0.042m as at 31 March 2018, with the Prudential Reserve target being £0.025m. The reserves as at 31 March 2017 are now projected at £0.361m and as at 31 March 2018 are now projected at £0.153m, if the revised budget for 2017/18 were to be approved. The main reason for this increase is due to income levels being higher than originally anticipated and small grants budgets being underspent in most years.

## **5. People Implications**

- 5.1** There are no people implications.

## **6. Financial and Procurement Implications**

- 6.1** Other than the financial position noted above, there are no financial or procurement implications.

## **7. Risk Analysis**

- 7.1** The Council must consider financial and reputational risk when considering funding to external organisations. The financial risk is that the Dumbarton Common Good remains within budget and also that the voluntary organisations awarded grants remain financially sustainable. Organisations funded by the Common Good Fund must also comply with conditions of grant which cover issues such as discrimination, health and safety, insurance, etc.

## **8. Equalities Impact Assessment (EIA)**

- 8.1** No equalities impact assessment was required in relation to this report.

## **9. Consultation**

- 9.1** Colleagues within the Resources Service and the Regulatory Service have been consulted in the compilation of this report.

## **10. Strategic Assessment**

- 10.1** Good financial governance is essential to the delivery of each of the Council's Strategic Priorities.

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**Stephen West**  
**Strategic Lead - Resources**

**Date: 30 January 2017**

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**Appendix:** Financial Analysis and Revised Budget

**Background Papers:** Dumbarton Common Good Fund Report: Council 6 February 2013;  
Minute of Council Meeting: Council 6 February 2013;  
Financial Statements 31 March 2016;  
Grant Applications 2016/17 – Report to Corporate Services Committee 11 May 2016;  
Minute of Corporate Services Committee Meeting 11 May 2016.

**Wards Affected** 2 and 3



**DUMBARTON COMMON GOOD FUND****APPENDIX 1****Statement of Income & Expenditure**

Description	15/16 Final Outturn £	16/17 Original Budget £	16/17 Approved Budget £	16/17 Projected Outturn £	17/18 Original Budget £	17/18 Approved Budget £	17/18 Revised Budget £
<b>Grant Funding</b>	<b>147,482</b>	<b>168,281</b>	<b>166,931</b>	<b>160,931</b>	<b>165,481</b>	<b>167,931</b>	<b>167,931</b>
Alcoholics Anonymous - Grant for Property	11,721	10,050	11,700	11,700	9,250	11,700	11,700
Alternatives	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Bellsmyre Digital Project	17,801	35,601	35,601	35,601	35,601	35,601	35,601
Bellsmyre Schools Out	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Dumbarton Senior Citizens	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Rockvale Rebound - Rent	2,600	2,630	2,630	2,630	2,630	2,630	2,630
Scottish Maritime Museum	51,000	53,000	50,000	50,000	50,000	50,000	50,000
West Dunbartonshire Citizen's Advice Bureau	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Small Grants	3,360	6,000	6,000	0	7,000	7,000	7,000
<b>Other Fund Uses</b>	<b>54,287</b>	<b>111,170</b>	<b>267,745</b>	<b>58,890</b>	<b>111,170</b>	<b>113,890</b>	<b>322,745</b>
Dumbarton Fireworks	9,050	9,050	9,050	9,050	9,050	9,050	9,050
Town Centre Management	5,043	65,000	218,855	10,000	65,000	65,000	273,855
Christmas Lights	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Central Admin Allocation	14,354	11,280	14,000	14,000	11,280	14,000	14,000
Estates Dept - Management Fee	10,840	10,840	10,840	10,840	10,840	10,840	10,840
<b>Total Expenditure</b>	<b>201,769</b>	<b>279,451</b>	<b>434,676</b>	<b>219,821</b>	<b>276,651</b>	<b>281,821</b>	<b>490,676</b>
Interest on Revenue Balance / Investments	(1,138)	(900)	(1,100)	(1,100)	(900)	(1,100)	(1,100)
Misc Income	0	(400)	(400)	(400)	(200)	(400)	(400)
Rental Income	(284,088)	(259,540)	(280,000)	(280,693)	(259,540)	(280,000)	(280,693)
<b>Total Income</b>	<b>(285,226)</b>	<b>(260,840)</b>	<b>(281,500)</b>	<b>(282,193)</b>	<b>(260,640)</b>	<b>(281,500)</b>	<b>(282,193)</b>
<b>Net Expenditure</b>	<b>(83,457)</b>	<b>18,611</b>	<b>153,176</b>	<b>(62,372)</b>	<b>16,011</b>	<b>321</b>	<b>208,483</b>
Balance b/fwd	(215,555)		(299,012)	(299,012)		(145,836)	(361,385)
Balance c/fwd	<b>(299,012)</b>		<b>(145,836)</b>	<b>(361,385)</b>		<b>(145,515)</b>	<b>(152,902)</b>
<b>Prudential Reserve</b>	<b>(25,000)</b>		<b>(25,000)</b>	<b>(25,000)</b>		<b>(25,000)</b>	<b>(25,000)</b>





**WEST DUNBARTONSHIRE COUNCIL****Report by Peter Hissett, Strategic Lead – Regulatory****Council 22 February 2017**

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**Subject: Statutory Meeting and Committee Timetable.****1. Purpose**

- 1.1** To fix date for the statutory meeting of West Dunbartonshire Council and agree a committee timetable until the summer recess.

**2. Recommendations**

- 2.1** It is recommended that Council:

- (i) agrees 17 May at 2pm in Garshake as the date and time of the statutory meeting of West Dunbartonshire Council; and
- (ii) agrees the timetable for Council and Committee meetings for the period May to June 2017 as detailed in the appendix.

**3. Background**

- 3.1** Schedule 7 of the Local Government (etc.) (Scotland) Act 1994 (“the 1994 Act”) requires the Council to hold a meeting within 21 days of the election of a new Council. This meeting is known as the statutory meeting. At the statutory meeting various governance matters are addressed including the election of the Provost and a report on the Local Government election. The election will take place on 4 May.
- 3.2** Council has only fixed Committee dates until prior to the Local Government Election. Membership of all Committees will be considered by the Council at the statutory meeting, as well as nominations to outside bodies.

#### **4. Main Issues**

- 4.1** While the 1994 Act requires the first meeting of the new Council to take place within 21 days of 4 May it is preferable to have the first meeting as soon as possible after the election in order that the business of Council may continue. However to enable parties to consider their proposed nominations to Committees, and the necessary reports to be prepared and statutory notice of those reports to be given it would be very difficult to hold the meeting any earlier than week commencing 15 May. In addition advice from the Society of Local Authority Lawyers and Administrators in Scotland suggests that local authorities should take time in arranging their statutory meeting to enable newly elected members to complete their induction training. The time suggested is the traditional time for the statutory meeting.
- 4.2** As indicated above Council has only fixed Committee dates up to the May election. In order that the business of the Council may continue while any new administration considers whether to make changes to the current committee structure a proposed timetable has been prepared with dates until the summer recess. As indicated above membership of Committees will be agreed at the statutory meeting and accordingly it would not be possible to give committee members the required notice if meetings were fixed for the week immediately after the statutory meeting. The timetable takes account of which committees will not have sat for the longest prior to the elections. The afternoon and evening of 31 May have been deliberately kept clear to enable a full Council meeting should any necessary business require to be dealt with given Council will be restricted in the business it can undertake in the pre-election period.

#### **5. People Implications**

- 5.1** None

#### **6. Financial and Procurement Implications**

- 6.1** None

#### **7. Risk Analysis**

- 7.1** A statutory meeting is required by statute and other Committee meetings are required to enable the Council to undertake its functions.

#### **8. Equalities Impact Assessment (EIA)**

- 8.1** Not applicable.

#### **10. Consultation**

**10.1** The Strategic Lead – Resources has been consulted on the terms of this report.

## **11. Strategic Assessment**

**11.1** None.

### **Peter Hessett**

Strategic Lead – Regulatory

Date: 8<sup>th</sup> February 2017

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**Person to Contact:** Peter Hessett, Strategic Lead – Regulatory, Council Offices, Garshake Road, Dumbarton, telephone: 01389 737 800. Email: [peter.hessett@west-dunbarton.gov.uk](mailto:peter.hessett@west-dunbarton.gov.uk)

**Appendices:** Proposed timetable of meetings.

**Background Papers:** Local Government (etc.) (Scotland) act 1994

**Wards Affected:** All

## COMMITTEE TIMETABLE - May to June 2017

Month	Day	Date	Time	Meeting	Location
<b>MAY 2017</b>	Wednesday	17 <sup>th</sup>	2 pm	Statutory Meeting of West Dunbartonshire Council	Dumbarton
	Wednesday	31 <sup>st</sup>	10 am	Planning Committee	Dumbarton
<b>JUNE 2017</b>	Wednesday	7 <sup>th</sup>	10 am	Housing & Communities Committee	Clydebank
			2 pm	Corporate Services Committee	Clydebank
	Wednesday	14 <sup>th</sup>	10 am	Licensing Committee	Dumbarton
			5 pm	Educational Services Committee	Dumbarton
	Wednesday	21 <sup>st</sup>	10 am	Audit & Performance Review Committee	Dumbarton
			2 pm	Infrastructure, Regeneration & Economic Development Committee	Dumbarton
	Wednesday	28 <sup>th</sup>	10 am	Planning Committee	Clydebank
			5 pm	West Dunbartonshire Council	Clydebank
	Thursday	29 <sup>th</sup>	9.30 am	Appeals Committee	Dumbarton

**WEST DUNBARTONSHIRE COUNCIL****Report by Strategic Lead Environment and Neighbourhood****Council: 22 February 2017**

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**Subject: West Dunbartonshire Sports Pitch Provision****1. Purpose**

- 1.1** The purpose of this report is to provide Council with an overview of Sport Pitch provision given the recent interest in the level of availability and to update Council regarding concerns raised about health issues associated with synthetic pitches.

**2. Recommendations**

- 2.1** The Council is asked to note this report.

**3. Background**

- 3.1** There have been a number of enquiries recently regarding the availability of sports pitches within West Dunbartonshire
- 3.2** At present outdoor recreation pitches are maintained and managed by Greenspace. The management and booking of these facilities will transfer to WDLT on 1 April 2017. This decision was taken at the Council meeting in Feb 2015. Lets for sports facilities within all Education establishments are managed by Education staff.
- 3.3** In order to reduce the cost of lets within Education premises it was agreed by Council as part of a previous savings proposal that lets should in general be facilitated in secondary schools within geographic areas where capacity permits.

**4. Current Position**

- 4.1** The sports pitch provision across the authority is detailed in appendix 1 and appendix 2. Appendix 1 covers all Education facilities and appendix 2 relates to Outdoor Recreation facilities.
- 4.2** From the tables attached there are a range of facilities to be used for various age groups and sports. There are synthetic pitches and traditional grass pitches included in this list. Facility capacity and surface type determine the level of use on a weekly basis with a drive towards synthetic surfaces which will in the main accommodate both competitive play and training facilities.

**4.3** Over recent years there has been a significant improvement in sport pitches provision. Appendix 3 shows future pitch provision that will be developed during 2017/18. Much of the new provision has been jointly funded with sports governing bodies who have been supportive in directing funds to the West Dunbartonshire area.

**4.4** Through discussion with Sport Scotland they are very positive about the level of sports provision now available in West Dunbartonshire.

The comparable pitch provision across a range of adjacent authorities is shown below:

- West Dunbartonshire – population 89,730 - 11 3G pitches – 1 per 8157
- Argyll and Bute – population 87,660 - 9 3G pitches – 1 pitch per 9740
- East Ayrshire – population 122150 - 9 3G pitches – 1 per 13572
- East Renfrewshire – population 92380 - 11 3G pitches – 1 per 8398
- Renfrewshire – population 174230 - 13 3G pitches – 1 per 13402

**4.5** Council had previously requested an update on community provision of the sports pitch on the Bellsmyre Campus. The current status is that the main contractor has been instructed to appoint an acoustic fence designer for a new fence around Bellsmyre pitch and design the scheme. The design is expected to be completed by the end of April. The main contractor is to carry out a procurement exercise for the new acoustic fence and formally appoint a contractor. Work will be scheduled to be undertaken during summer 2017 school holidays ready for community use at the start of the Education letting period after the summer break.

**4.6** Appendix 4 details the operational utilisation of sport pitches and highlights usage levels.

**4.7** The majority of the new provision is synthetic 3G/4G pitches that are suitable for a range of sports. Recently some concerns have been raised about these surfaces following national media reports which raised questions over the safety of rubber crumb in synthetic pitches. Sports Scotland and the SFA are supportive of the use of rubber crumb surfaces and this view is reinforced by independent scientific research which has concluded that the surface is safe.

**4.8** There is currently no public health guidance in this area however Environmental Health consulted with NHS Greater Glasgow and Clyde Health Board (GGCHB) on the issue in December 2016.

**4.9** In terms of the information available at this time, Environmental Health have stated that they would need to have evidence based on sound scientific research endorsed by the appropriate health protection authorities e.g. Health Protection Scotland (HPS) before they could consider instigating any action or

investigation on health grounds relating to rubber crumb. Currently no such HPS guidance exists. At this moment in time there is therefore no reason to take any action.

## **5. People Implications**

**5.1** There are no direct people implications within this report.

## **6. Financial and Procurement Implications**

**6.1 Financial** – The Gross investment into sport pitches funded through the Council and external funders over the past 6 years is £3.197M

**6.2 Procurement** – There are no procurement implications within this report.

## **7. Risk Analysis**

**7.1** There is a risk that given the level of provision that now exists West Dunbartonshire Council will have exhausted opportunities for external funding, however discussions are ongoing with governing bodies and other potential funders to mitigate this risk.

## **8. Equalities Impact Assessment (EIA)**

**8.1** No significant issues were identified in relation to equality impact.

## **9. Consultation**

**9.1** In providing improved facilities across the Council area, local communities and user groups are consulted on their views regarding provision and make up of facilities. There is also detailed statutory consultation as part of the planning process which deals with hours of operation and will set operating conditions specific to each location.

## **10 Strategic Assessment**

**10.1** The outcomes from improving sports pitch provision will support the Council's strategic priorities to:

- Improve economic growth and employability;
- Improve environmentally sustainable infrastructure;
- Improve the well-being of communities and protect the welfare of vulnerable people.

**Ronnie Dinnie**

Strategic Lead, Environment & Neighbourhood

Date: 8 February 2017

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**Person to Contact:** *Ronnie Dinnie – Strategic Lead, Environment and Neighbourhood, Council Offices, Garshake Road  
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**Appendices:** Appendix 1: School Pitches  
Appendix 2: Outdoor Recreational Pitches  
Appendix 3: Future Provision of upgraded facilities  
Appendix 4: Pitch Utilisation Information

**Background Papers:** None

**Wards Affected:** All



School Pitches	Pitch Details
Bellsmyre Campus School (Aitkenbar PS & St Peter's PS)	4G Pitch
Bonhill Primary School	Astro Pitch
Braehead Primary School	MUGA Pitch
Carleith Primary School	Blaes Pitch
Clydemuir Primary School	Blaes Pitch
Edinbarnet Primary School	Blaes Pitch
Gartocharn Primary School	MUGA Pitch
Gavinburn Primary School	MUGA Pitch
Goldenhill Primary School	Astro Pitch
Haldane Primary School	Grass Pitch
Lennox Primary School	Grass Pitch
Levenvale Primary School	Grass Pitch
Kilpatrick School - Primary/Secondary	3G Pitch
Knoxland Primary School	Astro Pitch
St Eunan's Primary School	3G Pitch
St Martin's Primary School	Grass Pitch
St Michael's Primary School	MUGA Pitch
St Ronan's Primary School	MUGA Pitch
St Patricks Primary School	Blaes Pitch
St Stephen's Primary School	MUGA Pitch
Our Holy Redeemer Primary School	Blaes Pitch

## Appendix 2

Outdoor Recreation Pitches	Pitch Details
Argyll Park, Alexandria	1 x 3G pitch suitable for all sports 2 x 11 a side grass football 1 x 7 a side grass football
Dillichip Park, Bonhill	1 x 11 a side grass football 2 x grass rugby
Inler Park, Haldane	1 x 11 a side grass football 1 x 7 a side grass football
Wylie Park, Renton	2 x 11 a side grass football 2 x 7 a side grass football
Dumbarton Common	2 x 11 a side grass football
Posties Park, Dumbarton	1 x 11 a side grass football 1 x 7 a side grass football
East End Park	1 x 3G pitch suitable for all sports
Mountblow recreation ground, Clydebank	2 x 11 a side grass football
John Browns playing fields, Clydebank	3 x 11 a side grass football
Faifley Knowes, Clydebank	2 x 11 a side grass football
Duntocher, Clydebank	2 x 11 a side grass football
Singers pitch, Clydebank	1 x 11 a side grass football
Lusset Park, Old Kilpatrick	1 x 7 a side grass football

<b>Future Provision of upgraded facilities</b>	
Our Lady and St Patrick's Secondary School	Provision of 2 synthetic pitches 2017/18
Carleith Primary School	Replacement of blaes pitch 2018/19
Clydemuir Primary School	Replacement of blaes pitch 2017/18
Balloch Campus	Provision of 3G pitch 2017/18
Mountblow playing fields	Provision of 3G pitch 2017/18
Posties Park	Provision of running track and grass football pitch 2017/18
Clydebank Community Sports Hub	Provision of synthetic pitch for all sports 2017/18
Holm Park improvements	Provision of synthetic pitch and upgrade facilities 2017/18

Pitch Utilisation Information				
	Peak including weekend and after 4pm	Off Peak Mon - Fri before 4pm	Most used/Least Used	Comment
<b>Argyle 3G</b>				
3G	fully booked every night & all weekend	infrequently for WD Leisure	High usage	
grass 1	Saturday & Sunday	summer festivals		For Grass parks mid-week use is only Seasonal due to lack of lighting. This comment applies to all grass parks.
grass 2	Saturday & Sunday	summer festivals		
<b>Dillichip</b>				
grass	Saturday & Sunday			
Rugby	Saturday & Sunday	summer festivals		
<b>Wylie</b>				
11 a side	Saturday			
7 a side	Saturday & Sunday			
<b>East End</b>				
3G	mid-week, Saturday & Sunday	summer festivals	High usage	
<b>Dumbarton Common</b>				
grass 1	Saturday			
grass2	Saturday & Sunday	summer festivals		
<b>Mountblow</b>				
grass 1	Saturday & Sunday	no		
grass2	Saturday & Sunday			
<b>John Browns</b>				
grass 1	Saturday	summer festivals		
grass 2	Saturday	summer festivals		
grass3	Saturday	summer festivals		
<b>Knowes</b>				
grass 1	infrequently	no	Low usage	
grass 2	infrequently		Low usage	

<b>Fore Park</b>				
grass 2	Saturday & Sunday	no		
<b>Singer</b>				
grass	Saturday & Sunday	no		
<b>Lusset</b>				
7 a side	Saturday & Sunday	no		
<b>Education, Learning &amp; Attainment</b>				
<b>Vale of Leven Academy</b>				
3G	fully booked every night & all weekend	School Use	High usage	
Hockey	Mid week	School Use		
Grass	Saturday & Sunday	School Use		
<b>Gartocharn Primary School</b>				
MUGA	Mid week	School Use		
<b>Our Lady &amp; St Patrick's High School</b>				
Hybrid pitch	fully booked every night & all weekend	School Use		
<b>Bellsmyre Campus Pitch</b>				
4G	Will be booked every night & weekend	School Use		
<b>Knoxland Primary School</b>				
Astro	Saturday & Sunday	School Use		
<b>Gavinburn Primary School</b>				
MUGA	Mid week	School Use		
<b>St Peter the Apostle High School*</b>				
3G	Mid week	School Use	High usage	*At St Peter the Apostle High School due to planning restrictions only half the 3G and half the hockey parks are used during the week. The half pitch closest to the A82 road is used. Both 3G and Hockey parks are not let out at weekends either due to planning restrictions.
Hockey	Mid week	School Use		
Grass	Saturday & Sunday	School Use		

<b>Clydebank High School</b>				
3G	Mid week	School Use	High usage	
Hockey	Mid week	School Use		
Grass	Saturday & Sunday	School Use		
<b>Dumbarton Academy</b>				
3G	Mid week	School Use		
Grass	Mid week	School Use		
MUGA	Mid week	School Use		