

INFRASTRUCTURE, REGENERATION AND ECONOMIC DEVELOPMENT COMMITTEE

At a Meeting of the Infrastructure, Regeneration and Economic Development Committee held in Committee Room 2, Council Offices, Garshake Road, Dumbarton on Wednesday 15 June 2016 at 10.00 a.m.

Present: Councillors William Hendrie, David McBride, Patrick McGlinchey, Marie McNair*, John Mooney, Ian Murray, Tommy Rainey, Gail Robertson, Martin Rooney and Kath Ryall.

*Arrived later in the meeting.

Attending: Richard Cairns, Strategic Director – Regeneration, Environment and Growth; Peter Barry, Strategic Lead – Housing and Employability; Ronnie Dinnie, Strategic Lead – Neighbourhood and Environment; Jim McAloon, Strategic Lead – Regeneration; John Corcoran, Corporate Asset Manager; Craig Jardine, Capital Investment Programme Manager; Joanne McDowall, Estates Surveyor; Stuart Gibson, Asset Co-ordinator; Sally Michael, Section Head – Contracts and Property and Nuala Quinn-Ross, Committee Officer.

Apologies: Apologies for absence were intimated on behalf of Councillors Gail Casey and Hazel Sorrell.

Councillor Patrick McGlinchey 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 at this point in the meeting.

MINUTES OF PREVIOUS MEETING

The Minutes of Meeting of the Infrastructure, Regeneration and Economic Development Committee held on 16 March 2016 were submitted and approved as a correct record.

Note: Councillor McNair entered the meeting during discussion of the above item of business.

PERFORMANCE REPORT 2015-2016

A report was submitted by the Strategic Director - Regeneration, Environment and Growth providing details of the department's end of year progress in meeting corporate and departmental objectives set out in the Housing, Environmental and Economic Development Departmental Plan 2015-16.

After discussion and having heard officers in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) that a briefing note on the 16 outstanding performance indicator figures be issued once all the data was available; and
- (2) otherwise to note the contents of the report.

REGENERATION DELIVERY PLAN 2016-2017

A report was submitted by the Strategic Lead - Regeneration setting out the Delivery Plan for the new strategic area of Regeneration.

After discussion and having heard the Strategic Lead - Regeneration and the Corporate Asset Manager in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to note the Delivery Plan for the Regeneration strategic area, as detailed within Appendix 1 of the report; and
- (2) to note that Housing Capital Investment Capital Budget total was £27,321 million not £27,321 as detailed within the report.

NEIGHBOURHOOD AND ENVIRONMENT DELIVERY PLAN 2016-2017

A report was submitted by the Strategic Lead - Neighbourhood and Environment setting out the delivery plan for the new strategic area of Neighbourhood and Environment.

After discussion and having heard the Strategic Lead - Neighbourhood and Environment in further explanation of the report and in answer to Members' questions, the Committee agreed to note the Delivery Plan for the Neighbourhood and Environment strategic area.

BALLOCH CHARRETTE

A report was submitted by the Strategic Lead - Regeneration advising of the outcome of the Balloch Charrette.

After discussion and having heard the Strategic Lead - Regeneration in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to approve the Charrette action plan; and
- (2) otherwise to note the contents of the report.

QUEENS' QUAY, CLYDEBANK

A report was submitted by the Strategic Lead - Regeneration providing an update on the progress made at the Queens' Quay regeneration development.

After discussion and having heard officers in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to note the progress made to date;
- (2) to note that the budget allocation of £15.62M will be fully utilised within the 3 year period ending March 2018;
- (3) to note that a District Heating System with a water source heat pump was being investigated with consideration for inclusion throughout the Queens Quay site and also retro-fitted into neighbouring Council assets such as Aurora House, new Leisure Centre and the West College Scotland facility; and
- (4) to note that a report would be submitted to a future meeting regarding the potential as a user and also as a potential participant in the establishment of a District Heating System.

PAPPERT WINDFARM

A report was submitted by the Strategic Lead - Regeneration advising of changes in onshore wind financial support and the implications for the Council's proposed wind farm project.

The Chair, Councillor McGlinchey, advised that following issue of the report a number of changes were required to its contents. The Committee agreed that the amended version of the report be circulated for consideration, attached hereto as Appendix 1.

After discussion and having heard officers in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) that officers continue assessing partnering opportunities with a Private Sector developer and to continue with the initial studies associated with the development phase; and

- (2) otherwise to note the contents of the report.

COMMUNITY ASSET TRANSFER POLICY AND PROCEDURES

A report was submitted by the Strategic Lead - Regeneration providing an update on the West Dunbartonshire Council's Community Asset Transfer Policy and Procedures.

After discussion and having heard officers in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to note the West Dunbartonshire Council's Draft Community Asset Transfer Policy 2014 – 2017;
- (2) to note the West Dunbartonshire Council's Draft Community Asset Transfer Procedures including the Community Asset Transfer Draft Internal Guidance Notes (detailed within Appendix 1 of the report) and the Community Asset Transfer Draft User Guide Notes for Applicants along with associated application forms (detailed within Appendix 2 of the report);
- (3) to note that the documents detailed within may be subject to amendment once the regulations which will accompany the Community Empowerment (Scotland) Act 2015 are released later this year; and
- (4) to note that the draft policy and procedures would be presented for approval to the first available meeting of Committee once the regulations have been issued, expected in late 2016.

CLYDEBANK CARE HOME TENDER PROCESS AND AWARDING OF CONTRACT

A report was submitted by the Strategic Director - Regeneration, Environment and Growth and the Chief Officer – West Dunbartonshire Health & Social Care Partnership requesting that delegated authority be granted to the Strategic Director – Regeneration, Environment and Growth to tender and award contracts for Clydebank Care Home and that retrospective authority be granted to appoint Consultants in order to support the in-house Project Team to deliver the project.

After discussion and having heard the Strategic Director – Regeneration, Environment and Growth in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) that authority be delegated to the Strategic Director - Regeneration, Environment and Growth to tender and award contracts to the most economically advantageous tenderer;

- (2) that authority be delegated to the Strategic Director - Regeneration, Environment and Growth to appoint any further Consultants to complement the in-house WDC team;
- (3) that authority be delegated to the Strategic Director - Regeneration, Environment and Growth to tender and award contracts to the most economically advantageous tenderers for items of loose furniture, fittings, fixtures, equipment (FF&E) and ICT equipment for both Clydebank and Dumbarton Care Homes;
- (4) to retrospectively approve the appointment of Atkins Limited / Faithful & Gould via the SCAPE Professional Services Framework; and
- (5) otherwise to note the contents of the report.

HOUSING, ENVIRONMENTAL AND ECONOMIC DEVELOPMENT ATTENDANCE MANAGEMENT: ANNUAL RESULT 2015/16

The Strategic Director - Regeneration, Environment and Growth submitted a report advising on attendance within Housing, Environmental and Economic Development and also provided a summary of the annual absence statistics.

After discussion and having heard the Strategic Director - Regeneration, Environment and Growth in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to note the attendance results for the year, namely a reduction of (2124.2) FTE days (11.6%) compared to the same period last year; and
- (2) otherwise to note the contents of the report.

The meeting closed at 12.04 p.m.

WEST DUNBARTONSHIRE COUNCIL

Report by the Strategic Lead - Regeneration

**Infrastructure, Regeneration and Economic Development Committee:
15 June 2016**

Subject: Pappert Windfarm

1. Purpose

1.1 The purpose of this report is to advise Committee of changes in onshore wind financial support and the implications for the Council's proposed wind farm project.

2. Recommendations

2.1 It is recommended that the Committee:

- (i) note the content of this report; and
- (ii) agree to continue assessing partnering opportunities with a Private Sector developer and continue with the initial studies associated with the development phase.

3. Background

3.1 The Scottish Government is committed to promoting the increased use of renewable energy sources with clear targets for renewable electricity which is to generate the equivalent of 100 percent of Scotland's gross annual electricity consumption by 2020.

3.2 Through its Energy Strategy West Dunbartonshire Council are committed to;

- Reduce Energy Consumption throughout the Council;
- Encourage the use of alternative fuels and renewable energy sources; and
- Promote energy efficiency and conservation.

3.3 In August 2011, the UK government ended the ban on local authorities being able to generate and sell electricity into the national grid. This move applicable to all local authorities in Scotland, England and Wales allows them to participate in renewable energy projects on a commercial basis.

- 3.4** The Council carried out a high level evaluation of the Council's estate for the purposes of utilising that estate for wind energy. As part of the Securitisation Project a detailed business case was produced in December 2012 outlining options for development of a wind farm on the Council's estate. Pappert Community Woodland was deemed to be a realistic prospect with potential for a technically and environmentally feasible 5 Mega Watt (MW) wind project.
- 3.5** The option to develop, construct and operate a new wind farm was recommended and accepted as a project contained within the 10 year Capital Programme. By developing, constructing and operating the project, the Council can maximise the revenue available to it over the term of the project.
- 3.6** It has now been some time since the original business case was developed however work has been on-going to enable the Council to reach a position in which it could release a tender for the stage one development. This tender includes lots for a detailed feasibility study including financial appraisal, community engagement, wind monitoring and the planning application including environmental impact assessment.

4. Main Issues

- 4.1** In June 2015, the Energy and Climate Change Secretary for the UK released a statement indicating that the Renewable Obligation Scheme would end in March 2016 one year earlier than previously planned. There was a grace period built in for projects that already had planning consent, a grid connection offer and acceptance, and evidence of land rights for the site on which their project will be built.
- 4.2** The statement also indicated that in relation to the Feed in Tariff scheme, they would be considering options for continued support for community onshore wind projects as part of the review. In December 2015 new tariff rates were announced which continued to support smaller wind projects however projects above 1.5MW suffered due to a dramatic reduction in tariff support.
- 4.3** This change has resulted in a review of the project, with a reduced size of project being the most commercially attractive option moving forward. The revised Council proposal will be a 1.5MW project rather than the previously proposed 5MW scheme.
- 4.4** The revised project scope has reduced the capital value of the project to £3.699m with a revised average annual income of £0.450m over the life of the project. The average annual revenue saving of £0.450m generates, support for prudential borrowing of £5.429m within the capital programme. The revised project equates to a payback period of 8 Years which is consistent with the original 5MW scheme.

- 4.5** The project team has been discussing a joint approach to aspects of procurement with Lomond Energy following their original scheme, located next to the Council proposal, being rejected at the Planning Committee in 2013. It is hoped that working together through the development phase will realise efficiencies through joint appointments of consultants. It should be noted that the development phase will be conducted over the next 2 financial years with the construction planned for the following year. This will include all required studies, access arrangements and electricity grid connections. Lomond Energy are currently considering an alternative proposal to go back through the planning process and will keep the Council project team and the Planning Team informed of progress.
- 4.6** Now that there is more certainty regarding the Feed in Tariff moving forward the project team will now progress further discussions with Planning and other statutory consultees to test the viability of this smaller project. The team intends to progress with the production of a Visual Impact Assessment to enable meaningful consultation with statutory consultees. If this consultation is favourable then the project team would then conclude the detailed development phase work. The intention is to conclude this initial work over the summer and come back to a future IRED Committee with a further report detailing the next steps for the project.

5. People Implications

- 5.1** The Capital Investment Team will now progress the development phase with suitable resources allocated to the project. There is a requirement for on-going Council Legal and Procurement input into this project.

6. Financial and Procurement Implications

- 6.1** As noted above the project has changed from an original capital investment of £7.589m and average annual revenue saving of £0.811m based on the 5MW project. The revised proposal now reduces the capital investment to £3.699m and changes the anticipated average annual revenue saving to £0.450m. This capital investment value and revenue saving were updated in the most recent capital plan approved by Council in February 2016.

7. Risk Analysis

- 7.1** Given the sensitive nature of wind farm developments there is always risk associated with planning approval and community support. The project team will continue to engage with all statutory consultees through the next phase of the project to minimise the risk where possible.
- 7.2** It should be noted that as the proposed saving generated will support more borrowing than the project costs, therefore there is a risk that if the project does not proceed this will not provide the project saving to fund the borrowing anticipated in the capital plan for other projects.

8. Equalities Impact Assessment (EIA)

- 8.1** An Equalities Impact Assessment Screening was carried out as part of the original business case. A further screening assessment will be undertaken once a preferred scheme has been identified for the site.

9. Strategic Environmental Assessment (SEA)

- 9.1** A strategic environmental assessment is not necessary for decisions related to this report however all environmental studies required to deliver the project will be carried out.

10. Consultation

- 10.1** Discussions have previously taken place with statutory consultees regarding the Council's original scheme. As detailed in 7.1, consultation regarding the new scheme will now commence with all required parties.

11. Strategic Assessment

- 11.1** This proposal will contribute to improving economic growth and employability; and improving local housing and environmentally sustainable infrastructure.

Jim McAloon
Strategic Lead - Regeneration
Date: 11 May 2016

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Appendices: None

Background Papers: None

Wards Affected: 2, Leven