



## Belfast City Council

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	Capital Programme 'Urgent' Projects
<b>Date:</b>	14 March 2008
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### Relevant Background Information

As reported last month, the Council's Capital Programme has yet to be politically prioritised to ensure that the Programme and the City Investment Strategy meet Members' political priorities and are delivered in the context of affordable financial limits set by Members' decisions on the level of the rate.

Party Groups are to consider a draft Capital Programme along with City Investment fund proposals at a series of briefings which have been arranged for April.

### Key Issues

At the moment there are a large number of schemes in the draft programme which have been put forward by various Committees over a number of years on an ongoing basis.

Furthermore in the context of setting the rate the Council has agreed to a £15m borrowing limit per annum for capital expenditure and a number of schemes are being moved forward within this limit e.g. Grove, Ulster Hall etc. However there are a number of urgent projects which Departments wish to move forward for various reasons and Committee direction is sought on a way forward. The full details of each project are set out in the attached appendices to this report. The main arguments however are summarised below.

### North Foreshore: NIE Substation/Electricity Generation Compound Site Works

This proposal is a subset of the landfill powered electricity generation (joint venture) project and the grid connection project, which has been included in the capital programme since 2002/03.

The Council has previously taken a decision to commit expenditure to NIE for the installation of an electricity cable and construction of a substation to supply the North Foreshore site for future development purposes and permit the export of generated electricity.

The site for the substation is within the landfill site and NIE are reluctant to assume responsibility for the specialist engineering substructure works required and therefore the Council will need to undertake this work itself, necessitating a further committee approval to tender for the work.

The electricity generation facility is to be constructed, operated and funded by a private sector company; the tender process has been completed and a contract has been awarded (Renewable Power Systems), which includes the construction of the compound for the generators; however, it may prove to be more economic for the Council undertake the construction of the compound itself and therefore this work is being included in the tender documentation as an option.

The expenditure in respect of both elements of this proposal has been factored into the £15m capital expenditure limits.

### Waterfront Hall Fire Alarm System

This project has been in the capital programme since 2007/2008 and was deemed critical after inspection showed that the smoke and heat detection devices are at the end of their operational life.

Rather than opt for a straight replacement it is argued that better value for money would be achieved by replacing the entire system as key components of the current system will not have manufacturer support post 2010 and will then need replacement anyway. The cost of replacing devices now which will become incompatible with any future system is £60,000 as opposed to £135,000 cost for a new system. As this is a recent proposal the costs are not among those factored into the £15m limit.

### Shankill Leisure Centre Replacement Floor

This project was first introduced to the capital programme in 1997/98 and an unsuccessful procurement exercise was undertaken in 1999. The floor was then to be replaced along with building upgrade programme works but was further deferred as investigations took place into refitting Shankill LC to provide shared services with the North & West Belfast Trust. The shared service proposal has now been abandoned. The floor is well past its useful life and further repairs, resealing and resealing are no longer practicable.

Given the history of this scheme it was not factored into the underway schemes covered by the £15m borrowing limit, and the current estimated cost is £120,000.

## Olympia Leisure Centre – Mini Soccer Pitch

The original proposal was for a pitch in Nubia street to which the Council, along with the IFA, would contribute funding. The site in Nubia street proved too small and the Community and Recreation Committee took a decision in February 2007 to include the scheme on the Capital Programme and create the pitch at Olympia LC. Current estimates for the scheme are £105,000 to which the IFA will contribute £25,000 subject to the use of their proprietary pitch provider Playdale Playgrounds Ltd undertaking the work. Again as a relatively new scheme (2007/08), the estimated expenditure is not currently factored into the £15m borrowing limit.

Apart from the NIE substation and electricity generation project none of these schemes are substantially underway. The total cost of these three schemes of approximately £360,000 is relatively small in terms of the capital programme and in the past could easily have been covered by slippage in the programme. However, the opportunity for slippage has substantially reduced due to the use of framework agreements and delegation of some procurement matters which allow us to progress contracts to site more expeditiously than before. Any overspend on the capital programme will need to be covered by reserves and there will eventually be a knock-on effect to other projects competing for funding.

### **Resource Implications**

Detailed in Appendices 1- 4

### **Recommendations**

Members are recommended to:

- i. agree to invite tenders for the NIE substation works and electricity generation compound site works as detailed in appendix 1;
  - ii. agree to invite tenders for the Waterfront Hall Fire Alarm system on the grounds of best value for work that will need to be done in any case in 2010 as detailed in appendix 2;
  - iii. agree to replace the Shankill LC floor on the basis of necessary work that should have been completed several years ago and will need to be undertaken relatively soon as detailed in appendix 3;
- and
- iv. to consider moving forward with the mini soccer pitch at Olympia to take advantage of IFA funding as detailed in appendix 4.

### **Documents Attached**

Appendix 1: Details of North Foreshore: NIE Substation/Electricity Generation Compound Site Works proposal;  
Appendix 2: Details of Waterfront Hall Fire Alarm System proposal;  
Appendix 3: Details of Shankill Leisure Centre Replacement Floor proposal;  
Appendix 4: Details of Olympia Leisure Centre – Mini Soccer Pitch proposal.

