



Report to:	Strategic Policy and Resources Committee
Subject:	Capital Programme – Approval request to move projects from ‘Stage 1- Emerging Projects’ to ‘Stage 2’
Date:	19 April 2013
Reporting Officer:	Gerry Millar, Director of Property and Projects, Ext: 6217
Contact Officer:	Donal Rogan, Head of Contracts, Ext: 2460

1.0	Relevant Background Information
1.1	The SP&R Committee is the Council’s investment decision maker. In order for the Council to ensure that it is able to monitor all capital spend, all capital related decisions must be taken to SP&R Committee. Members will recall that they approved the Council’s Capital Programme at the Strategic Policy and Resources Committee Meeting on 22 March.
1.2	As part of this, Members were reminded that all capital projects must go through a Stage Process where the decision on which projects progress are taken by SP&R Committee as outlined below: <ul style="list-style-type: none"> ▪ Stage 1 - Emerging proposals: proposals which require completion of a Strategic Outline Case (SOC) before they could be considered further by SP&R Committee. ▪ Stage 2 - Uncommitted projects: projects where an SOC has been agreed by Committee and work on the project is being progressed through the development of an Outline Business Case (OBC), but they have not yet been developed to a stage where permission could be sought from SP&R to proceed to tender. ▪ Stage 3 - Committed projects: projects which have completed a Full Business Case (FBC) and where approval has already been obtained by SP&R to proceed to tender. These projects will be at the tender award, contract or construction stage.
1.3	SP&R Committee approval at each of these Stages will ensure that projects are robustly managed, that assurance on successful delivery is provided and that any issues are identified and communicated at an early stage. This process will also afford Members an opportunity to stop/defer projects which are not feasible/viable and enable them to refocus funding on those projects which Members consider priority. Member are asked to note that officers have developed supporting documents around each of the Stages to ensure that projects are all completing the same information so that Members can take informed decisions. Detailed processes are also being developed around each of these Stages.

2.0	Key Issues suspend								
2.1	Members have approved the list of Stage 1 Emerging Projects (see Appendix A). SOC's have now been completed for three of the projects on this list and approval is sought to advance these to 'Stage 2 – Uncommitted'.								
2.2	An SOC examines the following issues in relation to a proposed project (i) Background to the project; (2) Feasibility; (3) Affordability; (4) Deliverability and Sustainability. Members are asked to note that at SOC level the affordability of a project is only examined at a very high level and this is tested and challenged further during Stage 2 and Stage 3.								
2.3	Members are asked to note that as part of the Stage 1 process, an internal Gate review is conducted to confirm the need and requirement of a project. This Gate Review identifies key areas of work that needs further examination, particularly around demonstrating affordability, achievability, deliverability and sustainability.								
2.4	<p>SOC's have been prepared for the following three projects on the Stage 1 Emerging Projects list:</p> <table border="1" data-bbox="316 790 1398 1765"> <thead> <tr> <th data-bbox="316 790 639 835">Emerging Project</th> <th data-bbox="639 790 1398 835">Project Aim</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 835 639 1182">Whiterock Community Health and Well Being Hub (<i>note name change from Whiterock Community Corridor</i>) See Appendix B for Site map</td> <td data-bbox="639 835 1398 1182">To improve the environmental quality of Council's Whiterock site to encourage the use of the services in and around the site, attract community activity and participation that positively impacts on the health and well being of the community and visitors but also encourages collaboration between the services on site. Site proposals include community buildings; environmental improvement scheme/public realm; increased pedestrian access points.</td> </tr> <tr> <td data-bbox="316 1182 639 1451">Half Moon Lake – See Appendix C for Site map</td> <td data-bbox="639 1182 1398 1451">To support the evolution of the Half Moon Lake through improved access and to provide for a safe learning environment for the many school, community and local interest groups who enjoy this unique environmental asset located within a dense urban environment. Part funding for this project may be available through DCAL.</td> </tr> <tr> <td data-bbox="316 1451 639 1765">Drumglass Park – See Appendix D for Site map</td> <td data-bbox="639 1451 1398 1765">To explore the opportunity to develop the current Drumglass Park in order to exploit fully it's role and function in the economic and tourism fabric of the Lisburn Road. This is proposed through civic realm improvements and public art installation which will facilitate enhanced usage by local people and visitors. Part funding for this project may be available through the Arts Council for NI.</td> </tr> </tbody> </table>	Emerging Project	Project Aim	Whiterock Community Health and Well Being Hub (<i>note name change from Whiterock Community Corridor</i>) See Appendix B for Site map	To improve the environmental quality of Council's Whiterock site to encourage the use of the services in and around the site, attract community activity and participation that positively impacts on the health and well being of the community and visitors but also encourages collaboration between the services on site. Site proposals include community buildings; environmental improvement scheme/public realm; increased pedestrian access points.	Half Moon Lake – See Appendix C for Site map	To support the evolution of the Half Moon Lake through improved access and to provide for a safe learning environment for the many school, community and local interest groups who enjoy this unique environmental asset located within a dense urban environment. Part funding for this project may be available through DCAL.	Drumglass Park – See Appendix D for Site map	To explore the opportunity to develop the current Drumglass Park in order to exploit fully it's role and function in the economic and tourism fabric of the Lisburn Road. This is proposed through civic realm improvements and public art installation which will facilitate enhanced usage by local people and visitors. Part funding for this project may be available through the Arts Council for NI.
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2.5	As part of the development of these emerging projects, Members are asked to note the involvement and assistance of individual Members in the development of the SOC including the Councillor led steering group for the Whiterock Community Corridor proposal and Councillor meeting to develop Drumglass Park proposal. Members are asked to note that a cross-departmental approach has been taken in relation to the development of each SOC in order to ensure that the benefits of the projects are maximised.								

2.6	Specific to the Whiterock Community Health and Well Being Hub an important factor in the development of this project will be the commitment of a number of stakeholders, such as the Belfast Health and Social Care Trust and NI Libraries. Both organisations are property and land owners adjacent to this site and as part of the SOC process have been identified as integral in progressing with this proposal. In order to complete Stage 2 officers will seek to fully engage with key stakeholders.
	Next steps
2.7	If Committee approves the advancement of these projects to Stage 2, each project will be required to conduct a robust appraisal, proportionate to its scale, in order to assess its affordability, achievability, deliverability and sustainability requirements. This process will also more robustly test and challenge the costs associated with the project. This will enable a report back to Committee on the appraisal outcome and subsequent recommendation for a decision on whether to proceed to Stage 3.
	Stage Approval process
2.8	As outlined above the SP&R Committee is the Council's investment decision maker. There is increasing demand on the Council to deliver projects within increasingly scarce financial resources. As part of this the Council has a duty to ensure public money is spent wisely and the Council's investment is properly protected. Members are also aware there is an opportunity cost of approving spend on one project which means that something else will fall down the list and will not proceed.
2.9	Update reports on the Capital Programme will be brought to the Committee on a quarterly basis moving forwards. As part of this all capital projects requiring investment decisions will be presented to Members as part of this quarterly reporting cycle. This will enable Members to take investment decisions in the context of overall affordability limits and will help Members prioritise those projects which can have maximum benefits and investment return for the city and local areas.

3	Resource Implications
3.1	Completion of the Stage 2 OBC for the above projects will be resourced within current staff levels. Any external expertise that may required, proportionate to the project, will be resourced from the Council's Feasibility Fund.

4	Equality Implications
4.1	Once approved to advance to Stage 2 on the Capital Programme, each project will be equality screened.

5.0	Recommendations
5.1	Members are asked to consider the contents of this report and agree the advancement of the following projects proposals to 'Stage 2 – Uncommitted' under the capital programme: <ul style="list-style-type: none"> • Whiterock Community Health and Well Being Hub • Half Moon Lake • Drumglass Park

6.0	Decision Tracking
	The Director of Property and Projects will oversee the implementation of the recommendations within this report.

7.0	Key to Abbreviations
	SP&R – Strategic Policy and Resources Committee SOC – Strategic Outline Case OBC – Outline Business Case FBC – Full Business Case

8.0	Documents Attached
	Appendix A - Stage 1 – Emerging Projects list (as approved by SP&R, 22 March 2013) Appendix B - Site map of Whiterock Community Health and Well being Hub proposals Appendix C - Site map of Half Moon Lake Appendix D - Site map of Drumglass Park