

CAIRNGORMS NATIONAL PARK AUTHORITY FINANCE COMMITTEE

FOR DECISION

Title: 2012/13 CAPITAL EXPENDITURE: Additional
Scottish Government Funding

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Purpose

The purpose of this paper is to outline proposals for dealing with current and any future allocations of additional capital funding.

Recommendations

That the Committee:

- a) Approve the allocation of the proposed additional £685k of capital budget for 2012/13 against nominated projects.
- b) Consider and approve arrangements for allocating any future additional capital funding against suitable projects.

Executive Summary

The Park Authority has been allocated additional capital funding over the last 2 years for projects being undertaken in the second half of the financial year.

For 2012/13, there was some indication that there may be more capital funds available and the Park Authority was asked to submit a bid for this of c. £500k at the end of May 2012.

In July, it was announced that £685k of this capital funding had been allocated to CNPA for 2012/13.

Finance Committee are therefore asked to approve the planned project allocations of £488k and £197k outlined in this paper.

In addition, Finance Committee are asked to consider and agree proposals for appraising such possible capital projects in future, with a view to producing a list of approved projects which are ready to go should any additional funding come forward.

2012/13 ADDITIONAL CAPITAL EXPENDITURE – FOR DECISION

Background

1. Over the last couple of financial years Scottish Government has made available additional capital grant to the Park Authority to be spent in the second half of the year. Sometimes this has been in the last quarter of the year (through end-year flexibility) and more recently it has been a few months earlier in the year (Barnet consequentials). Two issues arise: a) This year's capital allocation which still retains some flexibility and b) deciding how to get ourselves into a position to respond in future to capital made available at short notice, i.e. 'shovel ready' projects.
2. This year the Park Authority was asked to submit, at short notice, a list of capital projects which were not currently part of 2012/13's planned expenditure but could possibly be completed by 31/03/13 should additional capital funds become available. Projects on this initial list amounted to a total of approximately £1 million.
3. Subsequently to this initial list being drawn up, the Park Authority was informed that the likely capital allocation between both Scottish NPAs was £1 million and that a new submission of possible projects should be made with this in mind. A new revised list totalling £488k was then submitted to Scottish Government.
4. In early July, the Park Authority was informed that the likely allocation of additional capital funds for 2012/13 would be £685k. The purpose of this paper is to inform the Finance Committee of the details included in the original £488k submission, approve the allocation of the additional £197k and discuss allocation of any future additional capital funding against suitable projects.
5. It is important to note that these projects have to be 'shovel ready' and completed by the end of the financial year 2012/13. This unfortunately rules out projects which might otherwise be considered high priority but simply have too long a lead-in time.

2012/13 Additional Capital Expenditure

Table One: Indicative allocation of additional Capital Funds for 2012/13

		£
Table Two	Capital funds allocated against initial project list	488,000
Table Three	Additional capital funds allocated	197,000
	Total additional capital funding 2012/13	<u>685,000</u>

6. The initial list allocated capital funding consisted of the following projects:

Table Two: Initial capital project list 2012/13

<u>Initial Shovel Ready Projects 2012/13</u>		Projected Completion Date	£	Lead Officer
1	Boat of Garten Square 'streetscaping' & visitor information	Jan-13	100,000	PC
2	Cairngorms National Park – Bio-Mass Boiler for Grantown HQ.	Jan-13	80,000	AR
Cairngorms NP-Path works with Cairngorms Outdoor Access Trust.				
3	Cemetery Path, Carrbridge	Nov-12	20,000	BG
4	Creag Bheag, Kingussie	Dec-12	60,000	BG
5	Bellabeg Circular, Strathdon	Oct-12	10,000	BG
6	Strathdon Path Loop	Dec-12	25,000	BG
7	Braemar Road Loop	Nov-12	15,000	BG
8	Kincraig Hill Path	Sep-12	8,000	BG
9	7 – Bridges Path, Ballater	Dec-12	76,000	BG
10	Minister's path, Glen Clova	Nov-12	9,000	BG
12	Dulnain Tributaries –Allt Lorgy; restoring natural river processes	Feb-13	25,000	WBW
13	River Dulnain at Allt Mor – water quality & riparian habitat enhancement	Feb-13	50,000	WBW
14	Aviemore Community Park – repair 2 footbridges over Spey	Dec-12	10,000	BG
Total per original submission to Scottish Government			488,000	

7. Before submission to Scottish Government, the capital projects in Table Two were assessed for suitability using the following criteria:
- i) Fit with National Park Partnership Plan 2012-17
 - ii) Fit with CNPA Corporate Plan 2012-15
 - iii) Fit with Scottish Government National Outcomes
 - iv) Economic benefit
 - v) Other benefits (Health, Education, Community, etc)
 - vi) Deliverability by 31st March 2013 (e.g. likelihood of planning approval)
8. Using the same criteria, the additional £197k of capital funding has been allocated against the following projects:

Table Three: Additional projects allocated capital funding in 2012/13

<u>Additional Shovel Ready Projects 2012/13</u>		Projected Completion Date	£	Lead Officer
15	HSCHT 2 semi-detached houses at Ardgael, Kincaig - construction training project linked to affordable housing	Mar-13	100,000	PM/ DA
16	Community path works linked to the Core Paths Plan deliverable by COAT	Mar-13	69,000	BG
17	Blair Atholl Information Centre car park extension	Nov-12	28,000	PC
Other Shovel Ready projects			<u>197,000</u>	

Next Steps

9. Finance Committee are requested to review and approve both the list of projects provisionally agreed with Scottish Government in Table Two and the suggested additional capital projects with a likely completion date of 31st March 2013 in Table Three.
10. If Finance Committee is content with the above proposals, the Park Authority will revert to Scottish Government to agree the additional capital funding allocation for 2012/13 which will then go forward for final approval in the Autumn Budget Review.

The Future

11. In the interests of dealing with any additional capital funding allocations in future, Programme Managers are currently developing a 'long list' of possible projects for appraisal and submission to Finance Committee for approval and prioritisation. In addition to the criteria used for 2012/13, Finance Committee is requested to consider any further criteria that may be used in project appraisal before suitable projects are deemed ready for Committee consideration.
12. Finance Committee is also asked to consider how best to monitor and report on these 'shovel ready' projects, given that capital has been made available by Scottish Government specifically to help economic growth. Outputs of a project may well be houses, paths, etc but we need to be able to show the downstream benefits such as employment and multiplier effects with local suppliers. These measures should be linked to the criteria in paragraph 7.

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