Dear Sir or Madam

You are requested to attend a MEETING of the POLICY AND RESOURCES COMMITTEE to be held in the City Chambers, City Square, Dundee on Monday, 24th August, 2015 following the meetings of the City Council, Environment, Housing, City Development and Social Work and Health Committees called for 6.00 pm.

Yours faithfully

DAVID R MARTIN
Chief Executive

AGENDA OF BUSINESS

1 DECLARATION OF INTEREST

Members are reminded that, in terms of The Councillors Code, it is their responsibility to make decisions about whether to declare an interest in any item on this agenda and whether to take part in any discussions or voting.

This will include all interests, whether or not entered on your Register of Interests, which would reasonably be regarded as so significant that they are likely to prejudice your discussion or decision-making.

2 TAXI AND OTHER CIVIC GOVERNMENT LICENSING ENFORCEMENT


3 REVENUE MONITORING


4 RELIEF OF RATES - CHARITY RELIEF


5 DUNDEE COMMUNITY REGENERATION FUND

6 ATTENDANCE AT CONFERENCES

7 DRAFT GAELIC LANGUAGE PLAN

8 REVIEW OF THE CONSTRUCTION PROJECT FOR V&A

9 CAPITAL PLAN 2016-2021 - GENERAL SERVICES AND HOUSING HRA

10 RECONSTRUCTION OF DUNDEE RAILWAY STATION CONCOURSE
(Report No 298-2015 enclosed).

11 REGIONAL PERFORMANCE CENTRE FOR SPORT

12 DUNDEE COMMUNITY LEARNING AND DEVELOPMENT STRATEGY 2015-2018
(Report No 251-2015 enclosed).

13 EMPLOYER RECRUITMENT INCENTIVE

14 TELEPHONY SYSTEM MAINTENANCE CONTRACT
(Report No 293-2015 enclosed).

The Committee may resolve under Section 50(A)(4) of the Local Government (Scotland) Act 1973 that the press and public be excluded from the meeting for the undernoted item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 9 of Part I of Schedule 7A of the Act.

15 HOUSING BENEFIT AND COUNCIL TAX REDUCTION
REPORT TO: POLICY AND RESOURCES COMMITTEE - 24TH AUGUST, 2015

REPORT ON: TAXI AND OTHER CIVIC GOVERNMENT LICENSING ENFORCEMENT

REPORT BY: HEAD OF DEMOCRATIC AND LEGAL SERVICES

REPORT NO 267-2015

1 PURPOSE OF REPORT

1.1 To provide information on a review of the arrangements for enforcement of taxi and other civic government licensing following the enactment of the Air Weapons and Licensing (Scotland) Bill.

2 RECOMMENDATIONS

2.1 It is recommended that:-

(a) Council staff carry out the enforcement duties currently being carried out by Police Scotland with effect from 1st April, 2016;

(b) Two Civic Licensing Standards Officers be appointed to carry out these duties and the enforcement of all other licensing requirements under the Civic Government (Scotland) Act 1982 (the 1982 Act);

(c) These two officers also be appointed as Licensing Standards Officers under the Licensing (Scotland) Act 2005 (the 2005 Act) bringing the number of such officers to four, these four officers eventually being multi-functional and remaining within the Environment Department;

(d) The Director of Environment be authorised to proceed with recruitment and preparations of structures, pay scales, etc.

3 FINANCIAL IMPLICATIONS

3.1 All costs will be met from licence fees levied under the 1982 Act.

4 BACKGROUND

4.1 Police Scotland currently carry out the enforcement of taxi licensing. They also interview applicants for licences and administer the knowledge test for new taxi drivers and investigate complaints made against drivers and operators.

4.2 The Air Weapons and Licensing (Scotland) Bill is currently being debated in the Scottish Parliament and is expected to become law by 2016.

4.3 The Act will place a duty on Councils to employ at least one Civic Licensing Standards Officer. The duties of this post will be similar to those carried out by Police Scotland in regard to taxis but will also extend to all other licences issued under the 1982 Act such as Late Hours Catering, Second Hand Dealers and Window Cleaners. In light of this forthcoming statutory requirement, together with the circumstances set out in Paragraphs 4.4 to 4.6 below, it is proposed that a new enforcement regime is established.

4.4 The Council currently employ two Licensing Standards Officers who carry out enforcement duties under the 2005 Act in respect of premises licensed for the sale of alcohol.

4.5 Two Police Officers are based in the Cabs Enforcement Office situated at Marchbanks. One is due to retire in February 2016. These posts are fully funded from licence fees in respect of taxis and private hire cars.
4.6 Following the retirement of the Administrative Assistant in Cabs Enforcement the majority of duties and budget for this post was transferred to the Environment Department as staff there now provide this support.

4.7 It is felt that enforcement of both the 1982 and 2005 Acts would be better served by creating a team of multi-functional officers and that these officers should be based in the Environment Department. These officers would be authorised under both Acts.

4.8 This would allow greater flexibility of working, various shift patterns, etc to allow resources to be utilised when needed such as at late hours catering premises, nightclubs and taxi ranks in the evening economy and second hand dealers, window cleaners, etc. who primarily trade during the day.

4.9 The costs of this would be met from licence fees for all licences issued under the 1982 Act.

5 POLICY IMPLICATIONS

5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

6 CONSULTATION

6.1 The Chief Executive, the Executive Director of Corporate Services, the Director of Environment and Police Scotland have been consulted and are in agreement with the contents of this report.

7 BACKGROUND PAPERS

None.

Roger Mennie
Head of Democratic and Legal Services 4th August, 2015
REPORT TO: POLICY & RESOURCES COMMITTEE – 24 AUGUST 2015

REPORT ON: REVENUE MONITORING 2015/2016

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 273-2015

1 PURPOSE OF REPORT

1.1 To provide Elected Members with an analysis of the 2015/2016 projected revenue outturn as at 30 June 2015 monitored against the adjusted 2015/2016 Revenue Budget.

2 RECOMMENDATIONS

2.1 It is recommended that Elected Members:

a note that the overall General Fund 2015/2016 projected revenue outturn as at 30 June 2015 is projecting a breakeven position against the adjusted 2015/2016 Revenue Budget.

b note that the Housing Revenue Account as at 30 June 2015 is projecting a breakeven position against the adjusted HRA 2015/2016 Revenue Budget.

c agree that the Executive Director of Corporate Services will take every reasonable action to ensure that the 2015/2016 Revenue expenditure is below or in line with the adjusted Revenue Budget.

d instruct the Executive Director of Corporate Services in conjunction with all members of the Council Management Team to continue to monitor the Council’s 2015/2016 projected revenue outturn.

3 FINANCIAL IMPLICATIONS (see Appendix A)

3.1 The overall projected 2015/2016 General Fund Revenue outturn position for the City Council is currently projecting a breakeven position based on the financial information available at 30 June 2015. A system of perpetual detailed monitoring will continue to take place up to 31 March 2016 with the objective of the Council achieving a final outturn which is below or in line with the adjusted 2015/2016 Revenue Budget.

3.2 The Housing Revenue Account outturn position for 2015/2016 is currently projecting a breakeven position based on the financial information available for the period to 30 June 2015. A system of perpetual detailed monitoring will continue to take place up to 31 March 2016 with the objective of the HRA achieving a final outturn which is below or in line with the adjusted 2015/2016 HRA Revenue Budget.

4 BACKGROUND

4.1 Following approval of the Council’s 2015/2016 Revenue Budget by the Special Policy and Resources Committee on 12 February 2015 this report is now submitted in order to monitor the 2015/2016 projected revenue outturn position as at 30 June 2015, against the adjusted 2015/2016 Revenue Budget.
4.2 This report provides a detailed breakdown of departmental revenue monitoring information along with explanations of material variances against adjusted budgets. Where departments are projecting a significant under or overspend against adjusted budget, additional details have been provided. Where departmental expenditure is on target and no material variances are anticipated, additional information has not been provided.

5 RISK ASSESSMENT

5.1 In preparing the Council's 2015/2016 Revenue Budget, the Executive Director of Corporate Services considered the key strategic, operational and financial risks faced by the Council over this period (Article III of the minute of the meeting of the Special Policy & Resources Committee on 12 February 2015, Report No: 68-2015 refers). In order to alleviate the impact these risks may have should they occur, a number of general risk mitigation factors are utilised by the Council. These include the:

- system of perpetual detailed monthly budget monitoring carried out by departments
- general contingency provision set aside to meet any unforeseen expenditure
- level of general fund balances available to meet any unforeseen expenditure
- level of other cash backed reserves available to meet any unforeseen expenditure
- possibility of identifying further budget savings and efficiencies during the year, if required.

5.2 The key risks in 2015/2016 have now been assessed both in terms of the probability of whether they will occur and the severity of their impact on the Council should they indeed happen. These risks have been ranked as either zero, low, medium or high. Details of this risk assessment, together with other relevant information including any proposed actions taken by the Council to mitigate these risks, are included in Appendix D to this report.

6 GENERAL FUND SERVICES - MONITORING POSITION AS AT 30 JUNE 2015

6.1 The forecast position as at 30 June 2015 for General Fund services is summarised below:

<table>
<thead>
<tr>
<th></th>
<th>Adjusted Budget 2015/16</th>
<th>Forecast 2015/16</th>
<th>Variance £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenditure</td>
<td>343,329</td>
<td>343,329</td>
<td>—</td>
</tr>
<tr>
<td>Total Income</td>
<td>(343,329)</td>
<td>(343,329)</td>
<td>—</td>
</tr>
<tr>
<td>Forecast Position</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

The forecast position as at 30 June 2015 is shown in more detail in the appendices to this report, as follows:

Appendix A shows the variances between budget and projected outturn for each department/service of the Council.

Appendix B provides detailed explanations for the variances against budget that are shown in Appendix A.

Appendix C lists the budget adjustments that have been undertaken to date.

Appendix D lists the key strategic, operational and financial risks being faced by the Council. These risks have been assessed and ranked accordingly both in terms of the probability of whether they will occur and the severity of their impact on the Council should they indeed happen. Any changes to the assessment from the previous reporting period, together with any additional comments included, are highlighted in bold type.
6.2 The following paragraphs summarise the main areas of variance by department along with appropriate explanations. It should be emphasised that this report identifies projections based on the first three months of the financial year to 30 June 2015. The figures are therefore indicative at this stage and are used by the Chief Executive, Executive Director of Corporate Services and members of the Council Management Team to identify variances against budget and enable corrective action to be taken as appropriate.

**Departmental Commentary**

6.3 **Education (£nil)**
Within Special Schools, the department are projecting an overspend in transport costs due to an increase in the number of children requiring support. It is anticipated that this will be offset within Secondary Schools, where there is projected slippage due to vacant support staff posts which have recently been advertised.

6.4 **Social Work (£nil)**
Within Children and Families, the department are projecting an overspend in third party payments due to an increase in the number of residential and secure care placements that are currently being made although they are anticipating this will be offset within Adult Services, where payments to third sector bodies are expected to be lower than budgeted following delays in implementing various new service developments.

6.5 **City Development (£nil)**
The department forecast a shortfall in external rental income due to the number of commercial properties they anticipate will remain vacant during the year although this is expected to be offset by savings in staff costs due to the level of slippage across the department and additional income from building warrants and planning applications due to the current level of demand for these activities.

7 **HOUSING REVENUE ACCOUNT - MONITORING POSITION AT 30 JUNE 2015**

7.1 The forecast position as at 30 June 2015 for the HRA is summarised below:

<table>
<thead>
<tr>
<th></th>
<th>Adjusted Budget 2015/16</th>
<th>Forecast 2015/16</th>
<th>Variance £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenditure</td>
<td>£55,117</td>
<td>£55,061</td>
<td>(£56)</td>
</tr>
<tr>
<td>Total Income</td>
<td>(£55,117)</td>
<td>(£55,061)</td>
<td>56</td>
</tr>
<tr>
<td>Forecast Position</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

7.2 The department are anticipating a shortfall in rental income receivable due to an increase in Council house sales. This adverse variance is projected to be offset by savings elsewhere due to a reduction in general administration costs (please refer to Appendix B for further details).

7.3 The overall impact is a breakeven position against the adjusted HRA 2015/2016 Revenue Budget. A system of perpetual detailed monitoring will continue to take place up to 31 March 2016 with the objective of the HRA achieving a final outturn which is below or in line with the adjusted 2015/2016 HRA Revenue Budget.

8 **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of sustainability, strategic environmental assessment, anti-poverty, equality impact assessment and risk management. Details of the risk assessment are included in Appendix D to this report.
There are no major issues.

9 CONSULTATIONS

The Chief Executive, Head of Democratic and Legal Services and all other members of the Council Management Team have been consulted in the calculation of projected outturns included in this report, insofar as they apply to their own individual department.

10 BACKGROUND PAPERS

None.

MARJORY M STEWART
EXECUTIVE DIRECTOR OF CORPORATE SERVICES 13 AUGUST 2015
### General Fund Departments

<table>
<thead>
<tr>
<th></th>
<th>Approved Budget £000</th>
<th>Adjusted Budget £000</th>
<th>Forecast £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Work</td>
<td>58,449</td>
<td>951</td>
<td>99,400</td>
</tr>
<tr>
<td>City Development</td>
<td>21,279</td>
<td>178</td>
<td>21,457</td>
</tr>
<tr>
<td>Environment</td>
<td>119,526</td>
<td>1,582</td>
<td>121,108</td>
</tr>
<tr>
<td>Chief Executive</td>
<td>8,044</td>
<td>29</td>
<td>18,073</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>22,082</td>
<td>513</td>
<td>22,595</td>
</tr>
<tr>
<td>Other Housing</td>
<td>2,319</td>
<td></td>
<td>2,319</td>
</tr>
<tr>
<td>Supporting People</td>
<td>11,634</td>
<td></td>
<td>11,634</td>
</tr>
<tr>
<td>Scottish Welfare Fund</td>
<td>1,513</td>
<td>191</td>
<td>1,704</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>311,448</td>
<td>3,654</td>
<td>315,102</td>
</tr>
</tbody>
</table>

### Miscellaneous Income

(3,186) (3,186) (3,186)

### Capital Financing Costs / Interest on Revenue Balances

26,682 26,682 26,682

### Contingencies:

- General 650 650 650
- Energy Costs 200 200 200
- Other Cost Pressures 428 428 428
- Unallocated Corporate Savings:
  - CFTT - Admin / Clerical Review (438) (438) (438)
  - VER / VR Scheme (Corporate Services) (150) (150) (150)
- Various New Monies / Adjustments:
  - Self Directed Support 108 108 108
  - Children & Young People Bill 427 427 427
  - Discretionary NDR Relief 147 147 147
  - Supplementary Superannuation Costs 2,410 2,410 2,410
- Tayside Valuation Joint Board 949 949 949

### Total Expenditure

339,675 3,654 343,329 343,329

### Sources of Income

- General Revenue Funding (231,508) (619) (232,127) (232,127)
- Contribution from NNDR Pool (62,479) (62,479) (62,479)
- Council Tax (45,688) (45,688) (45,688)
- Use of Balances - Committed Balances (3,035) (3,035) (3,035)
  - Renewal & Repair Fund 0 0 0

(Surplus)/Deficit for the year

0 0 0

Housing Revenue Account

0 0 0

---

### Movement

<table>
<thead>
<tr>
<th>Notes</th>
<th>Previous Month Variance £000</th>
<th>Movement since Previous Month £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
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<td>1</td>
<td></td>
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<tr>
<td>4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## REASONS FOR 2015/2016 CONTROLLABLE PROJECTED REVENUE OUTTURN VARIANCES

*(Excludes Capital Charges, Central Support Services & Office Recharges)*

### AT 30 JUNE 2015

<table>
<thead>
<tr>
<th>Department</th>
<th>Note</th>
<th>As at 30 Jun £000</th>
<th>As at 31 May £000</th>
<th>Subjective Analysis</th>
<th>As at 30 Jun £000</th>
<th>As at 31 May £000</th>
<th>Reason / Basis of Over/(Under)spend</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Education</strong></td>
<td>1</td>
<td>Nil n/a Secondary Schools</td>
<td>Staff (70)</td>
<td>n/a</td>
<td>Reflects projected slippage due to vacant support staff posts which have recently been advertised.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Special Schools</td>
<td>Transport 70</td>
<td>n/a Projected overspend due to an increase in the number of children requiring support.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Social Work</strong></td>
<td>2</td>
<td>Nil n/a Children &amp; Families</td>
<td>Third Party Payments 200</td>
<td>n/a</td>
<td>Reflects the increase in number of residential and secure care placements currently being made.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Adults</td>
<td>Third Party Payments 200</td>
<td>n/a</td>
<td>Reflects projected delays in fully implementing various new service developments for which budgetary provision has been made.</td>
<td></td>
</tr>
<tr>
<td><strong>City Development</strong></td>
<td>3</td>
<td>Nil n/a Departmental</td>
<td>Staff (150)</td>
<td>n/a</td>
<td>Reflects the overall level of net staff slippage projected due to a number of unfilled posts across the department (excluding figures for Architects and Engineers that are stated separately below).</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Property</td>
<td>Income 300</td>
<td>n/a</td>
<td>Reflects projected shortfall in external rental income due to the number of properties that are currently vacant.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Planning</td>
<td>Income (125)</td>
<td>n/a</td>
<td>Reflects projected increase in chargeable income from building warrants and planning applications due to the current demand for these activities.</td>
<td></td>
</tr>
<tr>
<td><strong>Housing Revenue Account</strong></td>
<td>4</td>
<td>Nil n/a Administration</td>
<td>Rent of Houses (56)</td>
<td>n/a</td>
<td>Reflects reduction in projected spend due to lower staffing costs and a general reduction in discretionary expenditure.</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>n/a</td>
<td>Reflects reduced rental income compared to budget due to an increase in Council house sales.</td>
<td></td>
</tr>
<tr>
<td>General Fund Departments</td>
<td>Alloc 2014/15</td>
<td>Under from Costs £000</td>
<td>Alloc from R&amp;R £000</td>
<td>Alloc Other £000</td>
<td>T/Fs Between £000</td>
<td>Dept Totals £000</td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
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<tr>
<td><strong>Education</strong></td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>1. DSM Balances</td>
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<td>0</td>
<td>85</td>
<td>4</td>
<td>25</td>
<td>346</td>
<td></td>
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<tr>
<td>2. 1 + 2 Language Policy</td>
<td>155</td>
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<td>4</td>
<td>2</td>
<td>3</td>
<td>1,582</td>
<td></td>
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<tr>
<td>3. Early Years Change Fund</td>
<td>4</td>
<td>0</td>
<td>25</td>
<td>4</td>
<td>3</td>
<td>951</td>
<td></td>
</tr>
<tr>
<td>4. Additional Support for National Qualifications</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>5. T/F Staff Costs for Admin staff in Secondary Schools</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>178</td>
<td></td>
</tr>
<tr>
<td><strong>Social Work</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1. Community Equipment Service</td>
<td>49</td>
<td>0</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>951</td>
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<tr>
<td>2. Family Support Service</td>
<td>74</td>
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<td>7</td>
<td>7</td>
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<td>173</td>
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<td>3. Older People's Change Fund</td>
<td>640</td>
<td>0</td>
<td>64</td>
<td>64</td>
<td>64</td>
<td>210</td>
<td></td>
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<tr>
<td>4. Early Years Change Fund</td>
<td>120</td>
<td>0</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>210</td>
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<td>5. Choose Life</td>
<td>49</td>
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<td>49</td>
<td>49</td>
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<td>6. Dundee Women's Aid</td>
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<td>14</td>
<td>14</td>
<td>14</td>
<td>210</td>
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<td>7. Looked After Children</td>
<td>5</td>
<td>0</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>210</td>
<td></td>
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<tr>
<td><strong>City Development</strong></td>
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<td></td>
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</tr>
<tr>
<td>1. Youth Employment Strategy</td>
<td>178</td>
<td>0</td>
<td>178</td>
<td>178</td>
<td>178</td>
<td>178</td>
<td></td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>1. Residual Waste Project</td>
<td>210</td>
<td>0</td>
<td>210</td>
<td>210</td>
<td>210</td>
<td>210</td>
<td></td>
</tr>
<tr>
<td><strong>Chief Executive</strong></td>
<td></td>
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</tr>
<tr>
<td>1. Hands up for Trad (Scottish Traditional Music)</td>
<td>5</td>
<td>0</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>2. Community Asset Transfer post</td>
<td>24</td>
<td>0</td>
<td>24</td>
<td>24</td>
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<td>24</td>
<td></td>
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<tr>
<td><strong>Corporate Services</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>1. External Audit</td>
<td>20</td>
<td>0</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>2. Elections full canvas</td>
<td>40</td>
<td>0</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>3. Corporate Debt / Welfare Reform (staff costs)</td>
<td>85</td>
<td>0</td>
<td>85</td>
<td>85</td>
<td>85</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>4. Discretionary Housing Payments</td>
<td>182</td>
<td>0</td>
<td>182</td>
<td>182</td>
<td>182</td>
<td>182</td>
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<tr>
<td>5. Welfare Reform</td>
<td>23</td>
<td>0</td>
<td>23</td>
<td>23</td>
<td>23</td>
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<td>6. Discretionary Housing Payments</td>
<td>509</td>
<td>0</td>
<td>509</td>
<td>509</td>
<td>509</td>
<td>509</td>
<td></td>
</tr>
<tr>
<td>7. T/F Staff Costs for Admin staff in Secondary Schools</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>173</td>
<td></td>
</tr>
<tr>
<td><strong>Other Housing</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Scottish Welfare Fund</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1. Admin Grant</td>
<td>99</td>
<td>0</td>
<td>99</td>
<td>99</td>
<td>99</td>
<td>99</td>
<td></td>
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<tr>
<td>2. Crisis and Community Care Grants</td>
<td>92</td>
<td>0</td>
<td>92</td>
<td>92</td>
<td>92</td>
<td>92</td>
<td></td>
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<tr>
<td><strong>General Contingency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capital Financing Costs / IORB</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Adjustments (General Fund)</strong></td>
<td>0</td>
<td>3,035</td>
<td>619</td>
<td>0</td>
<td>0</td>
<td>3,654</td>
<td></td>
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<tr>
<td>Risks - Revenue</td>
<td>Assessment</td>
<td>Risk Management / Comment</td>
<td></td>
<td></td>
<td></td>
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<td>---------------------------------</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>General Inflation</strong></td>
<td></td>
<td>Corporate Procurement strategy in place, including access to nationally tendered contracts for goods and services. In addition, fixed price contracts agreed for major commodities i.e. gas and electricity.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>General price inflation may be greater than anticipated.</td>
<td>Med Med</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equal Pay Claims</strong></td>
<td></td>
<td>Relatively few cases being taken through the Employment Tribunal process.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>A provision may be required for the cost of equal pay claims.</td>
<td>Low Low</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capital Financing Costs</strong></td>
<td></td>
<td>Treasury Mgmt Strategy. Limited exposure to variable rate funding.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Level of interest rates paid will be greater than anticipated.</td>
<td>Low/ Med Low/ Med</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Savings</strong></td>
<td></td>
<td>General risk mitigation factors (ref para 5.1), in particular, regular monitoring by departments to ensure savings targets are met.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Failure to achieve agreed level of savings &amp; efficiencies.</td>
<td>Low/ Med Low/ Med</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Emerging Cost Pressures</strong></td>
<td></td>
<td>General risk mitigation factors (ref para 5.1), in particular, regular monitoring by departments to ensure cost pressures are identified early and corrective action can be taken as necessary.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The possibility of new cost pressures or responsibilities emerging during the course of the financial year.</td>
<td>Low/ Med Low/ Med</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Chargeable Income</strong></td>
<td></td>
<td>General risk mitigation factors (ref para 5.1), in particular, regular monitoring by departments to ensure any shortfalls are identified as early as possible and corrective action can be taken as necessary.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The uncertainty that the level of chargeable income budgeted will be received.</td>
<td>Med/ High Med/ High</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Council Tax Collection</strong></td>
<td></td>
<td>Provision set takes cognisance of amounts collected for previous financial years. Non-payers subject to established income recovery procedures.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Provision for non-collection of Council Tax (3.2%) may not be adequate.</td>
<td>Low Low</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Welfare Reform</strong></td>
<td></td>
<td>General risk mitigation factors (ref para 5.1), in particular, regular monitoring by departments to ensure any shortfalls are identified as early as possible and corrective action can be taken as necessary. Budget also introduced for discretionary housing payments to assist those affected by these changes.</td>
<td></td>
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</tr>
<tr>
<td>The changes introduced as part of the welfare reform exercise may increase the risk that budgeted income collection levels are not achieved and that current non-collection provision levels are inadequate.</td>
<td>Low/ Med Low/ Med</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
1.0 PURPOSE OF REPORT

The purpose of this report is to seek approval from Committee on the requests received for Charity Relief on Non-Domestic properties in respect of the applications outlined in appendix 1.

2.0 RECOMMENDATIONS

That the Council agrees to recommendation as outlined in appendix 1. This report makes recommendations based on the Council's agreed policies.

3.0 FINANCIAL IMPLICATIONS

This Council directly incurs the cost of 25% of the amount granted as Discretionary Relief apart from that which is granted to Sports Clubs which is 100% funded from the Non-Domestic Rates pool.

4.0 MAIN TEXT

The Council's policy on granting Charity Relief on Non-Domestic properties have been set and amended in line with the reports noted below:-

- Article II of the Minute of Meeting of the Policy and Resources committee of 14th August 2006. Report no 468-2006 refers.

5.0 POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti Poverty, Risk Management and Equality Impact Assessment. The Equality Impact Assessment carried out. Article IV of the Minute of Meeting of the Policy and Resources Committee of 13th September, 2010, Report No 433-2010 refers.

6.0 CONSULTATION

The Chief Executive and the Head of Democratic and Legal Services have been consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

None

Marjory Stewart
Executive Director of Corporate Services
Date: August 2015
## POLICY & RESOURCES COMMITTEE

### REPORT BY EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**SUBJECT: RELIEF OF RATES**

<table>
<thead>
<tr>
<th>APPLICANT</th>
<th>SUBJECTS</th>
<th>UNIFIED BUSINESS RATE PAYABLE</th>
<th>REMARKS</th>
<th>RECOMMENDATION</th>
<th>ANNUAL COST TO COUNCIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Start Dundee 3/2.30 Whitehall Street,Dundee,DD1 4AF</td>
<td>Office 3/2.30 Whitehall Street,Dundee,DD1 4AF</td>
<td>£3,120.00 (01.04.15-31.03.16)</td>
<td>The principal objects of the charity are: to safeguard, protect and preserve the good health of children and their parents. Prevent cruelty or maltreatments. Relieve sickness, poverty and need amongst children and parents and to promote the education of the public in better standards of child care</td>
<td>Recommend 80% Mandatory and 20% Discretionary Relief</td>
<td>£156.00</td>
</tr>
<tr>
<td>Forthill Sports Club Fintry Place, Broughty Ferry, Dundee, DD5 3BD</td>
<td>Licensed Club Fintry Place, Broughty Ferry, Dundee, DD5 3BD</td>
<td>£10,560.00 (01.04.15-31.03.16)</td>
<td>To promote foster and encourage participation in sport. The premises are used as changing rooms for sport/meetings and social licensed club</td>
<td>Recommend 50% Sports Club Relief</td>
<td></td>
</tr>
<tr>
<td>Morag Brannan T/a Scottish Bluebells Cheerleaders</td>
<td>Hall 74 Brook Street, Dundee, DD1 5BP</td>
<td>£12,480.00 (01.04.15-31.03.16)</td>
<td>To promote and foster the sport of cheerleading at all levels, providing opportunities for recreation and competition.</td>
<td>Recommend 100% Sports Club Relief</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>£8,387.67 (01.04.15-31.03.16)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisation</td>
<td>Address</td>
<td>Period</td>
<td>Summary</td>
<td>Recommendation</td>
<td></td>
</tr>
<tr>
<td>--------------</td>
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<td></td>
</tr>
<tr>
<td>British Heart Foundation Retail Division</td>
<td>40 Murraygate, Dundee, DD1 2AZ</td>
<td>(25.07.14-31.03.15)</td>
<td>Selling clothing, books, cd's and bric-a-brac to raise funds for heart research.</td>
<td>Recommend 80% Mandatory Relief only</td>
<td></td>
</tr>
<tr>
<td>Life Skills Care</td>
<td>1f Blk C, Caledonian House, Greenmarket, Dundee, DD1 4QX</td>
<td>(21.11.14-31.03.15)</td>
<td>The organisation assists clients into sustainable working and works with other agencies to achieve this.</td>
<td>Recommend 80% Mandatory Relief only</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Address</th>
<th>Period</th>
<th>Summary</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
<tr>
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<td>(01.04.15-31.03.16)</td>
<td>The organisation assists clients into sustainable working and works with other agencies to achieve this.</td>
<td>Recommend 80% Mandatory Relief only</td>
</tr>
</tbody>
</table>
1. PURPOSE OF REPORT

1.1 This report confirms the Community Regeneration Fund allocations for 2015/16 and makes recommendations for grants in 2015/16.

2. RECOMMENDATIONS

2.1 It is recommended that committee notes the Community Regeneration Fund allocations for 2015/16 and approves the funding proposals contained in section 5 of this report.

3. FINANCIAL IMPLICATIONS

3.1 This report confirms the 2015/16 Community Regeneration Fund allocations to the Community Regeneration Forums and to the Local Community Planning Partnerships for The Ferry and the West End. The total budgets available, including approved carry forwards, are set out in para 5.1

3.2 Grants of £118,370 are recommended from the allocations for 2015/16.

4. BACKGROUND

4.1 Policy and Resources Committee, 7 December 2009 approved Report No 591-2009 (Article No IV refers) which made funding available to Community Regeneration Forums to support local regeneration activity. Revised funding levels and a commitment to allocate £10,000 to The Ferry and West End were approved by Policy and Resources Committee, 9 December 2013.

4.2 Community Regeneration Forums will be invited to allocate funding of up to 20% of the allocation on small grants, and no less than 80% on diversionary and preventative youth work or physical improvements.

4.3 Local Community Planning Partnerships for West End and The Ferry will be invited to allocate £10,000 to community regeneration priorities outstanding in their current plans.

5. FUNDING ALLOCATIONS AND PROPOSALS

5.1 The budget for each community regeneration forum/local community planning partnership is summarised below, together with allocations proposed in this report. These include agreed carry forwards from 2014/15
<table>
<thead>
<tr>
<th>Local Forum</th>
<th>Total Allocation</th>
<th>Previously Allocated</th>
<th>Current Proposals</th>
<th>Still Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coldside</td>
<td>£171,049</td>
<td>£53,706</td>
<td>£31,441</td>
<td>£85,902</td>
</tr>
<tr>
<td>East End</td>
<td>£150,735</td>
<td>£80,565</td>
<td>£3,394</td>
<td>£66,776</td>
</tr>
<tr>
<td>Lochee</td>
<td>£272,004</td>
<td>£133,738</td>
<td>£11,916</td>
<td>£126,350</td>
</tr>
<tr>
<td>Maryfield</td>
<td>£125,017</td>
<td>£48,816</td>
<td>£11,560</td>
<td>£64,641</td>
</tr>
<tr>
<td>North East</td>
<td>£125,150</td>
<td>£59,740</td>
<td>£47,263</td>
<td>£18,147</td>
</tr>
<tr>
<td>Strathmartine</td>
<td>£129,001</td>
<td>£83,096</td>
<td>£4,859</td>
<td>£41,046</td>
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<tr>
<td>The Ferry</td>
<td>£11,522</td>
<td>£0</td>
<td>£7,937</td>
<td>£3,585</td>
</tr>
<tr>
<td>West End</td>
<td>£10,000</td>
<td>£4,416</td>
<td>£0</td>
<td>£5,584</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£994,478</strong></td>
<td><strong>£464,077</strong></td>
<td><strong>£118,370</strong></td>
<td><strong>£412,031</strong></td>
</tr>
</tbody>
</table>

5.2 The proposals contained in Appendix A recommend the allocation from local budgets of £118,370 in 2015/16.

6 POLICY IMPLICATIONS

6.1 Article X of the Minute of Meeting of the Policy and Resources Committee of 13 September 2010, Report no 570-2010 refers.

6.2 The resources made available through the Dundee Community Regeneration Fund are primarily targeted on those areas which fall within the most disadvantaged 15% of data zones in the 2012 Scottish Index of Multiple Deprivation. This funding is intended to tackle a range of inequalities. The targeting of additional resources into areas of deprivation to tackle inequalities are at the heart of the Scottish Government’s public service reform agenda. A commitment to ‘close the gap’ in outcomes is expected of all community planning partnerships in Scotland.

7 CONSULTATIONS

7.1 The Executive Director of Corporate Services and the Head of Democratic and Legal Services have been consulted in the preparation of this report.

7.2 Partner agencies, community representatives and voluntary sector representatives have also been consulted and involved in the assessment of applications and the formation of recommendations contained in this report.

8 BACKGROUND PAPERS

None.

David Martin
Chief Executive

............................................. 18/08/2015
<table>
<thead>
<tr>
<th>Ref No.</th>
<th>Applicant</th>
<th>Ward</th>
<th>Description of Project</th>
<th>Total Project Costs</th>
<th>Amount Requested</th>
<th>Forum Decision Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>CY1508</td>
<td>Maxwelltown Information Centre</td>
<td>Coldside</td>
<td>To fund a Garden Project Worker who will facilitate local school visits and activities including gardening and outreach sessions, all linking in with the Curriculum for Excellence. At least 100 pupils are expected to participate.</td>
<td>£11,441</td>
<td>£11,441</td>
<td>£11,441</td>
</tr>
<tr>
<td>CP1501</td>
<td>Environment Department</td>
<td>Coldside</td>
<td>To upgrade and improve the Heritage Trail, footpaths and the wildlife and landscape of the Dundee Law. A digital / physical interpretation initiative will inform visitors about the cultural heritage of the Law.</td>
<td>£353,800</td>
<td>£20,000</td>
<td>£20,000</td>
</tr>
<tr>
<td>EE1514</td>
<td>East End Panto Group</td>
<td>East End</td>
<td>To contribute toward the cost of performances of the 2015 community pantomime. Four performances will be put on for audiences of up to 100.</td>
<td>£1,945</td>
<td>£1,145</td>
<td>£1,145</td>
</tr>
<tr>
<td>EE1516</td>
<td>Craigiebank Sheltered Housing</td>
<td>East End</td>
<td>To fund an art tutor who will deliver a twelve session arts &amp; crafts course for ten sheltered housing residents. This continues activity previously funded through Reshaping Care for Older People.</td>
<td>£840</td>
<td>£840</td>
<td>£840</td>
</tr>
<tr>
<td>EE1517</td>
<td>Timex Group</td>
<td>East End</td>
<td>To purchase a range of equipment that will enable the group to better promote its activities in recording and publicising the 45 year history of the Timex Corporation in Dundee.</td>
<td>£561</td>
<td>£261</td>
<td>£261</td>
</tr>
<tr>
<td>EEY1513</td>
<td>Leisure &amp; Culture Dundee</td>
<td>East End</td>
<td>To part fund coaching &amp; let costs for a week long 'Active Bairns' sports camp during the October holiday period with 48 spaces available for young people each day.</td>
<td>£3,923</td>
<td>£1,148</td>
<td>£1,148</td>
</tr>
<tr>
<td>F1501</td>
<td>Broughty Ferry Traders Association</td>
<td>The Ferry</td>
<td>For hire of the Maltbury Stage and marquee tent for use at Broughty Ferry Christmas Lights Event which is attended by over 2,000 people each year.</td>
<td>£465</td>
<td>£465</td>
<td>£465</td>
</tr>
<tr>
<td>Ref No.</td>
<td>Applicant</td>
<td>Ward</td>
<td>Description of Project</td>
<td>Total Project Costs</td>
<td>Amount Requested</td>
<td>Forum Decision Amount</td>
</tr>
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</tr>
<tr>
<td>F1502</td>
<td>Community Regeneration Team</td>
<td>The Ferry</td>
<td>Purchase of ICT Equipment including a laptop and projector that will be available for use by local community groups during talks, presentations and other events.</td>
<td>£998</td>
<td>£972</td>
<td>£972</td>
</tr>
<tr>
<td>F1503</td>
<td>Grove Academy</td>
<td>The Ferry</td>
<td>To contribute towards the ‘Life to the Full’ Project which will work with S3 pupils on topics including; healthy relationships, safe use of social media and confidence in making their own decisions. Approximately 350 young people will benefit.</td>
<td>£7,000</td>
<td>£3,000</td>
<td>£3,000</td>
</tr>
<tr>
<td>F1504</td>
<td>Grove Academy</td>
<td>The Ferry</td>
<td>Contribution towards the cost of installation of WiFi hubs at the Grove Academy. These hubs will enhance the learning experience of pupils and also be made available for use by community groups accessing the school premises.</td>
<td>£7,000</td>
<td>£3,500</td>
<td>£3,500</td>
</tr>
<tr>
<td>L1513</td>
<td>Menzieshill Community Photography Group</td>
<td>Lochee</td>
<td>To purchase resources for the group to enable them to promote their activities with other groups at the Menzieshill Community Centre and collaborate on a wider photographic project to highlight these. Approximately 40 people are expected to participate.</td>
<td>£1,055</td>
<td>£1,055</td>
<td>£1,055</td>
</tr>
<tr>
<td>L1514</td>
<td>Little Stars Toddler Group</td>
<td>Lochee</td>
<td>To purchase a shed for storage of toys, and flag poles to promote the group. This will benefit the 35 children and 27 adults involved in the group plus any new members.</td>
<td>£708</td>
<td>£708</td>
<td>£708</td>
</tr>
<tr>
<td>L1515</td>
<td>Menzieshill Art &amp; Craft Group</td>
<td>Lochee</td>
<td>To pay for transport costs that will enable twelve group members to attend the annual Craft Exhibition at the SECC.</td>
<td>£155</td>
<td>£155</td>
<td>£155</td>
</tr>
<tr>
<td>Ref No.</td>
<td>Applicant</td>
<td>Ward</td>
<td>Description of Project</td>
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</tr>
<tr>
<td>L1516</td>
<td>St Mary’s Community Café</td>
<td>Lochee</td>
<td>To cover the cost of provision of hot and cold food at the weekly café. Community members are able access additional support services relating to financial inclusion, health, mental health, etc. Approximately 40 people attend each week at present and this is expected to grow.</td>
<td>£2,000</td>
<td>£2,000</td>
<td>£2,000</td>
</tr>
<tr>
<td>L1517</td>
<td>Lochee Community Group</td>
<td>Lochee</td>
<td>To provide Yoga classes in two local community venues over a thirty week period. Approximately 10-15 people are expected to attend each session.</td>
<td>£3,120</td>
<td>£3,000</td>
<td>£3,000</td>
</tr>
<tr>
<td>LY1506</td>
<td>Yusuf Youth Initiative</td>
<td>Lochee</td>
<td>To fund a pilot project involving the Yusuf Youth Initiative and the DCC Youth Team, that will link with a range of local youth groups. Outreach work will culminate in over 150 young people participating in four cultural integration events.</td>
<td>£4,490</td>
<td>£3,050</td>
<td>£3,050</td>
</tr>
<tr>
<td>LY1508</td>
<td>Active Bairns</td>
<td>Lochee</td>
<td>To provide a week long programme of sports and physical activities at the Lynch Sports Centre during the October Holidays for up to 48 children.</td>
<td>£3,923</td>
<td>£1,948</td>
<td>£1,948</td>
</tr>
<tr>
<td>MY1507</td>
<td>Yusuf Youth Initiative</td>
<td>Maryfield</td>
<td>To continue local outreach work for 28 weeks and fund four youth integration events for 70 young people and 10 curry kitchens catering for up to 30 people each session. Four 5 week budget cooking courses for 6-8 people will also be delivered and training materials produced for ten presentations in schools / community groups. Overall approximately 1,000 people will be involved / more informed.</td>
<td>£11,780</td>
<td>£9,160</td>
<td>£8,860</td>
</tr>
<tr>
<td>Ref No.</td>
<td>Applicant</td>
<td>Ward</td>
<td>Description of Project</td>
<td>Total Project Costs</td>
<td>Amount Requested</td>
<td>Forum Decision Amount</td>
</tr>
<tr>
<td>----------</td>
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</tr>
<tr>
<td>MY1509</td>
<td>Morgan Academy</td>
<td>Maryfield</td>
<td>To fund the continuation of the Breakfast Club 5 days a week for approximately 30 pupils. Attending the breakfast club helps pupils to more fully participate in learning through not being hungry during morning classes.</td>
<td>£2,700</td>
<td>£2,700</td>
<td>£2,700</td>
</tr>
<tr>
<td>NE1514</td>
<td>Longhaugh Sheltered Housing</td>
<td>North East</td>
<td>To fund transport for three day trips for 29 elderly people. These will help to improve their mental wellbeing through providing an enjoyable social experience and break from routine.</td>
<td>£700</td>
<td>£700</td>
<td>£700</td>
</tr>
<tr>
<td>NE1515</td>
<td>Mill O’ Mains Pavillion</td>
<td>North East</td>
<td>Funding for six programmes of dog training sessions plus ‘Flyball’ equipment that will be used to help up to 72 local children to train their dogs and also have the opportunity to take part in flyball competitions.</td>
<td>£1,995</td>
<td>£1,995</td>
<td>£1,557</td>
</tr>
<tr>
<td>NEP1501</td>
<td>Environment Department</td>
<td>North East</td>
<td>To contribute towards Phase 1 of the development of a Neighbourhood Equipped Area for Play (NEAP) at Fintry Park. This will be accessible by up to 1,500 local children and young people.</td>
<td>£68,824</td>
<td>£38,000</td>
<td>£38,000</td>
</tr>
<tr>
<td>NEP1502</td>
<td>Dalclaverhouse Community Improvement Group</td>
<td>North East</td>
<td>To enable repairs of communal footpaths, which will benefit all residents and visitors to the area. these will also improve access to Trottick Ponds and nearby cycle paths.</td>
<td>£7,006</td>
<td>£7,006</td>
<td>£7,006</td>
</tr>
<tr>
<td>S1511</td>
<td>St. Mary’s Fun Day Planning Group</td>
<td>Strathmartine</td>
<td>To fund a range of activities and entertainment for the Community Fun Day on 5th September 2015. Approximately 500 local residents are expected to participate.</td>
<td>£3,151</td>
<td>£2,369</td>
<td>£2,369</td>
</tr>
<tr>
<td>Ref No.</td>
<td>Applicant</td>
<td>Ward</td>
<td>Description of Project</td>
<td>Total Project Costs</td>
<td>Amount Requested</td>
<td>Forum Decision Amount</td>
</tr>
<tr>
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</tr>
<tr>
<td>S1512</td>
<td>NCR/AFC Caird Park Community Sports Hub</td>
<td>Strathmartine</td>
<td>To purchase strips, lease of ground and changing facilities, coaching qualifications and equipment for 60 people</td>
<td>£1,756</td>
<td>£1,756</td>
<td>£1,756</td>
</tr>
<tr>
<td>S1513</td>
<td>Adult Learning Team</td>
<td>Strathmartine</td>
<td>To carry out work in the Kirkton and St Mary’s area with preschool children, minibus hire/fuel, country ranger, hospitality, resources, booster seats for children for 24 people</td>
<td>£1,324</td>
<td>£1,324</td>
<td>£650</td>
</tr>
<tr>
<td>S1514</td>
<td>Roly Poly</td>
<td>Strathmartine</td>
<td>To purchase resources and material for the group for 10 people</td>
<td>£84</td>
<td>£84</td>
<td>£84</td>
</tr>
</tbody>
</table>
1. PURPOSE OF REPORT

To recommend that the Chief Executive be given delegated authority to approve the attendance of members at certain conferences.

2. RECOMMENDATIONS

It is recommended that Committee:

i) agree a list of annual conferences which are the most important and useful for members to attend

ii) delegate authority to the Chief Executive to approve attendance at these events, and at ‘one-off’ events of particular relevant/importance to the Council, by one member from the Administration and one member from the Opposition

iii) ask members who attend approved conferences to share learning from the event with colleagues

3. FINANCIAL IMPLICATIONS

The cost of attending conferences will be met from within the appropriate departmental revenue budgets.

4. MAIN TEXT

4.1 The Council has a commitment to ensuring that members have the knowledge to undertake their role effectively. To achieve this, the Council provides induction training, arranges a programme of briefings on current issues, provides a press cuttings service on articles relevant to local government, encourages members to participate in COSLA groups and facilitates access to the Improvement Service’s CPD framework and online training and development materials.

4.2 Attendance at conferences provides another opportunity for members to:

- keep up-to-date with new legislation and policy initiatives

- learn about leading practice in other authorities and organisations, including innovative approaches to challenges we also face

- exchange ideas and make useful contacts with elected representatives and officers from Government, partners, the third sector and other authorities

- enhance their professional knowledge and ability to challenge officers, scrutinise performance, provide strategic direction and lead change, as part of the Council’s commitment to continuous improvement

4.3 At present, attendance at conferences requires to be specifically authorised by Committee for each event. It is proposed that the Council agrees a list of key annual conferences which are regarded as most important and useful for members to attend, and gives the Chief Executive delegated authority to approve the attendance of one member from the Administration Group and one member from the Opposition at each of the events on this list. It is also proposed that the Chief Executive should have similar delegated authority to approve the same representation
of members at ‘one-off’ events of particular relevance or importance to the Council e.g. on new legislation, policy initiatives or issues of current importance.

4.4 The proposed list of key annual conferences is:

- COSLA Annual Conference
- CIPFA Scottish Conference
- Chartered Institute of Housing Conference
- Social Work Scotland Conference

4.5 It is also proposed that members who attend these conferences should provide feedback on the event (e.g. copies of handouts and presentation slides) to share the learning with colleagues. A section of the Council intranet will be developed to give all members access to this information.

5. POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality and Risk Management. There are no major issues.

6. CONSULTATIONS

The Executive Director of Corporate Services, the Head of Democratic and Legal Services and all chief officers have been consulted in the preparation of this report.

7. BACKGROUND PAPERS

None.

David R Martin
Chief Executive  ............................................. 14/08/2015
1. PURPOSE OF REPORT

To report back to Committee on Bòrd na Gàidhlig’s assessment of the Council’s draft Gaelic Language Plan and to recommend a revised plan which will be submitted to the Bòrd for formal approval in September.

2. RECOMMENDATIONS

It is recommended that members:

i) note the changes being proposed as a result of Bòrd na Gàidhlig’s assessment of the Council’s draft Gaelic Language Plan as outlied in paragraph 4.3 below

ii) agree that the revised draft Plan, attached as Appendix 1, should be submitted for formal approval by the Bòrd in September

3. FINANCIAL IMPLICATIONS

Approving the draft Plan will have no direct financial implications. Consideration may need to be given to identifying resources in future to meet any demands arising from implementation of the Plan, and this will be the subject of future reports to Committee. Members should note, however, that the Council will apply for grants available from the Gaelic Language Plans Implementation Fund to help meet any costs.

4. MAIN TEXT

4.1 Reference is made to Article IX of the minute of the Policy and Resources Committee on 9 February 2015, at which members agreed a draft Gaelic Language Plan to be submitted for assessment by Bòrd Na Gàidhlig.

4.2 The process for approval of Gaelic Language Plans is that draft Plans are first assessed by a Plans Panel (Pannal nam Phlanaichean) which gives an assessment of changes required in order to fully comply with high level aims, the National Gaelic Language Plan, the Guidance on Developing Gaelic Language Plans and the Gaelic Language (Scotland) Act 2005. If the Council is happy to make all the required changes, we are then required to submit an updated draft Plan which will then go to the next full Bòrd meeting with a recommendation from the Plans Panel that it is approved. If the Council is not prepared to accept the changes, further discussion would be required with officers of the Bòrd and a further draft would have to be submitted for re-assessment.

4.3 In general, the members of Pannal na Phlanaichean were supportive of the content of the Council’s draft Plan. The significant requirements included in the assessment were:

- our Plan should make more reference to the use of Gaelic in cultural events, programmes etc in partnership with Leisure and Culture Dundee and to how we ensure that partners such as Leisure and Culture Dundee adhere to the principles of the Plan

- throughout the Plan we should emphasise the commitment to demonstrate equal respect for Gaelic and English regarding any bilingual services and resources and make an active offer of any core commitments

- if and when the Council’s corporate identity is re-branded, we should render the corporate logo bilingual and include this in letterheads (The Plans Panel emphasise that this is only expected on re-branding to avoid any cost)
• the Plan should state that, where a need is identified for a bilingual meeting and reasonable notice is given, we will provide an interpreter and advertise this service (during consultation, the representatives of the Gaelic speaking community in Dundee said they would not make such a request, but a commitment to respond in this way if required is a standard inclusion in the language plans of public authorities)

4.4 Regarding the section of the draft Plan on Education, the Plans Panel recommend that the Council should:

• consider approaching the GLPS consortium about the possibility of information and access to training for staff

• establish links with Angus Council regarding delivery of Gaelic Medium Education at primary school

The Executive Director of the Children and Families Service has confirmed that he is happy to accept these recommendations, and to speak more widely with other neighbouring authorities.

4.5 A revised draft Plan incorporating these changes is attached as Appendix 1 and it is recommended that this is submitted for formal approval by the Bòrd in September. In revising the draft Plan, the opportunity has also been taken to amend departmental titles to reflect the new Council structure and to push back the early target dates from December 2015 to March 2016.

5. POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality and Impact Assessment and Risk Management. There are no major issues.

6. CONSULTATIONS

The Executive Director of Corporate Services, the Head of Democratic and Legal Services, the Executive Directors of City Development and Children and Families and the Heads of Communities, Customer Services & IT and Human Resources & Business Support have been consulted in the preparation of this report. In addition, delivery of the plan will depend to an extent on the Council’s partnership with Leisure and Culture Dundee. Their Managing Director has been consulted on the draft plan and their Board will be asked to approve the commitments proposed.

7. BACKGROUND PAPERS

Guidance on the development of Gaelic Language Plans – Bòrd na Gàidhlig

The National Gaelic Language Plan 2012-2017 – Bòrd na Gàidhlig

David R Martin
Chief Executive ........................................... 14/08/2015
DRAFT INCORPORATING CHANGES REQUIRED BY BORD NA GAIDHLIG’S ASSESSMENT PANEL

DUNDEE CITY COUNCIL’S DRAFT GAELIC LANGUAGE PLAN 2015-2020

This plan has been prepared under Section 3 of the Gaelic Language (Scotland) Act 2005

It was approved by Bòrd na Gàidhlig on XX/XX/2015
Foreword by the Leader of Dundee City Council

This is Dundee City Council’s first Gaelic Language Plan, and we see it as a starting point for developing our support for Gaelic. Our aim is to contribute to the Scottish Government’s vision of safeguarding the sustainability of the Gaelic language by enhancing the profile of the language and providing more opportunities for people to see and communicate in Gaelic. Our plan will also support implementation of the Scottish Government’s National Outcome ‘We take pride in a strong, fair and inclusive national identity’.

Dundee City Council is committed to giving equal respect to the Gaelic language in recognition of its status as one of Scotland’s national languages, its contribution to the richness and diversity of Scottish culture and its importance within our nation’s heritage.

Although Gaelic has not been widely used in Dundee in recent times, it was spoken at some time virtually everywhere in Scotland. Gaelic was likely the dominant language in Dundee between around 800-1200 AD but was still being spoken in 1791 when a Gaelic chapel was built in Dundee for ‘Highlanders recently arrived in the town’ (perhaps from the Angus Glens rather than the north west) and the last Gaelic Church in Dundee met until 1923 in a building opposite the McManus Galleries. A ‘Gaelic Village’ existed in the flaxfields on the edge of Dundee, largely inhabited by Gaelic speakers who came to Dundee from the Angus Glens and preferred outside work to working in the factories. The name Dundee itself is of Gaelic origin, and a number of place names in the city were coined when Gaelic was in wide usage. For example, the name of Balgay Hill which overlooks the city derives from the Gaelic Baile Gaoithe (stead of the marsh/wind) while the name of one of our secondary schools, Baldragon, derives from the Gaelic Baile Dreagan (farm of the dragon, where dragon means ‘a hero’). Local street names such as Caenlochan Road and Ballinard Road derive from Gaelic and a knowledge of their meaning helps us to understand the history of these places.

Since Dundee does not have a large number of people who speak Gaelic today, the Council will take a positive but proportionate approach in our efforts to promote the Gaelic language, including action to enhance the status of Gaelic and promote the acquisition and learning of the language. In line with Dundee’s commitment to be a ‘city of culture’, we will place particular emphasis on opportunities to promote Gaelic through support for cultural activities and events.

Councillor Ken Guild
Leader of Dundee City Council
Contents

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- Context
- Functions and Priorities of Dundee City Council
- Gaelic in Dundee

Chapter 2 – Core Commitments

- Identity
- Communications
- Publications
- Staffing

Chapter 3 – Supporting the National Plan for Gaelic

- Language acquisition
- Language usage
- Language status
- Language corpus

Chapter 4 – Publicising, Implementing and Monitoring the Plan

Contact Details
Summary

Dundee City Council recognises that Gaelic is an integral part of Scotland’s heritage, national identity and cultural life. The Council is committed to the objectives set out in the National Plan for Gaelic and will play its part in supporting a sustainable future for Gaelic in Scotland.

The position of Gaelic is fragile and, if it is to be reinvigorated as a living language in Scotland, a concerted effort on the part of government, the public and private sectors, community organisations and individual speakers is required to:

- enhance the status of Gaelic
- promote the acquisition and learning of Gaelic
- encourage the increased use of Gaelic

This document is Dundee City Council’s Gaelic Language Plan, prepared within the framework of the Gaelic Language (Scotland) Act 2005. It sets out how we will use Gaelic in the operation of our functions and how we will work to promote and grow the use of Gaelic, taking a positive but proportionate approach which recognises the city’s tradition and use of the language today. Our aim is to be supportive, facilitating the use of Gaelic to the greatest extent that is appropriate in the particular circumstances of our area.

Delivery of our Plan depends to an extent on our partnership with Leisure and Culture Dundee, the organisation which provides cultural services on behalf of the Council, and they have confirmed their support for the Plan and their commitment to working with the Council to deliver its objectives. Formal monitoring of the partnership is through an annual report to Committee and an annual meeting between senior officers of the Council and the Board of Leisure and Culture Dundee. These meetings, along with the close working relationships between the organisations and regular meetings at officer level to discuss performance, will provide the opportunity to ensure that services being delivered on behalf of the Council adhere to the principles in this plan.

This Plan has been prepared in accordance with the statutory criteria set out in the Gaelic Language (Scotland) Act 2005, having regard to the National Gaelic Language Plan and Bòrd na Gàidhlig’s Guidance on the Development of Gaelic Language Plans.
Chapter 1 – Introduction

1.1 Context

The Gaelic Language (Scotland) Act 2005 was passed by the Scottish Parliament with a view to securing the status of Gaelic as an official language of Scotland commanding equal respect with English.

One of the key features of the 2005 Act is a provision which enables Bòrd na Gàidhlig to require public authorities to prepare Gaelic Language Plans. This was designed to ensure that the public sector in Scotland plays its part in creating a sustainable future for Gaelic by raising its status and profile and creating practical opportunities for its use. Dundee City Council was notified by the Bord in August 2013 of a requirement to produce a Plan by February 2015, and we gratefully acknowledge the assistance of the Bord’s staff in developing this Plan. In agreeing this Plan, Dundee City Council will give effect to the principle that the Gaelic and English languages should be accorded equal respect.

The 2005 Act requires public bodies to bring the preparation of its Gaelic Language Plan to the attention of all interested parties. Dundee City Council has consulted local organisations and the public in general on a draft of its Gaelic Language Plan and has taken into account representations made to it during the consultation process.

The Plan was approved by Dundee City Council in X and by Bòrd na Gàidhlig in X.

1.2 Functions and Priorities of Dundee City Council

Dundee City Council provides all local government services for the city of Dundee, which has a population of 147,268. The Council employs over 7,000 staff, making it one of the largest employers in the city, and has an annual net revenue expenditure of £350 million (2014/15) as well as a significant programme of capital investment in schools, housing, community facilities, roads, social care, leisure and sport.

The Council Plan 2012-2017 identifies our priorities as:

- Jobs through the Waterfront, renewables, life sciences, creative industries and other sectors
- Social Inclusion through our Fairness Strategy, Getting It Right For Every Child and Early Intervention to help keep young people focussed on a positive destination and everyone seeking to improve their health
- Quality of Life for All through building stronger communities, achieving the Scottish Housing Quality Standard and maintaining and improving our built and natural environment

The Council has signed up to the Dundee Partnership’s vision that Dundee:

- will have a strong and sustainable city economy that will provide jobs for the people in Dundee, retain more graduates and make the city a magnet for new talent
- will offer real choice and opportunity in a city that has tackled the root causes of social and economic exclusion, creating a community which is healthy, safe, confident, educated and empowered
• will be a vibrant and attractive city with an excellent quality of life where people choose to live, learn, work and visit

Along with our partners, and the Scottish Government, the Council is committed to achieving the outcomes detailed in Dundee’s Single Outcome Agreement, which cover jobs, education, children, health and wellbeing, care, inequality, safety, fairness, communities and sustainability.

Once famous for jute mills and shipbuilding, Dundee has reinvented itself as a centre of excellence in computer games and biotechnology. Culture has played a huge part in the regeneration of the city, with a cutting edge Contemporary Arts Centre; the UK’s only full-time repertory theatre company at Dundee Rep, also home to Scottish Dance Theatre; award winning attractions including Discovery, Verdant Works, the Science Centre and The McManus; a host of festivals; and a vibrant local cultural scene. The V&A Dundee will open in 2017, as part of a project to transform the city’s Waterfront, and Dundee has recently been designated as a UNESCO City of Design.

1.3 Gaelic in Dundee

Dundee does not currently have a large Gaelic speaking community. The 2011 census showed that 474 people (0.33%) said they can speak Gaelic and 48 (0.03%) said this is the language used at home. Out of a population of 142,489 aged 3 and over, the 2011 census recorded that:

- 440 understand but do not speak, read or write Gaelic
- 238 speak, read and write Gaelic
- 192 speak but do not read or write Gaelic
- 40 speak and read but do not write Gaelic
- 119 read but do not speak or write Gaelic
- 44 have some other combination of skills in Gaelic

In total, therefore, 1,073 people (0.75%) over the age of 3 report having at least one Gaelic language skill.

There are local organisations with a keen interest in Gaelic and the Council is committed to supporting them in their efforts to raise awareness of Gaelic language and culture and to provide opportunities for Gaelic learners. Dundee Highland/Gaelic Societies have existed since 1814 and a variant of the original society still exists today as the Dundee Highland Society. There is also an active Dundee Gaelic Music Association and there are a number of individuals active in Gaelic teaching, translation and promotion. Dundee’s Central Library provides a home for the Wighton Heritage Centre for the Study and Appreciation of Scottish Music, which includes the famous Wighton collection of early printed music. The Friends of Wighton organise concerts and classes to raise awareness of this resource and are committed to reflecting the country’s Gaelic heritage. The National Mod has been held in Dundee on 5 occasions, most recently in 1974.

Dundee and Angus Convention Bureau, which focuses on attracting conferences and meetings to the area, actively promotes Gaelic through music by suggesting the inclusion of Gaelic singers as part of conference social programmes. This is of particular interest to international conferences and plays a part in enhancing the delegate experience when showcasing Scotland.

There is currently no provision for Gaelic education in Dundee’s schools or support given for adult learning, although we are aware of Gaelic classes run by Tayside Language Centre and the University of Dundee. In 2014, there were two well-attended Gaelic conversation coffee mornings provided by Cli Gaelic.
At present we have no information on the number of staff who can speak, read or write in Gaelic, have any skills related to use of Gaelic within the workplace, or have a desire to learn Gaelic.

Chapter 2 – Core Commitments

In its Guidance on the Development of Gaelic Language Plans, Bòrd na Gàidhlig notes that creating the right environment for the use of Gaelic in public life is one of the key components of language regeneration. The Bord has identified four core areas of service delivery that it wishes public bodies to address in their Gaelic Language Plan – identity, communications, publications and staffing. This section of the plan details our commitments under each of these headings. Throughout the plan, our commitment is to demonstrate equal respect for Gaelic and English regarding any bilingual services and resources, and to make an active offer regarding our core commitments. In delivering on these commitments, we will explore the scope for joint working with other local authorities, especially the neighbouring areas of Angus and Perth and Kinross, to deliver any actions in the most cost-effective way.

2.1 Identity

Dundee City Council recognises the importance of extending the visibility of Gaelic and increasing its status. The presence of Gaelic in the corporate identity and signs of a public authority can enhance the visibility of the language, increase its status and make an important statement about how Gaelic is valued and how it is given recognition. Developing the use of Gaelic through signage can also enrich the vocabulary of Gaelic users, raise public awareness of the language and contribute to its development.

<table>
<thead>
<tr>
<th>Current Practice</th>
<th>Actions</th>
<th>Target</th>
<th>Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dundee City Council does not currently use Gaelic in its corporate identity</td>
<td>If and when the Council rebrands its corporate identity, we will render the corporate logo bilingual and make corporate letter headings bilingual, demonstrating equal respect for Gaelic and English, and roll-out across the authority on a new or replacement basis</td>
<td>On rebranding</td>
<td>Chief Executive’s Department (Communications)</td>
</tr>
<tr>
<td>Dundee City Council does not have a policy for use of Gaelic in its signage</td>
<td>We will identify a number of high profile signs (e.g. on prominent buildings or entry points to the city, but not including street name signs), selected on the basis of status, footfall and visibility, to be made bilingual on a renewal or replacement basis at nil or minimal cost</td>
<td>From year one and continuing over the lifetime of the Plan</td>
<td>Chief Executive’s Department (Communications) and City Development Department (Transportation)</td>
</tr>
</tbody>
</table>
2.2 Communications

Dundee City Council recognises the importance of creating opportunities for the practical use of Gaelic in a wide range of everyday situations and is committed to incrementally increasing its provision in this area where there is an identified need.

The use of Gaelic at the initial point of contact that members of the public have with a public authority increases the visible and audible presence of the language, and contributes to the sense that the use of Gaelic is possible and welcome. In addition to raising the profile of the language, it also creates opportunities for its practical use and encourages members of the public to use Gaelic in subsequent dealings with the public authority.

The use of Gaelic in interactions with the authority by mail, e-mail and by telephone is important in creating practical opportunities for the use of the language, and in contributing to the sense that its use is possible and welcome. The presence of Gaelic in forms can also enhance the visibility and prestige of the language. The preparation of Gaelic versions of documents can also assist in expanding the range of Gaelic terminology and the awareness of the Gaelic-speaking public of such terminology, thus helping the development of the language itself.

<table>
<thead>
<tr>
<th>Current Practice</th>
<th>Actions</th>
<th>Target</th>
<th>Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dundee City Council does not at present provide a Gaelic element to its reception or telephone service</td>
<td>Gaelic awareness training and training in Gaelic language skills will be offered to key staff at main Council receptions and telephone contact centres on an incremental basis. Where Gaelic language skills are available, an active offer will be made of this service</td>
<td>Over the lifetime of the plan</td>
<td>Corporate Services Department (Human Resources and Customer Services)</td>
</tr>
<tr>
<td>Dundee City Council does not at present provide a Gaelic element to email correspondence</td>
<td>We will review posts to identify any where it would be appropriate to have bi-lingual automatic email contact information, or where staff want this</td>
<td>March 2016</td>
<td>Corporate Services Department (Human Resources and Customer Services/IT)</td>
</tr>
<tr>
<td>Dundee City Council does not at present provide a Gaelic element to forms</td>
<td>In consultation with Bòrd na Gàidhlig, we will identify key forms and make them bi-lingual then make an active offer</td>
<td>March 2016</td>
<td>Chief Executive’s Department (Corporate)</td>
</tr>
</tbody>
</table>
Dundee City Council does not at present include Gaelic in its complaints procedure.

A Gaelic translation of the model complaints handling procedure for local authorities will be sourced from the Scottish Public Services Ombudsman or other Councils and will be publicised and made available on request.

As requested

Chief Executive’s Department (Corporate)

Dundee City Council does not at present provide interpretation services at public meetings.

Where a need is identified for a bilingual meeting, and reasonable notice is given, we will provide an interpreter and advertise this service.

Over the lifetime of the plan

All departments

2.3 Publications

Dundee City Council is committed to supporting the increased use of Gaelic in those areas where the subject matter is of most interest to the general public or relates specifically to Gaelic issues.

The use of Gaelic in printed material can assist Gaelic development in a variety of ways. It helps increase the visibility of the language, it enhances Gaelic’s status by being used in high profile publications, and it can help develop new and enhance existing terminology. The use of Gaelic in the media helps demonstrate a commitment to the medium of Gaelic, as well as enhancing the visibility and status of the language.

<table>
<thead>
<tr>
<th>Current Practice</th>
<th>Actions</th>
<th>Target</th>
<th>Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dundee City Council does not have a policy on publishing printed material in Gaelic</td>
<td>Guidelines will be developed for publishing material in Gaelic in line with the principle of equal respect and incremental growth. We will identify any key printed publications and produce these bilingually, demonstrating equal respect for Gaelic and English.</td>
<td>March 2016</td>
<td>Chief Executive’s Department (Communications)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Commencing in year one and over the lifetime of the plan.</td>
<td>Chief Executive’s Department (Communications)</td>
</tr>
<tr>
<td>There is no Gaelic provision on Dundee City Council’s website</td>
<td>We will ensure that Gaelic begins to appear on our website, firstly by</td>
<td>March 2016</td>
<td>Chief Executive’s Department (Communications and Corporate)</td>
</tr>
<tr>
<td>Dundee City Council does not at present provide a Gaelic element to exhibition materials</td>
<td>On a new or replacement basis, we will make exhibition materials bi-lingual, based on high status and visibility and/or where there is a demonstrable connection between the subject matter and the Gaelic language</td>
<td>Over the lifetime of the plan</td>
<td>Chief Executive’s Department (Communications) Leisure and Culture Dundee</td>
</tr>
<tr>
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</tr>
<tr>
<td>Dundee City Council does not have an identified member of staff to deal with public relations/ media in Gaelic</td>
<td>Our press officers will be given assistance as required to deal with press releases or media contacts involving the use of Gaelic</td>
<td>Over the lifetime of the plan</td>
<td>Chief Executive’s Department (Communications)</td>
</tr>
</tbody>
</table>
2.4 Staffing

Dundee City Council recognises the importance of seeing Gaelic as a job skill and of identifying situations in which its use is essential or desirable. The Council also recognises the importance of enabling staff to develop their Gaelic skills if they wish to do so.

In order to deliver services through the medium of Gaelic, it is necessary to develop the requisite job skills and language skills of staff. The provision of language learning for staff helps promote adult learning and promotes Gaelic as a useful skill in the workplace. The identification of jobs in which Gaelic is a designated skill will contribute greatly to the status of the language and to identifying it as a positive skill to acquire.

The use of Gaelic in advertising also helps recognise that the language should be used in public life and that Gaelic users have an important role to play within a public authority.

<table>
<thead>
<tr>
<th>Current Practice</th>
<th>Actions</th>
<th>Target</th>
<th>Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dundee City Council does not currently have information regarding levels of Gaelic language skills among staff</td>
<td>We will carry out an audit of staff's Gaelic language skills and interest in training within the first year of this plan and will repeat the audit before the plan is due for review. Training will be prioritised on the basis of the audit and the implementation of this plan.</td>
<td>March 2016 repeated by March 2019</td>
<td>Corporate Services Department (Human Resources)</td>
</tr>
<tr>
<td>Dundee City Council does not currently offer Gaelic awareness training opportunities for staff</td>
<td>We will offer Gaelic awareness training to elected members and senior staff, rolling this out to all staff on an incremental basis We will introduce a Gaelic page on the Council's intranet with a link to this plan and some common words and phrases in Gaelic, with sound files giving pronunciations for those staff who can access these</td>
<td>March 2016</td>
<td>Chief Executive's Department (Corporate)</td>
</tr>
<tr>
<td>Dundee City Council does not currently offer an active offer of Gaelic language</td>
<td>We will make an active offer of Gaelic language</td>
<td>Over the lifetime of the plan</td>
<td>Corporate Services Department (Human Resources)</td>
</tr>
<tr>
<td><strong>Language learning opportunities for staff</strong></td>
<td><strong>Learning opportunities to staff as part of the Council's personal development plan programme</strong></td>
<td><strong>Dundee City Council does not make provision at present for the use of Gaelic in advertising and recruiting for staff</strong></td>
<td><strong>We will develop a policy regarding Gaelic essential and desirable posts. If Gaelic is identified as essential or desirable, the advertisement and recruitment documentation will be bi-lingual</strong></td>
</tr>
</tbody>
</table>
Chapter 3 – Supporting the National Gaelic Language Plan

The National Gaelic Language Plan identifies the following interlinking aspects of language development which need to be addressed within Gaelic Language Plans:

1. **Language Acquisition**
   
   Increasing the number of Gaelic speakers by ensuring the language is transferred within families and by securing effective opportunities for learning Gaelic.

2. **Language Usage**

   Encouraging greater use of Gaelic, providing opportunities to use the language, and promoting access to Gaelic forms of expression.

3. **Language Status**

   Increasing the visibility and audibility of Gaelic, enhancing its recognition and creating a positive image for Gaelic in Scottish public life.

4. **Language Corpus**

   Strengthening the relevance and consistency of Gaelic and promoting research into the language.

`Dundee City Council will contribute to the achievement of the objectives of the National Plan, through implementation of this Gaelic Language Plan and where opportunities arise to promote the language through other strategies and policies.

In particular, the Council has identified the following areas for development:

- provide information to parents and investigate the feasibility of providing Gaelic medium early years services and Medium Education, taking into account the legislation and guidance provided on this by Bòrd na Gàidhlig
- work with Gaelic interest groups and adult education organisations to identify and promote provision to adult Gaelic learners and consider how to address any gaps if there is significant demand
- increase the visibility and recognition of Gaelic
- increase the availability of key information bilingually

Dundee City Council is committed to supporting the implementation of the National Plan and to working in partnership with the Gaelic community. In the sections below, we set out how we will contribute to each of the four interlinking aspects of language development.

3.1 **Language Acquisition**

Dundee City Council recognises that a sustainable future for Gaelic requires more people to learn the language and that attention requires to be focused on education and adult learning as the key means of achieving this. We will take the steps outlined below to help create a supportive environment for growing the number of Gaelic speakers in Scotland. In addition, we will follow up the recommendations made by Bord na Gaidhlig that the Council should:
- consider approaching the GLPS consortium about the possibility of information and access to training for staff
- establish links with Angus Council regarding delivery of GME at primary school

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<tr>
<th>Objective</th>
<th>Actions</th>
<th>Target</th>
<th>Lead</th>
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<tbody>
<tr>
<td>Gaelic in Education</td>
<td>Provide staff development opportunities for teachers to develop Gaelic language skills for use in the classroom setting</td>
<td>Over the lifetime of the plan</td>
<td>Children and Families Department</td>
</tr>
<tr>
<td></td>
<td>Following the provision of information to parents, consider the feasibility of providing Gaelic medium early years provision and Gaelic medium education</td>
<td>Over the lifetime of the plan</td>
<td>Children and Families Department</td>
</tr>
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<td></td>
<td>Provide Gaelic awareness learning opportunities for 3-18 year old school pupils</td>
<td>Over the lifetime of the plan</td>
<td>Children and Families Department</td>
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<td></td>
<td>Recognise that Gaelic could be one of the languages included in the 1+2 model for the learning and teaching of languages being introduced by the Scottish Government, and consider the feasibility of providing for this subject to demand and relevant staff expertise</td>
<td>Over the lifetime of the plan (but noting that the completion date for the 1 + 2 model is 2020)</td>
<td>Children and Families Department</td>
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<tr>
<td></td>
<td>Promote Gaelic song and traditional music through cultural activities in schools</td>
<td>Over the lifetime of the plan</td>
<td>Children and Families Department</td>
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</table>
Gaelic in Adult Learning  | Work with Gaelic interest groups and other adult education organisations to identify, promote and deliver Gaelic learning opportunities if there is significant demand  | March 2016  | Neighbourhood Services Department (Communities)

Provide capacity-building support to existing and new Gaelic language and cultural community groups and initiatives to help grow the profile of the language, increase new usage and encourage new learners  | Over the lifetime of the plan  | Neighbourhood Services Department (Communities)

3.2 Language Usage

Dundee City Council recognises that creating a sustainable future for Gaelic requires not only increasing the number of people able to speak the language but increasing actual usage. Our commitment to demonstrating equal respect for Gaelic and English will be shown where the languages appear in websites and information on events, exhibitions and programmes for cultural facilities, and Gaelic will be mainstreamed as part of the Council’s community and leisure programmes, in partnership with Leisure and Culture Dundee where appropriate. We will take the following steps:

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<tr>
<th>Objective</th>
<th>Actions</th>
<th>Target</th>
<th>Lead</th>
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<tbody>
<tr>
<td>Gaelic in Communities</td>
<td>Support local Gaelic organisations to provide and develop Gaelic language and culture, by advising and helping organisations to grow and meet the needs of the community and actively promoting liberal adult education learning</td>
<td>Over the lifetime of the plan</td>
<td>Neighbourhood Services Department (Communities)</td>
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</table>

<p>| Gaelic in the Workplace  | Develop a policy regarding Gaelic essential and desirable posts and provide Gaelic job  | Commencing by the end of year two of the plan  | Chief Executive’s Department (Communications) |</p>
<table>
<thead>
<tr>
<th>Gaelic in the Arts</th>
<th>Review and develop the use of Gaelic song and traditional music in schools</th>
<th>Over the lifetime of the plan</th>
<th>Children and Families Department</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Ensure Gaelic organisations are linked into the city's cultural networks and involved in the development and delivery of appropriate strategies and programmes</td>
<td>Over the lifetime of the plan</td>
<td>Funded partners funded partners (including Leisure and Culture Dundee)</td>
</tr>
<tr>
<td></td>
<td>Work in partnership with Gaelic community in the area, with Gaelic organisations that work at a national level and with other public authorities that have Gaelic Language Plans to create a programme of Gaelic events for adults</td>
<td>Over the lifetime of the plan</td>
<td>Funded partners (including Leisure and Culture Dundee)</td>
</tr>
<tr>
<td></td>
<td>Increase the use of Gaelic in information for appropriate events and exhibitions</td>
<td>Over the lifetime of the plan</td>
<td>All departments</td>
</tr>
</tbody>
</table>
Gaelic in Tourism, Heritage and Recreation

Work with our partners who manage libraries, museums, heritage facilities etc to feature Gaelic in their provision and programmes

Encourage Leisure and Culture Dundee to continue to purchase books in Gaelic and on Gaelic learning for the city's libraries

Work with Dundee Highland Society and Dundee and Angus Convention Bureau on a bid to host the National Mod in Dundee in 2021 or soon after

Funded partners (including Leisure and Culture Dundee)

Leisure and Culture Dundee

December 2016

Chief Executive’s Department (Corporate), Dundee Highland Society and Dundee and Angus Convention Bureau

3.3 Language Status

Dundee City Council recognises that the status of a language is affected by its presence in the daily environment and the extent to which it is used, valued and perceived to be valued by institutions which play an important role in our daily lives. We will take the following steps:

<table>
<thead>
<tr>
<th>Objective</th>
<th>Actions</th>
<th>Target</th>
<th>Lead</th>
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<tbody>
<tr>
<td>Increase the visibility of Gaelic</td>
<td>On a renewal or replacement basis to ensure nil or minimal cost, provide bi-lingual signage at high profile locations (e.g. prominent buildings and entry points to the city, but not including street name signs)</td>
<td>Over the lifetime of the plan</td>
<td>Chief Executive's Department (Communications) and City Development Department (Transportation)</td>
</tr>
</tbody>
</table>

3.4 Language Corpus

Dundee City Council recognises the need to strengthen the relevance and consistency of Gaelic and the importance of good quality translation services. We will take the following steps:
<table>
<thead>
<tr>
<th>Objective</th>
<th>Actions</th>
<th>Target</th>
<th>Lead</th>
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<tbody>
<tr>
<td>Ensure accurate Gaelic translation and interpretation</td>
<td>When translating Council information or providing interpreters, Dundee City Council will use translators and interpreters with a proven track record and ensure that quality assurance measures are in place. Dundee City Council will adhere to Gaelic orthographic conventions and utilise the services of Ainmean-Àite na h-Alba for guidance on Gaelic place names.</td>
<td>Over the lifetime of the plan</td>
<td>Chief Executive’s Department (Communications) Neighbourhood Services Department (Communities)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Over the lifetime of the plan</td>
<td>All departments</td>
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Chapter 4 – Publicising, Implementing and Monitoring the Plan

Dundee City Council’s Gaelic Language Plan will be published bi-lingually on the Council’s website, demonstrating equal respect for Gaelic and English. In addition we will:

- make copies of the plan available in our public offices, reception areas and libraries
- make the plan known to employees via Dundee City Council’s Intranet and ‘all staff’ messages
- distribute copies of the plan to partners and other interested bodies
- issue a high profile bilingual press release containing information on the plan
- make copies available on request

The Plan has been agreed by Council members and the senior management team. The Chief Executive will be responsible for ensuring that the Council delivers on the commitments set out in the Plan. These will largely be met from existing budgets, although the Council will also actively seek external funding opportunities to enhance delivery of the objectives in the Plan.

We will monitor progress on the Plan by submitting an annual report to Bòrd na Gàidhlig and the Council and we will carry out a full review, including public consultation and in conjunction with Bòrd na Gàidhlig, within 5 years of the date on which this Plan was approved.

Contact Details

The officer with overall responsibility for delivery and monitoring of Dundee City Council’s Gaelic Language Plan is:

David R Martin
Chief Executive
Dundee City Council
21 City Square
Dundee
DD1 3BY

01382 434201
david.martin@dundeecity.gov.uk

Queries about the preparation and day-to-day operation of the Plan should be addressed to:

Bill Findlay
Corporate Planning Officer
Dundee City Council
21 City Square
DUNDEE
DD1 3BY

01382 434094
bill.findlay@dundeecity.gov.uk
1. PURPOSE OF REPORT

   To report to members on the outcome of the independent review of the construction project for the V&A and to recommend actions in response to the review.

2. RECOMMENDATIONS

   It is recommended that members:

   - consider the conclusions and recommendations in John McClelland’s review of the construction project for the V&A Museum of Design Dundee;
   - accept the recommendations in the review and authorise the Chief Executive to implement them;
   - note that comprehensive reports will be submitted to the Policy and Resources Committee at key stages of the construction project through to practical completion;
   - agree that the Council provides copies of the review report to partner organisations, funders and Audit Scotland for their interest.

3. FINANCIAL IMPLICATIONS

   The cost of additional professional resources will be met from existing revenue budgets and the Council’s approved capital plans.

4. BACKGROUND

   4.1 At the meeting of the Policy and Resources Committee on 26 January 2015, members agreed to commission the procurement expert, John McClelland CBE, to carry out an independent review of the construction project for the V&A Museum of Design Dundee. The key focus of the review was to examine the reasons for a significant increase in the estimated construction costs of the project. Mr McClelland was asked to identify any lessons learned from the development of the V&A, from initial concept through to letting of a building contract, and to make any recommendations he felt appropriate to ensure the successful delivery of this iconic building.

   4.2 In conducting his work, Mr McClelland interviewed many key stakeholders, partners, consultants, technical professionals and interested parties. He has also undertaken extensive desk research, document checks and file reviews in reaching his conclusions and recommendations for the Council.

   4.3 In summary, the review has concluded that the international benchmarking approach which formed the basis of the original project cost estimates was not sufficiently robust to address the unique challenges associated with Kengo Kuma’s iconic winning design for the V&A in Dundee. As the detailed design process moved forward, it became apparent that the technical requirements and construction method involved would place real pressure on the budget. In response, the project partners worked hard to refine and amend the proposals and succeeded in reducing the likely out-turn cost of the V&A by some £16.3 million prior to tender.
4.4 The process of competitive tendering for the project allowed further clarification of the costs involved, but did not achieve a material reduction in price. A preferred bidder was appointed, and following Committee approval to proceed, a final fixed price contract of £60.8 million for the building was agreed with BAM Construction in February 2015. Work on the V&A began on site in March and is currently on time and on budget.

4.5 In terms of corporate governance arrangements, Mr McClelland’s review concludes that more frequent direct reporting on the V&A to members would have been helpful, following the Council’s adoption of the construction element of the project in June 2011. Although a partnership joint venture, the Council carries a significant element of the risks involved in this transformational investment in the city and it is important that scrutiny and assurance arrangements are effective. Since January 2015, a Project Board has been established and regular progress reports will be submitted to the Policy and Resources Committee at key stages in the development.

4.6 The review of the project also makes a number of recommendations in relation to additional professional resourcing of the V&A project, the need for early finalisation of a Development Agreement between the City Council and DDL Ltd and a reconfirmation of the Furniture, Fittings and Equipment budget for the project. More generally, Mr McClelland recommends improved record keeping and improved due diligence on the cost of major projects prior to formal contractual arrangements being finalised.

4.7 Since January 2015, steps have been taken to further develop and improve the governance, monitoring, communication and project management arrangements for the V&A project. A Project Board is in place, supported by an officer group of senior professionals. In light of Mr McClelland’s review, steps will be taken to provide additional cost and project management expertise to support the Board. Work has progressed in finalising a detailed Development Agreement between the City Council and DDL Ltd, and this will be completed in the near future. The interface between the main building contract and the provision for Furniture, Fittings and Equipment is being taken forward by a single project manager, with cost and quality control being a key focus.

5. POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality and Impact Assessment and Risk Management. There are no issues in this regard to report on.

6. CONSULTATIONS

The Executive Director of Corporate Services and the Head of Democratic and Legal Services have been consulted in the preparation of this report.

7. BACKGROUND PAPERS

None.

David R Martin
Chief Executive .................................................. 14/08/2015
Appendix 1

Review of the Construction Project for the Victoria and Albert Museum of Design
July 2015

John F. McClelland C.B.E.
27th July 2015
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1. Background
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3. The Project and its Stakeholders
4. Chronology and Key Dates
5. Commentary
6. Analysis and Conclusions - Increase in Budget
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   6.2 Budget Setting
   6.3 The Competition Brief and Architect Selection
   6.4 The Winning Design and its Cost
   6.5 Programme Delays
   6.6 Inflation
   6.7 Impact of Construction Industry Competition
   6.8 Contingencies
   6.9 Furniture, Fittings and Equipment
   6.10 Summary of Analysis of Increases in Budget
7. Analysis and Conclusions - Procedures and Governance
8. Summary and Recommendations
1. **BACKGROUND**

1.1 On 26th January 2015 the intention was announced to proceed with the building project to house Dundee’s Victoria and Albert Museum of Design. This venture is expected to be of significant importance to the future of the City of Dundee and advantageous to its citizens and businesses for generations to come. A notable increase in the number of visitors to Dundee and Scotland is just one facet of the commercial activity it is expected to generate. In addition its focus on “design” is planned to enhance learning, promote entrepreneurial initiatives and add outstanding cultural and social benefits for Scotland and Dundee.

1.2 At the same time it was also noted that the planned cost of this project had increased by £31.1 million since its formalisation in 2011.

1.3 Having, along with the project partners, raised additional funding to continue with the project, Dundee City Council decided that an independent review should be conducted to ascertain and communicate the reasons for the increase in the budgeted cost.

2. **REMIT FOR THE REVIEW AND METHODOLOGY**

2.1 The terms and content of the review commissioned by Dundee City Council are:

To report to the Policy and Resources Committee:

1. On the reasons why the project costs increased between 2011 and 2015 from a plan of £49 million to a new pre-construction budget level of £80.1 million.

   (It should be noted that the originally planned value included a £4 million contribution from the general Waterfront Budget for site creation so, in arriving at a comparable base for analysis of the budget differences, this sum is added to the intended building cost of £45 million).

2. To advise the Committee on any further steps the Council ought to take to ensure that the V & A Museum of Design Dundee is delivered in the timescale and to the budget which the Committee agreed on 26th January 2015.

3. To make any recommendations to the Council regarding any further actions which should be taken in relation to the governance and monitoring of this and future major capital projects.

2.2 The methodology undertaken incorporated a detailed review of hundreds of documents associated with the construction element of the project and also the governance and oversight exercised by Design Dundee Limited and Dundee City Council.

2.3 It was supplemented by fact finding interviews with individuals occupying key positions either within the project or within organisations having a responsibility for or interest in the project.
3. **THE PROJECT AND ITS STAKEHOLDERS**

3.1 The initial concept of having a Victoria and Albert (V&A) Museum of Design in Dundee originated from discussions conducted as early as 2007 between officials from The University of Dundee and representatives of the Victoria and Albert Museum.

3.2 Realisation of the potential opportunities this might bring to Dundee and Scotland was reflected in a widening of the group of interested parties, with Scottish Enterprise, Dundee City Council and Abertay University all becoming involved and expressing support.

3.3 A Steering Group was set up in 2008 and met regularly to pursue development of the concept and create the foundations of a plan to realise the ambition.

3.4 The partners within the Steering Group engaged consultants to assist in the development of the project and, later within that arrangement, a firm of chartered surveyors provided technical support including estimates of likely construction costs for the building.

3.5 This work was set in an international context and laid out comparisons of the cost of similar projects in the UK and further afield. The benchmarking process was finalised in late 2009.

3.6 Based on the consultant’s analysis, and the level of local and wider support, the Design Dundee Company Limited (a registered charity) was formed. Its first board meeting took place in January 2010. Its membership and shareholding was made up of the University of Dundee, Scottish Enterprise, Dundee City Council, Abertay University and the V&A Museum.

3.7 At an early stage financial support was sought and obtained from the Scottish Government, other public organisations and private parties interested in contributing to this undertaking.

4. **CHRONOLOGY AND KEY DATES**

4.1 This is an extract of the timeline including identification of key dates associated with events and decisions influencing the project:

- **March 2008:** V&A Steering Group formed to develop the project and its business case. Initial funding included support from the Scottish Government.
- **November 2009:** Dundee City Council’s Policy and Resources Committee agrees to contribute £30,000 to a general fund to accelerate the V&A’s project development.
- **January 2010:** Formation of Design Dundee Company Limited (DDL) and its first Board Meeting.
- **February 2010:** Official Journal of the European Union (OJEU) Notice issued For the Design Competition.
- **May 2010:** Development of a V&A Site Formation Feasibility Study which described in detail the considerations and costs associated with positioning the building partially or completely offshore.
May 2010: Documentation of estimated cost of the project based on the 2009 benchmarked comparison of the cost of similar developments.

May 2010: Publication of DDL’s first Business Plan

June 2010: Brief for the Architectural Competition issued to six Architect led design teams.

August 2010: Submission of Architectural Design bids including statements of construction costs.

September 2010: Firm of surveyors prepare an independent summation of the Architect’s fees and construction costs.

October 2010: DDL’s Architectural Competition Judging Panel evaluates bids and recommends winning architect.

November 2010: DDL Board Meeting endorses appointment of winning architect.

March 2011: DDL constitutes its Building Sub-Committee and supporting Building Group.

April 2011: Independent external Project Managers appointed by DDL.

June 2011: City of Dundee Council’s Policy and Resources Committee endorses the Council’s adoption of the construction element of the project from DDL and its partners and agrees the budget for the building’s construction of £45 million. This value excluded a separately agreed £4 million allowance for site creation from the overall Waterfront Project.

July 2011: DDL appoint a full-time permanent Director to lead the overall project.

October 2011: Architect’s Design Team issues Cost Plan 1 based on Stage D.

December 2011: Architect’s Design Team issues Cost Plan 2 based on Stage D.


December 2011: On 12th December Dundee City Council’s City Development Committee notes the appointment of a contractor to conduct site investigation work.

January 2012: Independent Cost Managers issue Commercial Review of Cost Plan 2 based on Stage D.

January 2012: First meeting of DDL’s newly constituted Audit and Risk Committee.

March 2012: Architect’s Design Team issues Cost Plan 3 based on Stage D.

March 2012: Independent Cost Managers issue Commercial Review of Cost Plan 3 based on Stage D.

April 2012: DDL’s Building Sub-Committee approve Stage D status for the project.

September 2012: Architect’s Design Team issues Cost Plan 4 based on Stage E.

September 2012: First Planning Application approved by the Council’s Development Management Committee on 17th September.


February 2013: Architect’s Design Team issues Cost Plan 5 based on Stage E.


March 2013: DDL’s Building Sub-Committee approve Stage E status for the project.

May 2013: Dundee City Council’s Policy and Resources Committee notes that contractor appointed to conduct supplementary ground investigation.

August 2013: Revised Planning Application approved by the Council’s Development Management Committee on 12th August.

December 2013: Construction Invitations to Tender under OJEU issued on 18th December.

February 2014: Architect’s Design Team issues Pre-Tender Cost Estimate showing construction cost predicted to be £6 million over plan.


April 2014: Construction Tenders submitted to Dundee City Council on 22nd April.

April 2014: Third Cost Reduction Action initiated.

May 2014: Architect’s Design Team issues Commentary on Initial Tender.

June 2014: Scottish Government Gateway Review.

September 2014: Council’s Policy and Resources Committee advised that BAM Construction is recommended contractor.

January 2015: Report on 26th January to the Council’s Policy and Resources Committee that the construction element of the project was £31.1 million over plan. Request for approval to proceed with a revised budget of £80.1 million granted.

March 2015: Work begins on site.

December 2017: Planned completion of construction.

5. **COMMENTARY**

5.1 Amongst a multiplicity of activities, events and decisions over seven years there were some that had a special significance and impact on the budget outcome. This commentary focuses primarily on those.

5.2 Following the creation of DDL in January 2010 one of the earliest key decisions was related to the interpretation of the Chartered Surveyor’s document dated 31st May 2010. This was based on benchmarking conducted in 2009. It set out an estimate of the potential construction cost of the project. It was based on comparisons covering ten buildings of similar purpose from the UK and around the world. The comparison included The Tate Modern, the Museum of Scotland and Glasgow’s Riverside Museum.

5.3 The factor used in translating and comparing these buildings was £cost per square metre (£ psm) and this showed the average cost across the buildings to be £4,830 psm. Within this the Glasgow Riverfront Museum (completed in 2011) was positioned at £6,700 psm and the Museum of Scotland (completed 1998) was priced at £6,200 psm.
5.4 The value selected as a target for the Dundee Museum of Design was £4,500 psm. With a size of 6,000 square metres of gross inside area this resulted in an estimated building cost of £27 million.

5.5 This £4500 psm assumption (33% below Glasgow’s Riverside Museum and 27% below the Museum of Scotland) was deliberately set at this lower level.

5.6 The rationale developed by officials at the Steering Group was that the building in Dundee should not be in the “elite” category, such as a number of the others in the comparison, but that the target should seek to obtain a quality building at a middle range price.

5.7 Also in May 2010 a Site Formation Feasibility Study was released. This was an extensive document, rich in technical detail, analysis and conclusions. It also included estimated costs for different methods for creating a site for the building that would be either partially or totally offshore. This document pointed out that the cost of creating the site could consume as much as one third of the £4500 psm being budgeted for the complete building.

5.8 DDL’s first Business Plan was an extensive document and included detailed information on the overall project including an analysis of the total cost of £45 million. This included £27 million for the building before adding inflation of £1.55 million and a £4 million contribution from the Waterfront Project for site creation. It also outlined its ambitions for the building and this was carried, as described below, into the Competition Brief.

5.9 On June 21st 2010 the Competition Brief was issued to 6 short-listed architects. The brief required a high quality design that reflected the building’s use as a national design centre and having the highest regard for excellence and sustainability. Described as a cornerstone of the Dundee waterfront development, the building was expected to become “an attractor for the city, region and the country as a whole”.

5.10 The building was intended to have 4,400 square metres of identified spaces within a gross internal area of 6,000 square metres.

5.11 Included in criteria designated as mandatory was the requirement that the cost of any submitted design for the building should not exceed the £27 million ceiling referred to above.

5.12 This excluded inflation and furniture and fittings. The value of future inflation for the building was provided to all applicants in the brief at a level of £1.55 million.

5.13 Entrants had the option to propose a design located wholly or partially offshore. In recognition of this option the brief also offered advice on several potential methods of this being done. It covered the detail of different construction approaches such as a pier structure, landfill solution or a combination of both. It emphasised that it was the responsibility of the bidding Architect to decide on which site construction approach to adopt for their architectural proposal. The brief also highlighted the implications of different approaches and their technical factors. Each architect was provided with the Site Formation Feasibility Study referred to above which provided invaluable technical detail, estimated costs, and other information that allowed bidders to be well informed about this aspect of site formation so that their proposals could clearly recognise its importance when formulating their bids and costing their designs.
5.14 The brief also stressed that the cost of the site solution was being supported by a contribution from the Dundee Waterfront Project but only up to a maximum of £4 million and that site creation costs in excess of that amount must be met from within the budgeted cost of £27 million for the building.

5.15 In August 2010 the six short-listed architects submitted bids to be appointed to the project. This list had been selected from an earlier process within which 122 Stage 1 architectural submissions were vetted down to 49 and then to a short list of 6 asked to provide a Stage 2 submission.

5.16 The bids varied in their nature and physical profile and in dealing with the issue of being partially or completely offshore. As might be expected they also varied widely in technical design. However in terms of appearance a number of them could have been, and later were, described as “stunning”.

5.17 The winning design offered a building that was completely offshore and which with a gross inside area of 6,712 square metres (per the winning bid) exceeded the Competition Brief’s requirement by 12%.

5.18 This winning bid incorporated an elemental cost analysis totalling £26.979 million. Within this estimate it showed cost for Substructure including site formation of £2 million thus confirming that, together with the £4 million pounds being provided by the Waterfront Project, the total Substructure cost including site formation would be £6 million.

5.19 However in this submission the largest single element within the total cost was for its Superstructure which included the facade and external walls. At £13m this represented 48% of the £26.979 million. This Architect’s estimate plus the site creation allowance of £4 million together with the inflation assumption of £1.555 million led to a total building cost of £32.529 million for the winning proposal.

5.20 Evaluation of the bids was the responsibility of a Judging Panel appointed by DDL and made up of members of the DDL Board together with other experts.

5.21 The criteria for selection of the winning proposal were set out in the Competition Brief as follows.

- Demonstration of ability to adhere to target Construction Cost (only submissions which achieve this requirement will be considered further)
- Architectural, functional and technical responses to the wishes and requirements set out in the Competition Brief (weight 80%).
- Fee proposal, based on a percentage rate, for the full range of design and other services provided by each team (weight 20%).

5.22 The Brief went on to state that, when assessing the entries, the jury will first assess the estimated construction costs, then the architectural, functional and technical responses and then, finally, the fee required in the form of a percentage rate on construction costs will be considered. The Brief also stated that each short listed team will be given an opportunity to present its proposals to the Panel.
The Panel of Jurors was supported in its work by another firm of Chartered Surveyors which summated the bids and provided commentary on the architect’s fees and construction issues and also a table of information comparing the elements of the construction cost from each of the architects. The firm noted in making their submissions that each of the architect’s estimates had outlined “that they can do the project within the budget”. This commission was for a very short piece of work and did not include any detailed analysis or investigation of the construction costs within any of the six bids.

Their written input did however note, in the case of the preferred submission, a concern about the cost of the Superstructure including external walls and recommended that the winning architects be questioned on whether “they could build the remainder of the design within the balance of their committed cost”.

There was also a reference by the surveyors to concern about offshore deck works and temporary protection works during construction.

Despite the Competition Brief’s and the Site Formation Feasibility Study’s strong emphasis on the offshore aspect of the project, there is no evidence of special focus on the cost of this feature during the Panel’s work.

The brief notes of the Panel’s meeting on 30th October 2010 in commenting on the winning bid recorded outstanding concerns over “materials and details” but noted that this aspect “would need further work during the design’s development”.

However there is no detailed record of papers or information presented to the Panel’s members to support their decision making. Nor is there a unique record of the interviews conducted with each of the six bidding architects. DDL’s Board endorsed the Panel’s recommendation at its November meeting.

On 28th March 2011 the winning Architect and associated Design Team was appointed to the project.

In that same month DDL formed a Building Sub-Committee (and a supporting Building Group) to oversee the building element of the overall concept. This work and responsibility up until then had been handled by a Delivery Group.

In support of this in April 2011 DDL appointed another new firm of Chartered Surveyors to act as Project Managers for the construction project.

In June 2011 the Architect’s Design Team published a Stage C cost estimate. This showed a total building cost of £32.550 million. Details within the estimate were very close line by line and in total to the estimate issued ten months earlier at the time of the Architectural Competition and included the same value for construction inflation (£1.55 million) as provided in the Competition Brief.

On 13th June 2011 Dundee City Council’s Policy and Resources Committee approved the adoption of the construction project from DDL into the legal responsibility of the Council.
5.34 The budget approved at that meeting was £45 million, not including the agreed £4 million from the Waterfront Budget. No further details on the cost were provided to the Committee. The sources of funding were shown as being £15 million each from The Scottish Government; Lottery Fund/EU; and private funding. At the same meeting it was agreed that there would be a Development Agreement between the Council and DDL regulating the way in which the relationship between the Council and DDL would work.

5.35 In July 2011 DDL appointed a full time permanent Director replacing a part-time Project Manager.

5.36 In October 2011 the Architect’s Design Team submitted Cost Plan 1 based on Stage D. This showed a building cost of £33.241 million versus the £32.528 million in the Competition Bid.

5.37 At the end of the same month Dundee City Council’s Policy and Resources Committee agreed that the Council should adopt and contract directly with the external Project Managers referred to above. In December that contract was extended to include independent “on call” cost management services for the building.

5.38 Just two months after Cost Plan 1, in December 2011, the Architect’s Design Team released Cost Plan 2 also based on Stage D. This showed a building cost of £39.927 million i.e. £7.4 million over the Competition Bid. Within this the superstructure cost (including external walls) had moved up to just under £16 million compared to £13 million in the bid and the costs of the Substructure, including site formation costs, were at £6.7 million compared to £6 million in the bid. Also the value for Preliminary Works had increased by £2 million from the bid’s £2.8 million to £4.8 million in this latest estimate.

5.39 Over and above this the cost of inflation, which had not been recalculated by the Design Team since the original bid, was now increased from £1.55 million to £3.20 million.

5.40 Shortly after this, the recently appointed independent Cost Managers issued their first Commercial Review. This report on Cost Plan 2 pointed out that the Architect’s Design Team’s estimates were based on a design which had not yet reached Stage D and indicated the view that the increased costs within the estimate were still understated by £2.5 million. It also referred to its own benchmarking of the project expressing the opinion that, given the building’s substructure and facade design, a much higher value in terms of cost per square metre might be expected compared to the original plan.

5.41 As a result of the significant increase in Cost Plan 2 the first value engineering action plan was embarked upon. One of the remedial actions agreed as a result of this plan represented a “client compromise” on the specifications contained within the competition winning design. This was agreement to reduce the height of the building by 2 metres. This reduced the scale of the facade and, as a result, savings of £2 million were made in the cost of the Superstructure (including external walls). Together with other items, including a downward revision in Substructure costs, it meant that in March 2012 the Design Team’s Cost Plan 3 based on the final version of Stage D showed a building cost of £34.739 million.
5.42 However, when the independent Cost Managers issued their commercial review of this Cost Plan 3 their view was that the values shown in the Design Team’s estimates were still understated by £3.6 million. They also expressed the view that the design, although improved, had still not reached Stage D. Finally they commented on the fact that the construction programme had increased from 114 weeks to 130 weeks.

5.43 In April 2012 the Building Sub-Committee approved the project as having achieved Stage D.

5.44 On 17th September 2012 the Council’s Development Management Committee approved the planning application for the building.

5.45 In September 2012, in Cost Plan 4 based on Stage E, the cost of Substructure, which had remained largely unchanged since the Competition Bid, escalated to £9.2 million more than the Architectural Competition bid and £7.5 million more than the previous Cost Plan 3 level of March 2012.

5.46 At the same time in this estimate the Superstructure cost - which had been reduced from £16 million in Cost Plan 2 (December 2011) to £12.7 million in Cost Plan 3 (March 2012) by value engineering actions, including the reduction in the building’s height moved back up again to £17.5 million.

5.47 The consequence of this and other increases was that Cost Plan 4 showed a building cost of £46.5 million which was £14.5 million (53%) over the Architectural Competition bid. This was despite absorbing the earlier savings through “client compromise” in reducing the height of the winning design which had contributed £2 million.

5.48 Without this the cost at that point in time would have been sitting at least £16.5 million (61%) over the Architectural Competition bid.

5.49 Another value engineering cost reduction action plan was embarked upon.

5.50 In December 2012 the independent Cost Managers issued their Commercial Review of Cost Plan 4. This incorporated the latest plan for value engineering aimed at reducing the building’s cost by nearly £12 million. It also focused on the level of market testing where many specialist contractors had declined to become involved. Indicating a concern specifically about the raking wall and facade, it highlighted both of these as continuing risks. Finally it summarised by saying “until the project is tendered on a competitive basis a true reflection of the market place cannot be obtained”.

5.51 As part of this second cost reduction plan there was further “client compromise” in accepting a reduction in the height of the building by another 1.5 metres, saving £1.5 million.

5.52 However the major compromise on the part of the client was to give up a key feature of the Competition Brief and the Architect’s design concept which was to build offshore. By relocating the building substantially onshore £8.5 million was saved.

5.53 As a result, and after execution of this redesign together with approval of a revised planning application, the Architect’s Design Team issued a Stage E Cost Plan 5 dated February 2013. This showed an updated cost of £34.060 million (including inflation) which was just £2 million over the level of the Architectural Competition bid.
In March 2013 the independent Cost Managers published their Commercial Review of Cost Plan 5. This summarised the savings targeted between Cost Plan 4 and Cost Plan 5 at £11.7 million.

On 13th November 2013 the independent Cost Managers produced a report for Dundee City Council reviewing the project to date. In this they confirmed their earlier concerns that the Architect’s original cost estimates had been “excessively optimistic”.

In December 2013 Invitation to Tender documents were issued to four contractors. This followed an OJEU process during which five contractors reached the PQQ stage at which one was eliminated.

Two months after the initiation of the tender process, in February 2014, the Architect’s Design Team presented a Pre-Tender Cost Estimate. Including inflation and adjusted for other items this showed a cost of £41 million compared to the Architectural Competition bid and Budget of £32.5 million and Cost Plan 5 of £34.1 million also including inflation.

On 22nd April 2014 only two of the four tenders originally anticipated were submitted as the other two candidate construction companies withdrew. Both tenders offered construction prices in excess of the Architect’s Design Team’s estimates. However, although individual sub-elements of cost differed between the bids, the overall totals were reasonably close to each other.

The independent Cost Managers were not requested to produce a report on the submitted tenders.

In June 2014 a Scottish Government Gateway Review 3 was conducted. The review expressed concerns about the need for additional skilled project management and the absence of integrated planning. It also highlighted ambiguity of responsibility for governance between DDL and Dundee City Council and a concern that responsibility and authority might not sit in one place.

Dundee City Council on 27th June 2014 switched the procurement process to a negotiated procedure with both contractors still involved.

Subsequent to this, further cost reduction work was embarked upon and a number of potential actions considered. One of these was to further reposition the building to eliminate its overhang of the water. This would have saved approximately £6 million. However the Building Sub-Committee proposed to the DDL Board that this action should not be pursued as it would have seriously compromised the aesthetics of the building as seen both from the landside and the water.

On 8th September 2014 the Council’s Policy and Resources Committee endorsed BAM as the recommended contractor. The BAM tender price was not included in the paper submitted to the Committee.

Negotiations and revisions to the tender price continued and finally, on 26th January 2015, the project was re-approved by the Council’s Policy and Resources Committee including a new budget of £80.1 million. This included a building contract cost of £60.8 million.
6. ANALYSIS AND CONCLUSIONS – INCREASE IN BUDGET

6.1 OVERVIEW

6.1.1 This section of the report addresses the main reasons behind the £31 million increase in the budget from £49 million approved by the Policy and Resources Committee on 13th June 2011.

6.1.2 There is no original document recording the breakdown of the budget, but in March 2015 Council officials provided the following analysis (not including the contribution from the overall Waterfront Project)

<table>
<thead>
<tr>
<th>£ Million</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Cost</td>
<td>26,998,000</td>
</tr>
<tr>
<td>Furniture, Fittings &amp; Equipment</td>
<td>4,550,000</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>2,828,000</td>
</tr>
<tr>
<td>Inflation to Construction Cost</td>
<td>1,550,000</td>
</tr>
<tr>
<td>Inflation to F,F&amp;E</td>
<td>250,000</td>
</tr>
<tr>
<td>Other Related Costs</td>
<td>240,000</td>
</tr>
<tr>
<td>Client Contingency</td>
<td>8,584,000</td>
</tr>
<tr>
<td>TOTAL BUILDING BUDGET</td>
<td>45,000,000</td>
</tr>
</tbody>
</table>

6.1.3 To assist in the understanding of the changes from this original budget of June 2011 through to January 2015 the following comparison sets out a breakdown of the major elements of the budget. To ensure an effective comparison, the contribution of the £4 million from the wider Waterfront Project budget has been included in this original budget. Also the value of inflation planned for both the building project and furniture and fittings has been consolidated into the original budget value for each of these elements. This shows that the increase consists of: £28 million in building construction cost; £4.9 million for professional fees; and £1.8 million credit from reduced contingencies. The Furniture, Fittings and Equipment element of the budget at £4.8 million is unchanged at this time.

<table>
<thead>
<tr>
<th>£ Million</th>
<th>June 2011</th>
<th>January 2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Cost</td>
<td>32.8</td>
<td>60.8</td>
<td>+28.0</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>2.8</td>
<td>7.7</td>
<td>+ 4.9</td>
</tr>
<tr>
<td>Client Contingencies</td>
<td>8.6</td>
<td>6.8</td>
<td>- 1.8</td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td>4.8</td>
<td>4.8</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>49.0</td>
<td>80.1</td>
<td>+ 31.1</td>
</tr>
</tbody>
</table>

6.2 BUDGET SETTING

6.2.1 In explaining the overall increase in the budget it is important to consider how the budget was set. There are two areas where this is particularly relevant. The first of these is related to the interpretation and decision making within the budgeting process based on the benchmarking and cost estimates prepared by the firm of chartered surveyors in 2009.
6.2.2 Steering Group officials selected, and DDL subsequently adopted, a target cost per square metre of £4,500 for the V&A building budget which was just below the average cost of a number of similar projects and 33% less than Glasgow’s Riverside Museum. This was deliberately intended to lead to a building which was less aspirational than the “elite” category of some of the other projects in the 2009 comparison but was expected to deliver a high quality building at a middle of the range price.

6.2.3 The Competition Brief continued with this below average cost target although within its narrative it emphasised that the building itself should be an “attractor to the city, region and the country as a whole”.

6.2.4 As a separate issue it is also not clear how the selected cost of £4,500 psm would have been able to fully cope with the intent to have the building constructed fully or partially offshore.

6.2.5 The Brief stressed that there would be significant cost associated with building offshore and provided bidders with estimated costs for different solutions within the Site Feasibility Study attached to the Brief. This Study pointed out that up to one third of the £4,500 psm cost could be consumed by building offshore. Although it could be argued that provision for this was covered by the £4 million contribution from the Waterfront Budget, this turned out not to be the case.

CONCLUSION A:

There was a mismatch between the lower aspirations for the building’s design on which the £27 million budget was based and the elite level of the design implied in the competition brief and eventually selected by the Panel.

CONCLUSION B:

The target cost set for the building also incorporated the risk that the cost of having it offshore would be difficult to cover within the budget even after adding a £4 million contribution from the Waterfront Budget.

6.2.6 Professional Fees is the second category where the budget setting process created an issue. As shown at 6.1.3 above, the budget for professional fees was set at £2.8 million by Council officials. In doing this they provided only for the Architect’s Design Team fees and took no account of, nor therefore planned for, “other” professional fees.

6.2.7 Architect’s fees as at the revised budget phase in January 2015 have accumulated to £4.5 million. Although this sum includes unplanned additional payments to the architect, the design fees have not moved directly with the escalation in the cost of the building.

6.2.8 Now with “other” fees totalling £3.2 million, the new budget of £7.7 million shows an increase of £4.9 million compared to the detail of the plan behind the budget presented to and approved by the Policy and Resources Committee in June 2011.

6.2.9 This is made up of £1.7 million of additional architect’s fees and £3.2 million of “other” professional fees which should have been planned for.
6.3 THE COMPETITION BRIEF AND ARCHITECT SELECTION

6.3.1 The task of recommending the winning design fell to the Judging Panel. Although there are some brief meeting notes, there is not a complete and comprehensive record of the information provided to the panel or of the deliberations of the Panel. As a result it was not possible to validate if, when making their recommendation, the Architect’s ability to deliver the bids within target was fully demonstrated to the Panel as required by the Competition Brief.

6.3.2 In particular there may have been confusion about the depth of analysis conducted by the Chartered Surveyors on the six entrants’ costs estimates and especially on the winning bid. Also it is not clear if they were briefed about, and took on board, the advice and concerns of those professional advisers, especially on the subject of the Superstructure cost.

6.3.3 Finally it is also not clear whether Panel Members were alerted to the fact that, with 6,712 square metres of gross inside area, the winning building design actually had a cost per square metre of £4,023 which was 11% below their V&A target and 40% below the cost per square metre of the Glasgow Riverside Museum.

6.3.4 However, Panel members feel they were assured by their officials that the independent Chartered Surveyor had validated that all bids including the winning one could be delivered for the target price.

6.3.5 The conclusions and recommendations from the Judging Panel were presented to and endorsed by the Board of DDL. Board members believe that they were assured by officials that the winning bid had a cost of design that could be delivered within budget. This was confirmed in the relevant Board meeting minutes.

CONCLUSION C:

There was insufficient investment in providing external professional support to the project particularly in its early stages. In the case of the Judging Panel, the depth of independent technical investigation and analysis of the six cost estimates, particularly in relation to the cost of their design concepts and complexity, could have been deeper and more extensive. This is, of course, especially appropriate to the winning design.

CONCLUSION D:

The depth of scrutiny able to be exercised by the Judging Panel in selecting the winning bid and understanding whether its design could be delivered within the estimated costs is difficult to assess due to incomplete records. For the same reason there is a lack of clarity about the information and briefing they were provided with, including on the rationale used in developing the original budget, the depth of independent adviser investigation of the bids and the adviser’s concerns about the achievability of the winning bid. However, leaving aside how well supported and informed it was, the Panel’s process led to the selection of a winning bid that proposed an elite building, built over water, and estimated to be delivered at a cost per square metre which was 11% less than their own budget which was originally set on an aspiration for a building that would be of high quality rather than elite.
6.4 THE WINNING DESIGN AND ITS COST

6.4.1 Having made the choice on Architect and design, and as the process proceeded, it might have been expected that as the design developed there would be cost changes and possibly increases as the detail behind the design progressed from Stage C onwards to the final contracted cost.

6.4.2 During this review, when conducting analysis of the difference between the original Stage C estimate (June 2011) and the finally contracted cost, some difficulty was encountered.

6.4.3 Firstly, as mentioned elsewhere in the report, there is no comprehensive and complete project file held by the clients.

6.4.4 Secondly, although the nomenclature used for major cost element categories in the original estimate and the contractor’s contracted price are similar, the interpretation as to which category the many thousands of items of individual cost are allocated into often differed between the buyer and seller thus making comparisons dependent upon focused reconciliations.

6.4.5 Finally, Dundee City Council had not conducted a numerical analysis of the original budget to new budget increases and the financial data and comparisons held by the external Project Manager and the Design Team were primarily conducted from Cost Plan to Cost Plan rather than from the original plan until final tender. However it has been possible to identify the main areas of difference and increase.

6.4.6 This building is not only striking in its appearance but is complex in its use of materials, structures and particularly challenging from a construction standpoint. Its structure of “inverted pyramids”, flowing profile concrete panel surface with stone planks attached and its partial reliance on securing of the roof to finally bind it has resulted in significant premium costs. The fact that the original design was fully offshore added even more to this complexity.

6.4.7 However the increases in estimated cost developed by the Architect’s Design Team materialised early in the process and accelerated in later cost plans. It must have been concerning for the clients to see the pattern of increases offset by cost reductions followed by further increases and further cost reductions followed by further cost increases.

6.4.8 During these fluctuations there was a consistent trend of upward cost pressure reported as the design’s complexity, and in particular the cost of building it, was realised. The phrase “buildability” appears frequently within DDL records and especially its Risk Registers.

6.4.9 The main areas behind this were the cost elements of Superstructure and Substructure including site formation.
6.4.10 Superstructure Cost

(a) The Superstructure cost was identified as a concern at the Architectural Competition stage principally because it made up such a large proportion of the estimated cost and might put the overall budget at risk. However, as its design was further developed, it became more obvious that the level of detail in the design of the original concept had not allowed the Design Team’s Quantity Surveyors to take full account of the complexity and resultant cost of materials. Nor had their Architectural Competition level cost estimate been able to recognise the full cost of actually building such a unique design.

(b) As an example, between Stages C and D there was a major design change that recognised that the original approach proposed in the winning design for creating the frame and facade was not feasible and a different method of creating the same effect was developed.

(c) The provision for Superstructure cost in the Architect’s June 2011 C level estimate was £12.4 million. However the final contracted cost of this element was £18 million more.

(d) The first indication of cost increases in this category as the concept design was further developed came in the Design Team’s Cost Plan 1 and then again more significantly in Cost Plans 2 and 4 and in their Pre-Tender Cost Estimate.

(e) Whilst the costs of materials and some specific sub elements within the Superstructure have exceeded those contained in the Competition Bid and the Design Team’s Stage C Cost Estimate, the cost of temporary works, site works and other preliminary cost which were not covered in these original estimates make up the major part of the Superstructure cost change and also a considerable part of the overall budget increase.

(f) For example, within the contract price for Superstructure there is a premium of £12.8 million attributable to specialised construction methods and associated equipment required to build the superstructure’s design. This is made up of:

- The special and individually designed formwork (or moulds) for fabricating the external concrete panels which create the building exterior’s irregular flowing effect, and which are fabricated on site, will cost £2 million. This formwork, because it is unique to this building, can be used just once and has only residual scrap value.

- Because of the steeply sloping angle of the walls, and the requirement to support the structure until the roof is finally added, the method of construction not only needs the use of temporary shoring but also for much longer than would normally be the case. The cost of assembling and dismantling the shoring, including the hire of the equipment, is £6.6 million.

- This fabrication and construction work requires specialised sub-contractors and equipment, including platforms and cranes, to be on site for a considerable time thus incurring site and preliminary works costs only for the Superstructure of £4.2 million.

(g) Other issues of budget increase within the Superstructure category such as those associated with the cost of the external walls and facade account for nearly all of the rest of the Superstructure budget difference of £5.3 million.
Some of this part of the upward movement was included by the Design Team in the Pre Tender Cost Estimate, which for Superstructure estimated £18 million compared to £12.43 million in the June 2011 Stage C estimate.

The over budget situation on Superstructure remains the largest single reason for the overall budget increase despite on two occasions, as part of cost reduction actions, the height of the building being lowered thus reducing the volume of the facade and saving cumulatively £3.5 million.

Substructure and Site Formation

In the cost element of Substructure, including site formation, there was a similar issue over time of design development and market testing leading to an increased estimate of the real cost of building offshore. Within the Architectural Competition bid this element was estimated to cost £6 million and sums of around this value were repeated in the Stage C estimate of June 2011 (£5.9 million) and in Cost Plans 1, 2 and 3. The estimated cost shown in Cost Plan 3 of March 2012 was £5.7 million.

In September 2012 the Design Team’s Cost Plan 4 showed an increase to £13.2 million, a growth of £7.2 million over the Architectural Competition bid of August 2010. It was therefore two years from the original bid before any major risk to the originally planned cost of building offshore was identified.

As a result the building was repositioned substantially onshore to offset this cost. This saved approximately £8.5 million. However, although the full cost of building completely offshore was avoided, the outward facing part of the superstructure (known as the prow) overhangs the water.

To allow the construction of this, a coffer dam is required. The cost of this temporary structure is £3.2 million and this is the major contributor to the net difference in cost in the category of Substructure including site formation.

Other Cost Changes

In other parts of the building’s design there were similar problems with increased cost, in a number of cases because the design was updated by the Architect or at the request of the client. An assessment of the cost of client driven design changes would indicate that around £3 million is attributable to this factor and is spread amongst the various elements of the building’s cost.

For example, in the category of Internal Finishes there is around £1 million of additional cost mainly due to floors and ceilings. The floor design is of natural stone and Scottish Oakwood and the original estimate provided £0.7 million for this whereas the final cost is £1.2 million. In the case of the ceilings, the original estimate provided £0.4 million for standard ceilings whereas the final design incorporates acoustic ceilings, baffles and feature ceilings in the main hall, all at a cost of £0.9 million. The Design Team’s overall estimate for this category was £1.5 million but this had been increased to £2.4 million in their pre-tender estimate of February 2014. The actual contract cost is £2.5 million.
The Services category is also substantially over the original budget by £3.9 million. In the original estimate of June 2011, the Design Team estimated a total cost of £5.1 million within which heating, air conditioning, electrical services and lifts represented the largest areas. In the Design Team’s Pre-Tender Estimate of February 2014 this had grown by 43% to £7.3 million and in the construction tender the contractor’s bid included £8 million for Services. A large part of this additional cost arose in the area of Electrical Services (£1 million) with lifts adding another £0.2 million.

Finally it is assessed that embedded within the various categories of building expenditure there are other value engineering savings of £4.3 million. These are over and above the £12 million gained from reducing the building’s height and relocating it onshore. In this respect, and leaving aside the cost increases, the Design Team, the external Project Manager and all involved should take credit for the ingenuity and effort involved in identifying and executing within the design these value engineering changes. Also, as a result of effective reshaping and improved utilisation of internal space, the building’s gross internal area has increased to 8,499 square metres (net area 4,645 square metres) which also reduces the cost psm of the building.

Within the original Design Team cost estimate there was a provision of £2.8 million for Preliminary Works. As indicated above, this excluded preliminary and site works associated with the Superstructure. However, based on limited information available at that time, it also did not provide for the full extent of general site facilities and support including the hire of equipment. The final cost of this is £2.4 million more at a total of £5.2 million.

From a client perspective it must have been disappointing to recognise that the major parts of the cost reduction plans referred to above depended upon “client compromise”. This took place twice in reducing the building height and also significantly in forfeiting the highly desirable feature within the Competition Brief of having the building completely or partially offshore. These compromises saved £12 million.

Finally it should be noted that in the original cost estimate the Design Team, based on a cost of just under £27 million, provided a sum for Main Contractor’s Overhead and Profit of £0.8 million. This was embedded through an uplift to individual cost elements rather than shown as a separate item. The amount included now in the final contract price for this element, based of course on a more expensive building, is £2.7 million more at £3.5 million.
CONCLUSION E:

The original Architectural Competition Bid Cost Estimate and, as a consequence, the Dundee City Council Budget of June 2011 were both understated. In particular, at that stage the level of development of the winning design did not allow full account to be taken in cost estimates of the complexity of the structure and within that was especially short in providing for the temporary works costs associated with actually building the design’s extraordinary Superstructure. It also did not provide fully for the cost of building over water and this resulted in the building being relocated onshore thus sacrificing a key feature of the Competition Brief and the Design Competition.

CONCLUSION F:

It took time to identify all of the inherent upward cost pressures within the original estimate. Their materialisation in a series of different Cost Plan episodes, followed by value engineering redesigns over a three year time span, caused delays and disruption to the programme.

CONCLUSION G:

The design development issues and design changes were almost completely driven by the complexity of the design and in particular the challenges associated with its “buildability”. Client changes to the original design caused a relatively small part of the increase in cost. In fact these changes were more than offset by the results of “client compromise” in forfeiting the offshore feature of the original design and in agreeing on two occasions to reduce its height.

6.5 PROGRAMME DELAYS

6.5.1 Within the overall programme the construction schedule current as at April 2011 showed a start of construction in August 2012. Completion was planned for December 2014.

6.5.2 This formed the basis of the decision and budget proposed to the Council’s Policy and Resources Committee.

6.5.3 Compared to the schedule currently being pursued of completion at the end of December 2017 this results in a three year delay in realising the project originally envisaged in 2007.

6.5.4 A number of implications arise from this slippage and one of the most significant is that of the cost impact of three additional years of inflation. This is dealt with below at 6.7. However it is also important to have an understanding of the causes behind the delay.

6.5.5 As explained earlier, the budget difference in construction cost has been driven very much by the complexity of the design and especially its “buildability”. This can be seen both in the cost of materials and in the work content associated with building the design.

6.5.6 The work content factor has not only increased the basic cost of the design but has also caused an increase in the length of the construction period, from 114 weeks to 143 weeks.
6.5.7 However, the majority of the programme delay can be attributed to taking longer to develop and finalise the building’s design, exacerbated by the need as that design developed to embark upon a series of cost reduction actions and redesigns. For example, following the second redesign there was the need for a second planning application. This second approval took place nearly one year later than the first approval.

6.5.8 Finally, when “over budget” bids were received from contractors there was a considerable period of negotiation, another value engineering exercise and a round of discussions and reviews with stakeholders, funders and partners.

6.5.9 In summary, my assessment is that the overall delay of 36 months is attributable to:

- Increased construction period due to the design’s work content: 5 months
- Design related delays due to design development and multiple cost action plans and redesigns: 25 months
- Post tender delays due to negotiation, value engineering and new fund raising activities: 6 months

6.6 INFLATION

6.6.1 In all building projects being able to anticipate future inflation is an important aspect of accurately estimating costs for a building undergoing construction anytime between months or years forward from the point in time of the estimate of the elemental costs of construction. The Royal Institute of Chartered Surveyors (RICS) publishes indices to support construction professionals in conducting this task.

6.6.2 In 2010 the firm of Chartered Surveyors, using the cost per square metre target selected by DDL of £4,500, calculated a building cost of £27 million. In estimating the inflation to be added to this and to reflect the planned future programme they calculated £1.55 million as being the future impact of inflation.

6.6.3 In my view this value was understated at the time of calculation and Council officials in preparing the competition Brief and the budget did not develop a recalculation of inflation but simply picked up and used this same possibly understated figure. Also the inflation calculation was applied only to the base figure of £27 million and excluded the additional £4 million being provided from the Waterfront Project.

6.6.4 However the financial impact of the programme delay is significant and I estimate the inflation based on RICS indices from the date of the original estimate (3Q2010) to the midpoint of the current building programme (3Q2016) to be £7.9 million. It should be noted that the indices used show that construction industry inflation is now very much higher than it was three years earlier during the recession so this effect is included in the value calculated.

6.6.5 Thus in the context of the overall budget increase the financial impact of general industry inflation is £7.9 million less the £1.55m already planned i.e. a net £6.35 million.
CONCLUSION H:

It is likely that general construction industry inflation was not fully provided for in the June 2011 budget. However, when inflation is recalculated using current higher indices and recognising the 3 year programme delay described above, the additional inflation impact is £6.35 million.

6.7 IMPACT OF CONSTRUCTION INDUSTRY COMPETITION

6.7.1 A few years ago, when there was excess capacity in the construction industry, there is no doubt that bids were sometimes made at lower than market value to win business, ensure continuity of companies and retain capacity for the future.

6.7.2 Since then, the industry’s workforce in the UK has reduced and in Scotland alone tens of thousands of people have left employment in the sector. This, together with some restoration of economic growth, including significant public sector investment in construction projects, has resulted in capacity being much tighter. This general situation is reflected in an upturn in the inflation indices issued by the RICS.

6.7.3 In the case of this V&A project, given that there were in the end only two bids, the question has been raised as to whether an exceptional impact of lack of competition arises.

6.7.4 Given current market conditions, and the challenges through the supply chain of building this unique and complex design, it is unlikely in my view that a project of this nature would be a prime candidate for any contractor to take additional risk in offering lower than market prices to win business. The sophisticated and specialised nature of the building’s Superstructure, calling in turn for specialised sub-contractors, would be a very relevant example of this.

6.7.5 The aspect of risk not only mitigates against lower than market prices it also inhibits interest in projects seen as risky and this is underlined by the winning contractor’s experience of a low ratio of sub-contractor tenders returned compared to tenders issued.

6.7.6 In summary, it seems clear that this quite unique project did not benefit from risk taking and lower than market prices, as it might have done had it come to the market three years earlier. However this is a moot point and also one that could be considered to be already addressed through the use of higher current inflation indices when calculating the additional inflation impact of £6.35 million at 6.6.

6.7.7 The overhead and profit shown by the winning contractor in its bid is included in the analysis at 6.10. At approximately 5.5% this is at a reasonable level. However there is a £2.7 million difference compared to the lower % level and lower building cost within the original budget.
6.8 CONTINGENCIES

6.8.1 In preparing the June 2011 Plan Council officials included a total value of client held and controlled contingencies of £8.6 million. This was set potentially for the life of the project through to completion. Having now embarked on the construction phase a level of contingency is being maintained but at a reduced level. By carrying a client contingency of £6.8 million to the next part of the programme this releases £1.8 million and this appears as a credit within the analysis of the £31.1 million budget increase detailed in this report.

6.9 FURNITURE, FITTINGS AND EQUIPMENT

Dating back to 2009, and then incorporated in Dundee City Council’s June 2011 budget, there is a value of £4.8 million for furniture, fittings and equipment for the building. This will be installed post completion of the construction phase and the budget is at this time still unchanged. There is therefore no increase in budget for this category of spend within the overall change.

6.10 SUMMARY OF ANALYSIS OF INCREASES IN BUDGET

<table>
<thead>
<tr>
<th>£ Millions</th>
<th>June 2011</th>
<th>January 2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Cost</td>
<td>32.8</td>
<td>60.8</td>
<td>+28.0</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>2.8</td>
<td>7.7</td>
<td>+ 4.9</td>
</tr>
<tr>
<td>Client Contingencies</td>
<td>8.6</td>
<td>6.8</td>
<td>-1.8</td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td>4.8</td>
<td>4.8</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>49.0</strong></td>
<td><strong>80.1</strong></td>
<td><strong>31.1</strong></td>
</tr>
</tbody>
</table>

Based on 6.2-6.9 above, the overall increase of £31.1 million can be analysed into its main constituent elements as shown below. To allow the incorporation of the elements of Inflation and Contractors Overhead and Profit into the analysis the values shown at 6.2 - 6.9 have been adjusted to remove these factors.

OVERALL BUDGET DIFFERENCE ANALYSED (MAJOR ITEMS)

<table>
<thead>
<tr>
<th>£Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Inflation Impact</td>
</tr>
<tr>
<td>Superstructure</td>
</tr>
<tr>
<td>Temporary and Site Works</td>
</tr>
<tr>
<td>Other Cost Increases</td>
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<tr>
<td></td>
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</tr>
<tr>
<td>General Site Preliminary Works</td>
</tr>
<tr>
<td>Building Services</td>
</tr>
<tr>
<td>Internal Finishes</td>
</tr>
<tr>
<td>Main Contractor Overheads and Profit</td>
</tr>
<tr>
<td>Original Plan Design Team Contingency</td>
</tr>
<tr>
<td>Building Budget Difference</td>
</tr>
<tr>
<td>Professional Fees</td>
</tr>
<tr>
<td>Client Contingencies</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
Looked at from the standpoint of causal factors I assess the split of the above to be:

- Underestimates within the original budget - £18.1 million (58.2%)
- Impact of programme delays - £5.4 million (17.4%)
- Cost increases and design changes - £7.6 million (24.4%)

**CONCLUSION I:**

The largest single cause of the increase of £31.1 million in the budget for Dundee’s V&A Museum of Design was an understatement of the original budget.

7. **ANALYSIS AND CONCLUSIONS – GOVERNANCE AND PROCEDURES**

7.1 The overall concept, including the building project, was carried forward initially by a group made up of the various partners (University of Dundee, Scottish Enterprise, Dundee City Council, Abertay University and the Victoria & Albert Museum). It was adopted in January 2010 by Design Dundee Ltd (DDL) when that company, a registered charity, was formed. The company held its first board meeting on 29th January 2010. Up until March 2011 the building element of the project was overseen by a Delivery Group.

7.2 DDL’s approach to overseeing the building project incorporated the formation of a Building Sub-Committee in March 2011. This Sub-Committee was chaired by a board member of DDL who was also an official at Dundee City Council and its membership included other DDL board members and individuals with experience of estates. This structure was supplemented by the formation of a “Building Group” which operated at a more detailed level. This Group was also chaired by a Dundee City Council official and also supported by the external Project Manager when he came on board at the end of March 2011.

7.3 In general the governance at DDL was in my view competent in terms of procedures and structures and provided the only source of continuous records (although primarily based on papers for and minutes of meetings). However, as mentioned earlier, for the important matter of the Competition Panel’s deliberations in 2010 records were incomplete.

7.4 DDL’s governance on matters related to the overall project was further strengthened in January 2012 with the establishment of an Audit and Risk Committee.

7.5 During 2012 and in the early months of this Committee its risk register highlighted the issue and cost consequences of the “buildability” of the building not being fully understood. This same issue was displayed to and commented upon at full DDL Board meetings. Over the period, at the DDL Board and subsequently the Audit and Risk Committee, there was an appropriate level of questioning on matters pertaining to the building project.

7.6 This included in November 2010 the Board being given assurance that the winning architects bid could be built within the budget outlined in the Competition Brief.

7.7 The Board and the Audit and Risk Committee placed heavy reliance on the Building Sub-Committee and its supporting Building Group.
CONCLUSION J:

The administrative procedures pursued and governance exercised by DDL were generally competent. This was particularly the case from early 2011 onwards when its structures were considerably strengthened with new committees and the engagement of externally contracted support. However in 2010, at the time of the Architectural Competition and its Judging Panel, there could have been more rigorous recording and information reporting.

7.8 The building element of the project has relied almost completely on the use of external professional services. Over the project to date, three different firms of Chartered Surveyors have been engaged in supporting the project. The first firm’s remit laid out the options and costs associated with a budget for the building.

7.9 The second firm was engaged for two days of work at the time of Competition Bid in September 2010. This project seems not to have been intended (nor could it have been possible) to validate within the extent of the work the achievability of the six Architects’ cost estimates.

7.10 It would obviously have been more critically useful if an in-depth review had taken place for all bids and that work once completed had then been extended to an independent “bottom up” cost estimate for the winning bid prior to appointment of the Architect in March 2011. In this context it should be noted that all of the formal cost estimates from the Competition Brief through to the Pre-Tender Cost Estimate originated from the Architect’s Design Team.

7.11 In March 2011 a new firm was appointed as Project Managers and at the end of that year their contract was extended to providing “on call” cost management services. This engagement effectively created for the first time a Project Management function.

CONCLUSION K:

There has been an under-investment in skilled and experienced in-house technical and project management resources for this project. Although the use of externally contracted support has added value and capability, that type of full time assistance came only in March 2011. It is primarily a project management role and one that has proved crucial to the project to date. However neither at DDL nor at Dundee City Council has there been a building project manager involved full time and fully accountable for this project and only this project.

CONCLUSION L:

There has been no continuous ongoing Quantity Surveyor or Cost Manager for the project, meaning no independent day by day monitoring of the cost estimating and other financial work of the Design Team. Although the extension of the external project management contract to include cost management services added value, their engagement was “on call” and they were not in place until the end of 2011 with their first report in January 2012.
Prior to June 2011 Dundee City Council’s involvement was limited to being full partners in the Steering Group and eventually members and shareholders in DDL Limited. However in June 13th 2011 the Council's Policy and Resources Committee approved that Dundee City Council should become the “client for the delivery of the building and its owner thereafter”. However, rather than treat it the same way as the Council would other projects, reliance continued to be placed on the governance, administration and mechanisms of DDL Limited.

For other projects, particularly of this scale, a Project Board within the Council would have been formed and through this Project Board engagement and interaction with Council Committees such as the City Development Committee, which engages with key aspects of the Council’s portfolio of construction and infrastructure projects including schools. Council projects benefit also from the day to day engagement and support from officers within the City Architect’s team in the City Development Department and the Corporate Services Department. These departments have professional staff including surveyors, architects and accountants.

As a result of treating the V & A building as a partnership project rather than “the norm” it meant that little of the engagement and support described above applied to the V & A project. However a small number of senior officials did participate part-time in leadership roles within the structures of DDL.

Consistent with this approach there was no complete project file maintained within the Council and it was difficult to establish historical facts or track down back-up information.

Also, as indicated above, the Council did not have a full-time in-house project manager. An implication of these issues was that all monitoring and reporting of status arising within DDL’s committees was channelled through to DDL’s Board which, with only a few exceptions, was well informed and abreast of all the challenges being encountered including design and cost issues over the life of the project. At the same time it resulted in a situation where officials not directly involved in DDL, and also all Council Members, were not recipients of the same information flow as the DDL Board. However, on the few occasions when standing orders required a decision or other approval by a Committee, papers were developed and submitted as required.

CONCLUSION M:

Dundee City Council continued to treat the V&A project as an external partnership venture and did not integrate it into the normal work of the Council in the same way as other construction projects. As a result not only was there no single accountable project manager within the Council but the project did not benefit from access to and support from the full range of professional services such as quantity surveying and financial management. There was also ambiguity about responsibility and accountability for the building project between DDL and Dundee City Council and the intended Development Agreement setting out the terms of the relationship was not formalised.
CONCLUSION N:

Within Dundee City Council there was no central project file and all day to day governance, monitoring and regular reporting of status took place within DDL and not the Council. However when formal approvals or notifications were strictly required these were referred to appropriate Committees.

7.17 In the context of governance it is particularly relevant to establish that EU and Scottish Government public procurement rules were followed. Also in this regard the involvement of the Council’s Procurement Department is highly desirable. In the case of the Architectural Competition, a process under the rules of the EU was operated and an OJEU Notice issued in February 2010 in the name of Dundee City Council. Through this process the number of interested Architects was reduced from an original number of 122 down to the 6 finalists. However the Procurement section at Dundee City Council was not formed at that time and therefore not involved in this process which was operated within DDL with other Council Officers administering it. The manager of the Procurement team within Dundee City Council was however fully engaged in the administrative processes associated with the pre tender and tendering activities for the building project.

7.18 At the final stages the tendering process, initiated originally under the EU Restricted Procedure, was switched to a Negotiated Procedure and this was dealt with appropriately.

7.19 The issue of both finalists’ bids being technically non-compliant was also effectively dealt with and both agreed to make their bids compliant and continue within a Negotiated Procedure. On 9th September 2014 both bidders were properly informed that the intention was to proceed with a contract with BAM Construction Ltd.

CONCLUSION O:

EU procurement rules were followed both in the case of the Architectural Competition and the Construction Tender. The Council’s Procurement section was appropriately involved in the Construction Tender OJEU process but not the earlier process for the Architectural Competition. At that time there was not a central procurement function within Dundee City Council. Not only is this team now well established but its staffing includes expertise in construction projects.

8. SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

8.1 In my opinion this project had, from the beginning, little prospect of being delivered for the original budget due to an accumulation of factors that mitigated against that outcome being achieved.

8.2 Firstly, the budget of £27 million and its base of £4,500 psm was deliberately set at a middle of the range value with the intent of having a building of high quality but not an elite structure such as a number of others, including the Glasgow Riverside Museum at £6,700 psm.

8.3 The fact that this below average estimate was also expected to cater for a building built offshore added to the risk.
8.4 When faced with the opportunity within the Design Competition to select a potentially elite building it is not clear how the Judging Panel's deliberations dealt with this aspect of the decision making.

8.5 In dealing with this issue, Panel members needed to be supported by in depth investigation of the technical and cost implications of the bids and in particular the preferred design. It is also not clear if they had access to the limited information available, including independent professional concern about the achievability of the winning bid's cost estimate given the disproportionately high cost of the facade.

8.6 As a result it may not have been possible at that stage to appreciate that in choosing the stunning winning design the complexity and challenge of actually building it would generate very significant cost premiums, some of which were neither provided for in the Architect's bid nor later in the June 2011 budget. Once the Design Team and its building design was selected, the prospects of an early realisation of the scale of the problem was made difficult by a succession of cost increases materialising as the design developed over a series of Design Team cost plans. These increases were in turn substantially offset by cost reduction and value engineering exercises. Within these “client compromise” on the height of the building and forfeiture of the offshore feature contributed £12 million of savings. Without these compromises the original building on its original offshore site would have cost at least £72.8 million.

8.7 This disrupted process also caused significant programme delays and the project is now running three years later than the plan as at June 2011, with a resultant cost impact from additional inflation. Five months of this delay is due to a longer period of construction, 114 to 143 weeks.

8.8 As the design developed, and more market testing was conducted, more cost was added. Finally when tenders were received they contained significant items of cost not included in the original estimate.

8.9 The following table analyses the main constituents of the budget increase of £31.1 million. The values shown below have been adjusted to allow the inclusion of Inflation and Contractor’s Overheads and Profit.
OVERALL BUDGET DIFFERENCE ANALYSED (MAJOR ITEMS)

<table>
<thead>
<tr>
<th>Category</th>
<th>£Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Inflation Impact</td>
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<td><strong>Superstructure</strong></td>
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</tr>
<tr>
<td>Temporary and Site Works</td>
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</tr>
<tr>
<td>Other Increases</td>
<td>4.2</td>
</tr>
<tr>
<td><strong>Substructure and Site Formation</strong></td>
<td>11.1</td>
</tr>
<tr>
<td>Relocation On Shore</td>
<td>2.6</td>
</tr>
<tr>
<td>General Site Preliminary Works</td>
<td>1.9</td>
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<td>Building Services</td>
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<td>Internal Finishes</td>
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<tr>
<td>Main Contractor Overheads and Profit</td>
<td>2.1</td>
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<tr>
<td>Original Plan Design Team Contingency</td>
<td>(2.9)</td>
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<td><strong>Building Budget Difference</strong></td>
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<tr>
<td>Professional Fees</td>
<td>4.9</td>
</tr>
<tr>
<td><strong>Client Contingencies</strong></td>
<td>(1.8)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>31.1</td>
</tr>
</tbody>
</table>

8.10 Looking at this analysis from the standpoint of causal factors, I assess the breakdown of the £31.1 million as falling into the following categories:

- Underestimates within the original budget - £18.1 million (58.2%)
- Impact of programme delays - £5.4 million (17.4%)
- Cost increases and design changes - £7.6 million (24.4%)

As can be seen the greatest single cause of the increase in budget was the underestimation of not only the building’s cost but also other costs in the original budget.

8.11 Although procedures and governance improved, especially from early 2011, it was in 2010 that there would have been most opportunity for sharper focus and particularly investment in better support to change the budget outcome. For example, had there been a full time project manager with construction experience and also strong full-time technical and cost management support during the Architectural Competition then there might have been a different decision or at a minimum an opportunity to reconsider budget setting at that time.

8.12 Beyond that point I believe that although integration of the project in June 2011 into Dundee City Council’s mainstream processes may not have changed the final budget outcome it would in my view have assisted in bringing matters more quickly to a conclusion. It would also have addressed the issues of project management, the absence of project files, information, communications and wider stakeholder engagement.

8.13 However at the final stage of the pre-construction process and once additional funding had been negotiated it was in my view the right decision to proceed with the building contract and at the price of £60.8 million.

8.14 This is based firstly on my review which leads me to believe that, for building this complex and sophisticated design, the contracted price is credible.
8.15 This credibility is further supported when the price is considered alongside the cost of other buildings. Now at a cost of £7,153 psm of gross inside area the V&A building when completed in 2017 will be, allowing for inflation, consistent with other elite buildings including Glasgow’s Riverside Museum shown in the original benchmarking as completed in 2011 at £6,700 psm.

8.16 My recommendations, including those for the future management of this and other projects, are as follows.

Recommendation 1:

Decision making for major projects including the selection of designs should be supported by fully detailed cost estimates prepared either in-house or externally by independent quantity surveyors. These should be available prior to a binding contract.

Recommendation 2:

Complete and detailed records should be maintained covering the deliberations and decisions of all Panels or Committees involved in the selection of contractors or service providers.

Recommendation 3:

Dundee City Council should fully adopt and integrate the V&A project into its existing structures for dealing with construction projects and fully allocate accountability and responsibility across appropriate Council functions and departments. (This action was taken prior to completion of this report and is being implemented under the oversight of a V&A Project Board).

Recommendation 4:

Dundee City Council should appoint a full time in-house project manager for the V&A building with full accountability and responsibility for delivering the project on schedule and within the new budget. Consistent with this and recommendation 3, a comprehensive project records file should be established and maintained.

Recommendation 5:

The V&A building project should have its own full time Cost Manager to support the Project Manager in all matters of cost, including in particular the evaluation of ongoing changes and use of remaining contingencies.

Recommendation 6:

The relationship, responsibilities and accountabilities between Dundee City Council and DDL for delivery of the building and all other aspects of the operation of the V&A project should be documented and agreed within a Development Agreement.
Recommendation 7:

The Council should consider creating internally a Building Support Group which has the capability, including appropriate construction expertise, to support the new Project Board.

Recommendation 8:

Given that the budget of £4.8 million for Furniture, Fittings and Equipment was developed in 2010 there should be an urgent review to reconfirm that value or take appropriate action.

I thank all who provided information and data to me during my review and also those who offered input and advice on matters of concern or areas for special focus.

A list of individuals and organisations engaged with during the review is shown in Appendix A.

John F McClelland C.B.E.
27th July 2015
Appendix A: Review of the Construction Project for the V&A Museum of Design

List of Contributors to the Review

Dundee City Council:
Councillor Ken Guild
Councillor Kevin Keenan
Councillor Fraser Macpherson
Councillor Jimmy Black
Councillor David Bowes
Councillor Bill Campbell
Councillor Will Dawson
Councillor Richard McCready
David Martin, Chief Executive
David Dorward, Former Chief Executive
Mike Galloway, Director of City Development
Rob Pedersen, City Architect
Marjory Stewart, Director of Corporate Services
Karen Lawson, Corporate Procurement Manager

Other:
Lesley Knox, Chair of Design Dundee Limited
Philip Long, Chief Executive of Design Dundee Limited
Gail Wilkie, Finance Manager of Design Dundee Limited
David Thomson, Board Member of Design Dundee Limited
Professor Pete Downes, University of Dundee
Graham McKee, University of Dundee
Professor Graeme Hutton, University of Dundee
Professor Nigel Seaton, Abertay University
Jim Eyre, Wilkinson Eyre Architects
John Tavendale, Turner and Townsend
Representatives of CBA Chartered Quantity Surveyors
Representatives of Doig and Smith
Representatives of BAM Construction Limited
1 PURPOSE OF REPORT

1.1 To provide elected members with background information and details of the Council's General Services and Housing HRA Capital Plan for the 5 year period 2016-2021. The Capital Plan updates and extends the Capital Plan 2015-18 – General Services (as approved at Policy and Resources Committee 12 February 2015- report 71-2015 refers) and Housing HRA Capital Plan 2015-2020 (as approved at Policy and Resources Committee 26 January 2015 – report 19-2015 refers)

2 RECOMMENDATIONS

2.1 The Policy & Resources Committee is requested to:

1 approve the Council's General Services and Housing HRA Capital Plan for 2016-2021 attached.

2 note the gross capital expenditure investment of £391m over the next 5 years.

3 note the updated position for the 2015-2016 projected capital expenditure programme, as at 30 June 2015.

4 approve the Prudential Indicators for the Capital Plan 2016-2021, as shown in Appendix 2 and note that these Indicators demonstrate that the Capital Plan 2016-2021 is affordable, prudent and sustainable.

3 FINANCIAL IMPLICATIONS

3.1 The total gross capital investment included in the Capital Plan 2016-2021 is £391m.

3.2 A significant portion of the Council's capital expenditure in the plan will be financed by borrowing and, as such, will result in Capital Financing Costs being incurred over the estimated useful life of the assets concerned. Appropriate provision will be included in future years Revenue Budgets and the estimated revenue impact of the overall plan is £0.5m pa from 2017/2018.

3.3 In some instances, the creation of a new capital asset may result in additional running costs (eg staff, non-domestic rates, maintenance etc) although these may be offset by additional income or related savings. Again, appropriate provision will be included in future years Revenue Budgets for the revenue costs of capital projects as they become operational.

4 BACKGROUND

4.1 The Capital Plan 2016-2021 updates the previously approved Capital Plans for General Services and Housing HRA, as previously mentioned in para 1.1 above. In developing the five year Capital Plan for 2016-2021 there has been a focus on a more thematic approach which highlights the Council's strategic priorities. The Capital Plan also reports on the basis of gross Capital Expenditure and this will continue throughout the year in the monitoring of the approved Capital Programme.

This will allow a more structured presentation of management information which will aid scrutiny and overall programme management.

To reflect the overall capital investment being made by the Council the HRA Capital Plan has also been included, on a summary basis.
The Capital Plan incorporates the movements since the Capital Plan 2015-18 was approved in February, and the inclusion of new projects which reflect new and existing strategic priorities of the Council.

The longer term 5 year time horizon will allow more certainty and opportunity for better resource programming and work scheduling. In addition there will be opportunities for community benefits and job creation. These will be reported in the Annual Procurement update reports.

5 PRUDENTIAL FRAMEWORK

5.1 Prudential Code Framework

The Prudential Framework has been developed as a professional code of practice to support local authorities in taking decisions on capital investment. Local authorities are required by Regulation to comply with the Prudential Code under Part 7 of the Local Government in Scotland Act 2003. The Capital Plan 2016-21 has been prepared in compliance with the Prudential Code.

5.2 Under the Prudential Code Local Authorities are obliged to introduce a system of option appraisal for capital projects and to develop asset management plans to assist in determining capital expenditure priorities.

5.3 Option Appraisal

Option appraisal guidelines have been developed which allow departments to consider systematically whether individual capital projects provide value for money. An option appraisal report should be completed for all projects of £250,000 or above being considered for inclusion in the Council's Capital Plan. A separate report is required to present the findings to Committee for projects with a capital value of £1m or more. Option Appraisal projects with a capital value between £250,000 and £1m are required to be approved by the Executive Director of Corporate Services, prior to the project being progressed.

6 CAPITAL EXPENDITURE 2016-2021 (GENERAL SERVICES)

6.1 The Capital Plan 2016-2021 updates the previously approved three year Capital Plan 2015-2018. The Capital Plan incorporates the movements since the Capital Plan 2015-18 was approved in February, and the inclusion of new projects which reflect new and existing strategic priorities of the Council. For new projects initial target allocations have been included meantime whilst more detailed feasibility studies and estimates are developed.

6.2 The main changes to the Capital Plan are:

6.2.1 Jobs & Regeneration

The revised cost of the Railway Station is included, together with its various funding streams.

6.2.2 Children & Families

Continuing the Council’s commitment to the schools programme, 2 new primary schools have been included within the Capital Plan. Primary School Investment is for 300 and 600 place primaries with appropriate nursery facilities.

A feasibility study is to be carried out on 5 Victorian/Edwardian Primary schools and a scope of phased works to be developed that will be acceptable to Historic Scotland. All the schools are listed and have thriving rolls.

Allowance has been allocated under Secondary School Investment for further feasibility studies in this area.

Monies have been included in 2019/20 onwards for an NHS/community provision in the Lochee area similar to the successful Whitfield Life Centre where various public bodies work together to provide a more effective service.
The Children’s Act has necessitated the requirement to support children beyond adolescence into adulthood and funding has been added to commence development proposals.

6.2.3 Health & Social Care

The additional monies added to this theme will continue the development of alternative enhanced accommodation models for adults and older people to assist with living at home or homely settings within Dundee.

6.2.4 Community Safety/Public Protection

It is anticipated that 80% of external funding will be made available to the Council towards £16m of the priority coastal/flood protection works to the City over the life of the Plan. The phased works will protect the whole of the Dundee coastline, excluding Dundee Port. The 20% of funding required from the Council is included in the Plan.

6.2.5 Smart Cities Digital and ICT

The infrastructure and development of ICT is integral to the development and continued growth of Dundee as a City. Grant bids are being progressed with the Smart Cities Fund and the Growth Accelerator Model to be submitted to the Scottish Government. Research funding is available from Scottish Futures Trust which is working with Scottish Councils on bids for Smart Cities Funding and closely with Dundee City Council on the GAM.

6.2.6 Sustainable City Infrastructure

From 2018/19 onwards the Plan includes monies for Sustainable Transport and Low Carbon initiatives which will continue the growth of active travel within the City and help to address Air Quality issues.

A full analysis of capital resources for General Services is shown in Appendix 1.

7 CAPITAL EXPENDITURE 2016-2021 (HOUSING HRA)

7.1 Housing HRA Capital Plan 2015/16 Review

The HRA Capital Plan is focused on delivering the following key elements: maintaining the housing stock at SHQS level; increasing thermal insulation and tackling fuel poverty as well as providing new council housing to meet housing need within Dundee.

The plan shows the revised anticipated spend for 2015/16 reflecting carry forward from 2014/15 and the planned spend to 2020/21. The priority areas of expenditure in 2015/16 are: re-roofing £1.4m, installation of new windows £1.6m, external insulation £4.6m, heating replacement £4.1m, disabled adaptations and continuing the council new build programme. Planning for the new build housing at Alexander Street is well underway with planning applications submitted in July 2015. The anticipated site start is spring 2016.

7.2 Scottish Housing Quality Standard

The Council has invested £154 million improving the Council’s housing stock. The Council’s housing stock met the Scottish Housing Quality Standard at April 2015 subject to abeyances. This is work which could not be completed due to circumstances out with the Council’s control. These include where owners do not consent to the installation of a secure entry system or where tenants refuse heating, kitchen and bathroom installations because of not wanting the disruption of improvement work.

The Council must maintain its housing stock at SHQS levels by implementing lifecycle replacement programmes. This is reflected within the capital plan.

7.3 Energy Efficiency Standard for Social Housing
The Scottish Government has introduced the Energy Efficiency Standard for Social Housing (EESSH). EESSH sets minimum energy efficiency ratings dependant upon the dwelling type and heating system to be achieved by 2020.

£20.9M has been included in the capital estimates to provide external wall insulation (EWI) to hard to heat homes up to 2020. The funding in the capital plan will be supplemented by Home Energy Efficiency Programme for Scotland – Area Based Schemes (HEEPS-ABS) and ECO funding (or successor schemes) to ensure that mixed tenure flatted blocks can be thermally insulated.

To date the Council has harnessed £18.8m from HEEPS-ABS and ECO to assist in funding EWI.

7.4 Fuel Poverty

It is estimated that 42% of the households in Dundee City Council area are affected by fuel poverty. Fuel poverty is defined as where households spend more than 10% of their household income on heating their homes. Fuel poverty is the interaction of fuel prices, household incomes and energy efficiency. The Council will continue to target resources within the capital plan as outlined above to effectively address energy efficiency.

The installation of cladding and district heating in the multi storeys has made tenant’s homes warmer and reduced household fuel bills. Fuel cost reductions vary according to lifestyles with savings typically 30-40%. Findings from surveys in external wall insulation projects show typical savings in household fuel bills of 20%, with 81% of residents feeling warmer and 73% feeling their home stayed warmer longer.

7.5 Affordable Housing Supply

The Council is continuing its new build programme assisting in the regeneration of the City and meeting housing need and demand within Dundee. The Council has made a particular commitment to providing wheelchair housing and identified an additional £1.2 within the new build programme. The development in partnership with Hillcrest Housing Association at Alexander Street will commence on site in 2015/16. The programme will continue to include houses for those who need wheelchair accessible housing as well as addressing the needs of community care groups.

8 PRUDENTIAL INDICATORS

8.1 The Prudential Code requires the Director of Corporate Services to prepare a set of indicators that demonstrate that the Council's Capital Plan 2016-2021 is affordable, prudent and sustainable. A copy of the Indicators are detailed in the attached Appendix 2 to this report. The Indicators demonstrate that the Capital Plan 2016-2021 is indeed sustainable, affordable and prudent.

9 RISK ASSESSMENT

9.1 There are a number of risks which may have an impact on the Capital Plan 2016-21. The main areas of risk are set out below, together with the mechanisms in place to help mitigate these risks.

9.2 Currently, building cost inflation levels are volatile, and they can on occasion be relatively high in comparison to general inflation. Therefore delays in scheduling and letting contracts may lead to increases in projected costs. In such an event, every effort will be made to ensure delays are avoided wherever possible and any increase in costs minimised.

9.3 Slippage in the Capital programme leads to the need to reschedule projects in the Capital Plan, therefore creating problems in delivering the programme on time. An allowance for slippage has been included in the Capital Plan to take cognisance of this. In addition the programme is carefully monitored and any potential slippage identified as soon as possible and any corrective action taken wherever possible.
Capital projects can be subject to unforeseen price increases. The nature of building projects is such that additional unexpected costs can occur. Contingencies are built into the budget for each capital project and these will be closely monitored throughout the project.

There is risk associated with projects that are not yet legally committed as the works are not yet tendered for, and there is potential for costs to be greater than the allowance contained within the Capital Plan. The Capital Programmes will be adjusted as necessary to reflect updated cost estimates.

The accurate projection of the value and timing of capital receipts from asset sales is difficult in the current economic climate. There is therefore a risk that the level of capital receipts assumed in the financing of the capital programme will not be achieved. In preparing the capital plan the Council has budgeted for a low level of Capital receipts being achieved. Additional borrowing can be used to cover any temporary shortfalls in capital receipts.

The amount and timing of capital receipts can also be difficult to accurately project as sales are often conditional on planning permission and other non-financial factors. This is the case even in times of relative economic stability.

The level of General Capital Grant received from Scottish Government may be impacted by budgetary constraints in future financial settlements.

POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, and Equality Impact Assessment.

There are no major issues.

Each individual project will be screened for each of these elements and they will be reviewed when reported to Committee. This will include preparation of Equality Impact Assessments where appropriate.

CONSULTATION

The Chief Executive, Executive Director of City Development, Executive Director of Neighbourhood Services and Head of Democratic and Legal Services have been consulted in the preparation of this report.

BACKGROUND PAPERS

None

MARJORY STEWART
EXECUTIVE DIRECTOR OF CORPORATE SERVICES
30 JULY 2015
1  CAPITAL EXPENDITURE FUNDED FROM BORROWING

1.1 The level of borrowing for 2016/17 to 2020/21 has been determined based largely on the level of expenditure that can be afforded from the Capital Financing Costs included within the Provisional 2016/17 Revenue Budget and is shown below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Borrowing (£m)</th>
<th>General Services Borrowing (£m)</th>
<th>Housing HRA Borrowing (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>64.428</td>
<td>50.908</td>
<td>13.520</td>
</tr>
<tr>
<td>2017/18</td>
<td>75.510</td>
<td>63.671</td>
<td>11.839</td>
</tr>
<tr>
<td>2018/19</td>
<td>25.922</td>
<td>14.139</td>
<td>11.783</td>
</tr>
<tr>
<td>2019/20</td>
<td>18.220</td>
<td>7.220</td>
<td>11.000</td>
</tr>
<tr>
<td>2020/21</td>
<td>24.360</td>
<td>13.360</td>
<td>11.000</td>
</tr>
</tbody>
</table>

1.2 The level of borrowing shown above includes some capital projects where a proportion of the borrowing will be funded from efficiency savings and prudential borrowing from new income streams from within Departmental Revenue Budgets and these figures are shown below, for example New Dundee Railway Station Concourse & Hotel. In addition the borrowing to fund National Housing Trust phases 1 & 2 is also included. The debt servicing costs are financed by rental income from the houses and the principal is repaid when the houses are sold (Scottish Government guarantees to underwrite the repayment).

<table>
<thead>
<tr>
<th>Year</th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>17.048</td>
</tr>
<tr>
<td>2017/18</td>
<td>20.775</td>
</tr>
<tr>
<td>2018/19</td>
<td>5.100</td>
</tr>
<tr>
<td>2019/20</td>
<td>-</td>
</tr>
<tr>
<td>2020/21</td>
<td>-</td>
</tr>
</tbody>
</table>

2  CAPITAL GRANTS AND CONTRIBUTIONS

2.1 The Finance Circular 2-2015 received from the Scottish Government in March 2015 confirmed the level of General Capital Grant for 2015/16. Within the General Capital Grant the Council has flexibility to allocate the grant to reflect its service priorities and greatest need. The figures for 2016/17 to 2020/21 are estimated figures, net of any transfer for Private Sector Housing Grant, and will be subject to confirmation at the next Scottish Government Spending Review.

2.2 In addition to the General Capital Grant, the Council receives grants and contributions which are specific to an individual project. These grants and contributions are shown within the detailed pages of the Capital Plan and summarised on the Resources page of the Capital Plan 2016-21 (page 2).

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Grants &amp; Contributions (£m)</th>
<th>General Capital Grant (£m)</th>
<th>Project Specific Capital Grants &amp; Contributions (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>48.933</td>
<td>17.000</td>
<td>31.933</td>
</tr>
<tr>
<td>2017/18</td>
<td>47.841</td>
<td>17.000</td>
<td>30.841</td>
</tr>
<tr>
<td>2018/19</td>
<td>19.965</td>
<td>17.000</td>
<td>2.965</td>
</tr>
<tr>
<td>2019/20</td>
<td>19.965</td>
<td>17.000</td>
<td>2.965</td>
</tr>
<tr>
<td>2020/21</td>
<td>17.765</td>
<td>17.000</td>
<td>0.765</td>
</tr>
</tbody>
</table>
2.3 A bid is currently being prepared under the Growth Accelerator Model (GAM) for submission to the Scottish Government.

2.4.1 High level preparation has begun in consultation with neighbouring authorities to consider submission of a City Deal bid which would contain a long term investment plan which would benefit the wider city region.

3 **CAPITAL RECEIPTS**

These comprise receipts from the sale of land and buildings. Income from the sale of land and buildings has been estimated in consultation with officers from the City Development Department and account has been taken of the current economic climate.

<table>
<thead>
<tr>
<th></th>
<th>Total Receipts</th>
<th>General Services</th>
<th>Housing HRA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>£6.070</td>
<td>£2.000</td>
<td>£4.070</td>
</tr>
<tr>
<td>2017/18</td>
<td>£3.786</td>
<td>£2.000</td>
<td>£1.786</td>
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<tr>
<td>2018/19</td>
<td>£4.107</td>
<td>£2.000</td>
<td>£2.107</td>
</tr>
<tr>
<td>2019/20</td>
<td>£4.200</td>
<td>£2.000</td>
<td>£2.202</td>
</tr>
<tr>
<td>2020/21</td>
<td>£4.000</td>
<td>£2.000</td>
<td>£1.941</td>
</tr>
</tbody>
</table>

It is anticipated that the Waterfront development will generate additional capital receipts or long lease income to support further capital expenditure. No allowance has currently been made for this, although it is expected that this ‘city dividend’ arising from the transformational investment will be significant and will unlock further funding to enable further reinvestment.

4 **SLIPPAGE**

4.1 An allowance for slippage has been made in the early years of the Capital Plan 2016-21 to reflect the movement which occurs on projects due to delays on projects both in the design and procurement stage and during construction. The slippage allowances for 2016/17 and 2017/18 are £3.1m and £2.5m respectively.
1. **CAPITAL EXPENDITURE INDICATORS**

1.1 **Level of Capital Expenditure**

This indicator measures affordability and gives a basic control of the Council's capital expenditure. To provide an accurate indicator of capital expenditure all receipts are excluded from the calculation, so figures are based on gross expenditure.

1.2 **Ratio of Financing Costs to Net Revenue Stream**

This also measures affordability. The measure includes both current and future commitments based on the Capital Plan and shows the revenue budget used to fund the capital financing costs associated with the capital expenditure programme.

Variations to the ratio implies that the proportion of loan charges has either increased or decreased in relation to the total funded from Government Grants and local taxpayers.

1.3 **Estimate of Incremental Impact of Capital Investment Decisions on the Council Tax**

This is also a measure of affordability. It shows the relative impact of the capital programme on the Council Tax. The indicator takes into consideration the effects of self-financing capital projects funded from existing Revenue Budgets, the effects of government funded projects and reflects the revenue impact of capital schemes on capital financing costs. The variation in the indicators shows the incremental impact of the capital investment decisions within this 5 Year Plan on the Council Tax, with all other items held constant. In reality the Council will manage its Capital Financing Costs budget in the same way as other revenue budget headings to avoid a detrimental impact on Council Tax.

2. **TREASURY MANAGEMENT INDICATORS**

The Annual Treasury Management Activity for 2014/15 (including Prudential Indicators covering period 2014/15 to 2017/18) was reported to Policy & Resources Committee on 22 June 2015 (Report No 212-2015). These have now been updated to reflect projected expenditure included in the 2016-21 Capital Plan.

### PRUDENTIAL CODE INDICATORS - TREASURY MANAGEMENT INDICATORS

**Adoption of Revised CIPFA Treasury Management Code of Practice**

<table>
<thead>
<tr>
<th>Year</th>
<th>Net principal re variable rate borrowing / investments</th>
<th>Net principal re fixed rate borrowing / investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16</td>
<td>30%</td>
<td>100%</td>
</tr>
<tr>
<td>2016/17</td>
<td>30%</td>
<td>100%</td>
</tr>
<tr>
<td>2017/18</td>
<td>30%</td>
<td>100%</td>
</tr>
<tr>
<td>2018/19</td>
<td>30%</td>
<td>100%</td>
</tr>
<tr>
<td>2019/20</td>
<td>30%</td>
<td>100%</td>
</tr>
<tr>
<td>2020/21</td>
<td>30%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Actual External Debt**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (£'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual borrowing as at 31/03/2015</td>
<td>445,164</td>
</tr>
<tr>
<td>Actual other long term liabilities as at 31/03/2015</td>
<td>76,214</td>
</tr>
<tr>
<td><strong>Actual external debt as at 31/03/2015</strong></td>
<td><strong>521,378</strong></td>
</tr>
</tbody>
</table>
Maturity structure of fixed rate borrowing 2014/15

<table>
<thead>
<tr>
<th>Period</th>
<th>Lower %</th>
<th>Upper %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 12 months</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>12 months &amp; within 24 months</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td>24 months &amp; within 5 years</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>5 years &amp; within 10 years</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>10 years +</td>
<td>50</td>
<td>95</td>
</tr>
</tbody>
</table>

Upper limit for total principal sums invested for over 364 days

- n/a
- No sums will be invested longer than 364 days

External debt, excluding investments, with limit for borrowing and other long term liabilities separately identified

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Borrowing</strong></td>
<td><strong>Other</strong></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Authorised Limit</strong></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015/16</td>
<td>502,000</td>
<td>75,000</td>
<td>577,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016/17</td>
<td>545,000</td>
<td>73,000</td>
<td>618,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017/18</td>
<td>597,000</td>
<td>71,000</td>
<td>668,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018/19</td>
<td>602,000</td>
<td>69,000</td>
<td>671,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019/20</td>
<td>599,000</td>
<td>67,000</td>
<td>666,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020/21</td>
<td>602,000</td>
<td>65,000</td>
<td>667,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

|                  |          |          |          |          |          |
|                  | **Borrowing** | **Other** | **Total** |          |          |
| **Operational Boundary** | £000    | £000     | £000     |          |          |
| 2015/16          | 477,000  | 75,000   | 552,000  |          |          |
| 2016/17          | 520,000  | 73,000   | 593,000  |          |          |
| 2017/18          | 572,000  | 71,000   | 643,000  |          |          |
| 2018/19          | 577,000  | 69,000   | 646,000  |          |          |
| 2019/20          | 574,000  | 67,000   | 641,000  |          |          |
| 2020/21          | 577,000  | 65,000   | 642,000  |          |          |

PRUDENTIAL CODE INDICATORS - PRUDENTIAL INDICATORS

|                  |          |          |          |          |          |
|                  | **Capital Expenditure** |          |          |          |          |
|                  | **Non-HRA** | **HRA** | **Total** |          |          |
| **Non-HRA** £000 |          |          |          |          |          |
| 2015/16          | 100,062  | 16,213   | 116,275  |          |          |
| 2016/17          | 104,169  | 18,362   | 122,531  |          |          |
| 2017/18          | 115,547  | 14,090   | 129,637  |          |          |
| 2018/19          | 35,339   | 14,655   | 49,994   |          |          |
| 2019/20          | 28,420   | 13,965   | 42,385   |          |          |
| 2020/21          | 32,360   | 13,765   | 46,125   |          |          |

<p>| | | | | | |
|                  |          |          |          |          |          |
|                  | <strong>Ratio of financing costs to net revenue stream</strong> |          |          |          |          |
|                  | <strong>Non-HRA %</strong> | <strong>HRA %</strong> |          |          |          |
| 2015/16          | 7.6      | 41.8     |          |          |          |
| 2016/17          | 7.8      | 40.7     |          |          |          |
| 2017/18          | 8.3      | 40.1     |          |          |          |
| 2018/19          | 8.9      | 40.4     |          |          |          |
| 2019/20          | 8.4      | 40.4     |          |          |          |
| 2020/21          | 8.6      | 37.8     |          |          |          |</p>
<table>
<thead>
<tr>
<th>Year</th>
<th>NBR £000</th>
<th>CFR £000</th>
<th>Movement £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16</td>
<td>443,598</td>
<td>473,000</td>
<td>29,402</td>
</tr>
<tr>
<td>2016/17</td>
<td>473,000</td>
<td>516,000</td>
<td>43,000</td>
</tr>
<tr>
<td>2017/18</td>
<td>516,000</td>
<td>567,000</td>
<td>51,000</td>
</tr>
<tr>
<td>2018/19</td>
<td>567,000</td>
<td>573,000</td>
<td>6,000</td>
</tr>
<tr>
<td>2019/20</td>
<td>573,000</td>
<td>570,000</td>
<td>(3,000)</td>
</tr>
<tr>
<td>2020/21</td>
<td>570,000</td>
<td>574,000</td>
<td>4,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>NBR £000</th>
<th>CFR £000</th>
<th>Movement £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16</td>
<td>330,000</td>
<td>177,000</td>
<td>507,000</td>
</tr>
<tr>
<td>2016/17</td>
<td>368,000</td>
<td>180,000</td>
<td>548,000</td>
</tr>
<tr>
<td>2017/18</td>
<td>418,000</td>
<td>181,000</td>
<td>599,000</td>
</tr>
<tr>
<td>2018/19</td>
<td>422,000</td>
<td>181,000</td>
<td>603,000</td>
</tr>
<tr>
<td>2019/20</td>
<td>419,000</td>
<td>180,000</td>
<td>599,000</td>
</tr>
<tr>
<td>2020/21</td>
<td>423,000</td>
<td>179,000</td>
<td>602,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Total £000</th>
<th>Increase in council tax (band D) per annum £</th>
<th>Increase in average housing rent per week £</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16</td>
<td>34,000</td>
<td>0.24</td>
<td>0.01</td>
</tr>
<tr>
<td>2016/17</td>
<td>32,000</td>
<td>0.77</td>
<td>0.21</td>
</tr>
<tr>
<td>2017/18</td>
<td>32,000</td>
<td>8.32</td>
<td>0.07</td>
</tr>
<tr>
<td>2018/19</td>
<td>30,000</td>
<td>10.73</td>
<td>(0.04)</td>
</tr>
<tr>
<td>2019/20</td>
<td>29,000</td>
<td>10.42</td>
<td>(0.22)</td>
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<tr>
<td>2020/21</td>
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Note 1 - The above figures reflect the incremental impact of the capital investment decisions within this 5 Year Plan on the Council Tax, with all other items held constant. In reality the Council will manage its Capital Financing Cost budget in the same way as other revenue budget headings to avoid a detrimental impact on Council Tax Levels.
CAPITAL PLAN 2016 - 2021

FOR

GENERAL SERVICES
&
HOUSING HRA

Aug-15
Executive Director of Corporate Services
DUNDEE CITY COUNCIL
CAPITAL PLAN 2016 - 2021

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GENERAL FUND SERVICES

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Health & Social Care - Older People & Adults 7
Community Safety/Public Protection 8
Digital & ICT 9
Sustainable City Infrastructure 10
Corporate Asset Management 11
Housing HRA 12
### Projected Capital Resources

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<th>2015/16 £000</th>
<th>2016/17 £000</th>
<th>2017/18 £000</th>
<th>2018/19 £000</th>
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<tr>
<td><strong>Total Planned Gross Capital Expenditure</strong></td>
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<td>42,385</td>
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### Summary

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# Capital Plan 2016 - 2021

## Jobs and Regeneration

**All Figures £’000**

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## Project/Nature of Expenditure

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### Project/Nature of Expenditure

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## Health & Social Care - Older People and Adults

**All Figures £’000**

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## Community Safety/Public Protection

**Dundee City Council**

**Capital Plan 2016 - 2021**

**Price Base: Outturn Prices**

**All Figures £'000**

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## DUNDEE CITY COUNCIL
### CAPITAL PLAN 2016 - 2021
#### SUSTAINABLE CITY INFRASTRUCTURE

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### City Square - West Wing
- Cost of prior to Later Project: £750

### Relocation of Environment
- Cost of prior to Later Project: £979
- 2015/16: £952
- 2016/17: £27

### Registrars Move to 18-20 City Square
- Cost of prior to Later Project: £205
- 2015/16: £70
- 2016/17: £135

### Redevelopment of HQ & Operational Depots - Environment
- Cost of prior to Later Project: £3,016
- 2015/16: £772
- 2016/17: £1,744
- 2017/18: £500
- (Less External Funding) £14

### Vehicle Fleet - Washbay & Fuel Facility
- Cost of prior to Later Project: £350
- 2015/16: £350

### Structural Improvements & Property Upgrades
- Cost of prior to Later Project: £14,053
- 2015/16: £6,997
- 2016/17: £1,300
- 2017/18: £1,300
- 2018/19: £1,300
- 2019/20: £1,300
- 2020/21: £1,300

### Heating & Ventilation Systems
- Cost of prior to Later Project: £7,059
- 2015/16: £4,309
- 2016/17: £500
- 2017/18: £500
- 2018/19: £500
- 2019/20: £500
- 2020/21: £500

### Roof Replacement/Improvement Programme
- Cost of prior to Later Project: £6,283
- 2015/16: £3,058
- 2016/17: £475
- 2017/18: £550
- 2018/19: £550
- 2019/20: £550
- 2020/21: £550

### Window Replacement
- Cost of prior to Later Project: £4,839
- 2015/16: £2,589
- 2016/17: £250
- 2017/18: £400
- 2018/19: £400
- 2019/20: £400
- 2020/21: £400

### Electrical Upgrades
- Cost of prior to Later Project: £6,028
- 2015/16: £2,078
- 2016/17: £450
- 2017/18: £700
- 2018/19: £700
- 2019/20: £700
- 2020/21: £700

### Capital Projects Team
- Cost of prior to Later Project: £86
- 2015/16: £48
- 2016/17: £38

### Disabled Access
- Cost of prior to Later Project: £350
- 2015/16: £100
- 2016/17: £50
- 2017/18: £50
- 2018/19: £50
- 2019/20: £50
- 2020/21: £50

### Health & Safety Works
- Cost of prior to Later Project: £2,014
- 2015/16: £360
- 2016/17: £154
- 2017/18: £300
- 2018/19: £300
- 2019/20: £300
- 2020/21: £300

### Property Rationalisation
- Cost of prior to Later Project: £5,000
- 2015/16: £1,000
- 2016/17: £1,000
- 2017/18: £1,000
- 2018/19: £1,000
- 2019/20: £1,000
- 2020/21: £1,000

### Energy - Spend to Save
- Cost of prior to Later Project: £1,100
- 2015/16: £3
- 2016/17: £347
- 2017/18: £150
- 2018/19: £150
- 2019/20: £150
- 2020/21: £150

### Procurement Costs
- Cost of prior to Later Project: £672
- 2015/16: £96
- 2016/17: £96
- 2017/18: £96
- 2018/19: £96
- 2019/20: £96
- 2020/21: £96

### Vehicle Fleet Purchases
- Cost of prior to Later Project: £20,758
  - (Less External Funding) £1,428
  - 2015/16: £11,925
  - 2016/17: £1,683
  - 2017/18: £1,500
  - 2018/19: £1,500
  - 2019/20: £1,500
  - 2020/21: £1,500

### Net Expenditure
- 2015/16: £11,832
- 2016/17: £6,289
- 2017/18: £8,146
- 2018/19: £6,196
- 2019/20: £6,546
- 2020/21: £6,546

### Receipts
- 2015/16: £31,832
- 2016/17: £6,289
- 2017/18: £8,146
- 2018/19: £6,196
- 2019/20: £6,546
- 2020/21: £6,546

### Gross Expenditure
- 2015/16: £43,664
- 2016/17: £6,289
- 2017/18: £8,146
- 2018/19: £6,196
- 2019/20: £6,546
- 2020/21: £6,546
## DUNDEE CITY COUNCIL

### CAPITAL PLAN 2016 - 2021

### HOUSING HRA

**ALL FIGURES £'000**

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<td>Fees</td>
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<td>4,500</td>
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<td>(765)</td>
<td>(765)</td>
<td>(765)</td>
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<td><strong>Net Expenditure</strong></td>
<td>90,374</td>
<td>15,813</td>
<td>17,590</td>
<td>13,625</td>
<td>13,890</td>
<td>13,200</td>
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<td><strong>Netted Off Receipts</strong></td>
<td>(3,932)</td>
<td>(3,656)</td>
<td>(772)</td>
<td>(465)</td>
<td>(765)</td>
<td>(765)</td>
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<tr>
<td><strong>Gross Expenditure</strong></td>
<td>94,306</td>
<td>19,469</td>
<td>18,362</td>
<td>14,090</td>
<td>14,655</td>
<td>13,965</td>
<td>13,765</td>
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</table>
PURPOSE OF REPORT

1.1 To advise members of the outcome of the tendering process for the construction contract for the Dundee Rail Station Concourse and to seek authority for the award of the contract.

RECOMMENDATION

2.1 It is recommended that the Committee:

a. note the progress made in bringing forward this transformational project for the city;

b. authorise the acceptance of the tender by Balfour Beatty at a total amount of £28,052,809.18; and

c. agree to the establishment of a Project Board to oversee the delivery of the redeveloped station concourse with four members from the Administration, two members from the major Opposition and two other members.

FINANCIAL IMPLICATIONS

3.1 In relation to the project costs detailed in Section 6 and the proposed funding detailed in Section 7, the Executive Director of Corporate Services has confirmed that the City Council’s contribution can be contained within the Capital Plan 2015-2018 and future Revenue Budgets.

BACKGROUND

4.1 The origin of the Dundee Station Concourse project goes back to the preparation of a Development Brief in 2003 which sought its redevelopment as part of the Dundee Waterfront Masterplan. Over the last 12 years, the Council has determinedly taken the lead in working with a variety of partners to see the project implemented.

4.2 A key component of the proposals was the demolition of the existing poor quality concourse building and its direct replacement with a new high quality passenger concourse within a mixed use commercial development facing onto a new arrival square. The former concourse building was demolished last year and a temporary station has been in operation since then while the new facility is awaited.

4.3 In addition, the existing below-ground Victorian buildings, platforms and structures are to be retained, but the vertical connections between these and the new upper level concourse will be completely renewed. A key objective has been that the improved station will act as a major transport interchange hub for the city centre with considerable opportunities for intermodal journeys between rail, bus, taxi, cycling, walking and private cars including high quality onward travel information for interchanging passengers at the Station and for those travelling onwards via Whitehall Street and High Street bus facilities.

4.4 The proposed new Station Concourse building will occupy the site of the former concourse and it has been carefully designed to create an impressive new landmark within the Central Waterfront development and also an attractive new gateway into the city for rail passengers. The building comprises a double height ground floor which incorporates a passenger concourse, ticketing facilities, etc as well as a café/restaurant and new retailing unit(s). There
are three additional floors proposed above this to accommodate a new mid-market hotel. Careful consideration has been given to the mix of uses proposed in order to provide an appropriate range of support facilities for the rail station and also to create sufficient commercial value to fully cover the costs of the necessary prudential borrowing.

5 PROGRAMME

5.1 The works are programmed to commence this Autumn and take approximately 26 months to build with completion anticipated in late 2017. The station’s completion in time for the opening of the V&A Museum of Design is critical to its business and travel planning.

6 TENDER PROCESS

6.1 The contract was advertised in OJEU in June 2014 and 5 notes of interest were received. Following a vetting process, 4 companies were invited to tender. During the tender period, 2 companies withdrew from the process and, therefore, only 2 tenders were received on 11 March 2015, those from BAM Construction Ltd and Balfour Beatty Ltd. Both of these tenders received did not fully comply with the specification and contract conditions.

6.2 On 24 April 2015, in order to permit direct discussions on the terms of their tenders, the Council gave notice to both parties that the restricted tender process was to be ended and that both parties were to be invited to participate in a negotiated process; both parties agreed to this and negotiations commenced on 8 May 2015. Revised tenders were received on 8 June 2015 as follows:

<table>
<thead>
<tr>
<th>Company</th>
<th>Amount</th>
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<tbody>
<tr>
<td>BAM</td>
<td>£29,445,661.00</td>
</tr>
<tr>
<td>Balfour Beatty</td>
<td>£28,052,809.18</td>
</tr>
</tbody>
</table>

6.3 The tender evaluation process was based on cost and quality and the quality scores for the tenders received were:

- BAM: 766/1000 (Good)
- Balfour Beatty: 914/1000 (Excellent)

The combined cost/quality scores for the tenders received are:

<table>
<thead>
<tr>
<th>Company</th>
<th>Score</th>
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<tbody>
<tr>
<td>BAM</td>
<td>86/100</td>
</tr>
<tr>
<td>Balfour Beatty</td>
<td>100/100</td>
</tr>
</tbody>
</table>

It is therefore recommended that Balfour Beatty be appointed as the main contractor for the project’s construction.

6.4 As part of the project, and included in the tender, is the creation of the underlying bridge and the station plaza. In addition to these and the main building construction cost, account has to be taken of the substantial enabling works carried out to date and provision is also needed for Network Rail costs, professional fees and a client contingency allowance; therefore, the total costs for the project are.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Main Building</td>
<td>£23.98m</td>
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<tr>
<td>Underlying Bridge Structure</td>
<td>£2.69m</td>
</tr>
<tr>
<td>Station Plaza</td>
<td>£1.38m</td>
</tr>
<tr>
<td><strong>Sub Total for Balfour Beatty Contract</strong></td>
<td><strong>£28.05m</strong></td>
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<tr>
<td>Enabling Works</td>
<td>£2.46m</td>
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<tr>
<td>Network Rail Costs</td>
<td>£1.47m</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>£3.37m</td>
</tr>
<tr>
<td>Client Contingency</td>
<td>£1.25m</td>
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</table>
Non Contract Allowances £1.40m

TOTAL BUILDING COST £38.00m

6.5 Reference is made to Article XV of the Policy & Resources Committee of 20 May 2013 where a budget of £22.3m was approved for the construction of the Station Concourse. This, however, did not include works associated with the station plaza and bridge structure for which allowances of £3m have historically been in place within Waterfront budgets. Committee Approval has also been received for the enabling works related to the demolition of the original rail station and construction of the temporary station (Report 314-2013, Article V of the Minute of Meeting of the City Development Committee on 23 September 2013 and Report 91-2013, Article VI of the Minute of Meeting of the City Development Committee on 25 March 2013 refer).

7 PROPOSED FUNDING ARRANGEMENT

7.1 The following capital funding has already been secured for the construction of the overall project:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>DCC Capital Programme (Rail Station)</td>
<td>£2.850m</td>
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<tr>
<td>DCC Prudential Borrowing</td>
<td>£13.135m</td>
</tr>
<tr>
<td>ERDF</td>
<td>£2.000m</td>
</tr>
<tr>
<td>Scottish Government</td>
<td>£1.000m</td>
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<tr>
<td>Network Rail</td>
<td>£3.315m</td>
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Sub Total per Previous Committee Approvals £22.300m

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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<tr>
<td>DCC Capital Programme (Waterfront)</td>
<td>£3.000m</td>
</tr>
<tr>
<td>DCC Capital Programme (Virements)</td>
<td>£0.800m</td>
</tr>
<tr>
<td>DCC Additional Prudential Borrowing (financed by increased rent)</td>
<td>£3.500m</td>
</tr>
</tbody>
</table>

TOTAL FUNDS SECURED £29.600m

7.2 There is therefore a requirement for additional funding of £8.4m in order to let the contract for the project’s construction and this additional provision has been included within the newly revised Capital Plan for 2016-21 and a total of £38.0m can be secured to cover the construction of the Rail Station Concourse project including all fixtures and fittings, professional fees, other costs and contingencies. This figure includes the costs of the Station Plaza and the associated underground bridge works which are being funded by the Waterfront Project.

8 TENDER COST REVIEW

8.1 A detailed post-tender cost review has been carried out by the Project Consultant, Jacobs, in order to identify the reasons for the increase in costs and this is attached at Appendix 1. A pre-tender cost estimate for the contract was carried out in the sum of £21,030,000. The lowest tender received on 8 June 2015 was in the sum of £28,052,809.18. This represents an increase of approximately £7m over the pre-tender estimate for the contract. Additional advanced enabling works, increased hotel fit out costs, emerging rail station ticketing requirements, additional professional fees for various design changes and additional Network Rail fees/costs account for the remaining £1.4m increase over the budget secured.

8.2 The pre-tender estimate was prepared by Jacobs using the tender documents as the quantified basis with rates applied from projects of a similar size and nature. In addition, market testing was carried out for significant elements of the project to determine current market prices from major sub-contractors/suppliers. Cognisance was taken of the unusual nature of the project involving construction over a railway and the complete fitting out of a
hotel and comparisons were made at that time with other similar projects and a significantly higher than average cost applied. At this stage, a good degree of competition was anticipated.

8.3 As noted in 6.1 above, the contract was advertised in OJEU in June 2014 and 5 notes of interest were received. Following a vetting process, 4 companies were invited to tender. During the tender period, however, 2 companies withdrew from the process and, therefore, only 2 tenders were ultimately received. On close examination of the tendered rates it is clear that the limited number of contractors tendering has had a considerable effect on the overall tender price.

8.4 A review of the construction/building industry workload confirms that the few specialist contractors experienced in building and in rail related infrastructure are busy. The same is true for specialist sub-contractors. The recently issued tender price briefing by the Building Cost Information Service (BCIS) states that “the last three quarters of 2014 saw higher annual tender price increases, in the order of 6% to 9% as contractors were under pressure to cope with the sharp increase in workload”. As such, it is apparent that contractors and sub-contractors can be selective in the current market. It was particularly evident that there was a lack of competition with specialist sub-contractors with associated increased prices.

8.5 The risks associated with carrying out a rail related project have considerably influenced the tender return. There have been recent industry reports of contractors suffering significant losses due to having underestimated the implications of working on and adjacent to railways. Not only has this factor affected the number of available tenderers, but also has been reflected in the prices submitted by the contractors and sub-contractors. Due to the uncertainties surrounding access to the restricted rail environment and timescales, contractors are now unwilling to accept a large degree of risk and are pricing tender documents accordingly. Network Rail sources have advised that current tender returns for rail projects are generally 30% in excess of estimated costs. Mark Carne, Chief Executive, Network Rail advised on 26 June 2015 that “On the big items like electrification and capital projects, it was always part of the regulatory process that the costs and programme would be revisited as projects became properly defined. Unfortunately when these reviews have occurred, the more detailed project costs have been higher than assumed at the earliest stages of definition. As a result, the total enhancement programme cost now exceeds the available five-year budget. Some projects are also delayed beyond the original dates”.

8.6 The form of contract also puts the risk of construction inflationary costs onto the contractor and it is clear that substantially higher than anticipated allowances have been made in this regard.

8.7 Jacobs report concludes that the lack of competition in the marketplace combined with the current risk averse approach to rail related projects are the single most influential factors that have led to a tender price which is significantly in excess of that estimated. Given the limited numbers of suitably qualified and Network Rail certified contractors in the marketplace, Jacobs also advise that to retender the works would unlikely lead to a lower outturn price and would cause delays to the project with potentially significant additional inflationary costs.

8.8 Officers have worked with the design team and the bidding contractors to explore the potential to reduce these costs by amending the design of the building and its construction methodology, for example changing the building layout from crescent shaped to rectangular. However, it has not been possible to identify any substantial cost savings which do not have significant consequent impacts on the overall quality of the building and its relationship with its role as a major entry point into the city. These impacts are regarded as being so severe and detrimental that it is not recommended that these be pursued further. This conclusion has also been heavily influenced by the unacceptable consequent further delays to the project resulting in increasing cost pressures due to future construction cost inflation and the risk that the project would not be completed in time for the opening of the V&A Museum of Design.
8.9 While it has been concluded that the potential value engineering savings which have been explored should not be pursued, there are some other minor opportunities for savings which can be considered during the contract period. These include modifications to the steelwork, in particular the station entrance archway, mechanical and electrical specifications, external glazing and cladding, roof and floor finishes.

9 COMMUNITY BENEFITS

9.1 Benefits to the local economy as a result of the regeneration of Dundee Railway Station are many. In terms of jobs created during the construction phase, there will be the following direct benefits:

a  122 construction jobs per year for the 2 years of the build;
b  £5.826M of gross added value to the local economy per year, totalling £11.652M over the construction period; and
c  type II Multipliers add in the induced effect of supply chain and spend of wages - this increases the total impact of the spend and creates 341 jobs per year and increases GVA impact to £13.98M per annum and £27.96M over the 2 year construction period.

9.2 On the opening of the station, additional jobs will be created in the new services being offered. The station will include:

a  a 120 bedroom hotel which would could create 30 to 35 jobs;
b  a 341m² retail outlet/express supermarket would create up to 20 jobs; and
c  a 436m² café/bistro which would create a further 20 jobs.

9.3 The community benefits clause in the tender for the station has identified a number of other local opportunities:

a  use suppliers within a 35-mile radius of the site wherever possible;
b  hosting a meeting to identify potential local suppliers;
c  providing training and mentoring to enable local companies to become suppliers;
d  creating new start positions (7 minimum);
e  offering work experience placements for young and unemployed people;
f  providing training to sub-contractors in issues such as site supervision, management and leadership and health and safety; and
g  develop positions for at least 6 new apprentices and 2 existing apprentices.

9.4 In direct response to further questioning regarding their commitments in these areas, Balfour Beatty have stated that they offer pay and benefits to all of their employees that exceeds the Living Wage, are committed to co-operating and maintaining good relationships with trade unions wherever they operate, are committed to creating local employment opportunities in the communities where they work and they are committed to providing and promoting training opportunities to all staff and apprentices.
10 CONCLUSION

10.1 The Station Concourse project presents a major opportunity for the city of Dundee to radically improve its transportation infrastructure; the contribution it will make to realising the Council’s ambitions and strategies for the city are very significant and its completion and opening in 2017 will create a high quality new entry point into the city. This project, along with the V&A Museum of Design is a key part of the future regeneration of Dundee Waterfront and for the associated job creation opportunities.

10.2 The final cost of the project has increased above that which was originally estimated; however, an additional funding package can be delivered to enable the project to proceed as programmed and to the quality and standard expected by the citizens of Dundee and beyond.

11 POLICY IMPLICATIONS

11.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues, but there are considerable major positive contributions towards key Council policies; these relate mainly to the delivery of a highly sustainable new public transport facility, to job creation in the city and to a direct contribution to anti-poverty outcomes within the city. A revised Risk Register is being developed in order to manage and mitigate any remaining risks during the construction period.

12 CONSULTATIONS

12.1 The Chief Executive, the Executive Director of Corporate Services and Head of Democratic and Legal Services have been consulted and are in agreement with the contents of this report.

13 BACKGROUND PAPERS

13.1 None
Dundee Central Waterfront Development

Rail Station Concourse, Hotel and Plaza

B1610900

Tender Cost Review

July 2015
Project Name: Dundee Rail Station Concourse, Hotel and Plaza

Project no: B1610900
Document title: Tender Cost Review, Comparison of Lowest Tender and Pre-Tender Estimate
Document No.: 1
Revision: G
Date: 30th July 2015
Client name: Dundee City Council

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Executive Summary

This report provides a comparison between the lowest tender received and the pre-tender estimate issued on 16th January 2015.

It should be borne in mind when considering the following comparison between tenders received and previously reported estimated costs that it was anticipated that a good degree of competition would be provided in the tendering exercise with a minimum of five contractors participating. The limited pool of contractors prepared and certified to carry out rail projects has clearly impacted on the cost of this project.

The pre-tender estimate narrative indicated that a potential factor which could affect the tender returns was the limited number of contractors submitting tenders. While this matter was considered and raised when compiling the pre-tender estimate, the estimated costs were not amended as the potential effect could not be quantified. It is clear on close examination of the tendered rates that this factor has had a considerable effect on the overall tender price. This was exacerbated by one of the tenderers withdrawing from the tendering exercise during the tender process reducing the competition to only two participants.

In addition, the risks associated with carrying out a rail related project have considerably influenced the tender return. There have been recent reports of contractors suffering significant losses due to having underestimated the implications of working adjacent to railways. Not only has this factor affected the number of available tenderers, but it has also influenced the prices submitted by the contractors and sub-contractors. Due to the uncertainties surrounding access and timescales, contractors are unwilling to accept a large degree of risk and are pricing tender documents accordingly. Anecdotal evidence has indicated that current tender returns for rail projects are generally 30% in excess of estimated costs. “On the big items like electrification and capital projects, it was always part of the regulatory process that the costs and programme would be revisited as projects became properly defined. Unfortunately when these reviews have occurred, the more detailed project costs have been higher than assumed at the earliest stages of definition. As a result, the total enhancement programme cost now exceeds the available five-year budget. Some projects are also delayed beyond the original dates” (http://www.networkrail.co.uk/news/2015/june/Network-Rail-confirms-review-of-five-year-CP5-plan/ 26/6/15).

This is partly explained by the recently issued tender price briefing by the Building Cost Information Service (BCIS) which states “The last three quarters of 2014 saw higher annual tender price increases, in the order of 6% to 9%, as contractors were under pressure to cope with the sharp increase in workload”. Lack of competition, given the minimal number of contractors certified to carry out rail related work, will only increase these figures.
We consider the lack of competition and the risk averse approach to a rail related project to be the two most influential factors that have led to a tender price which is significantly in excess of that estimated. Given the limited numbers of suitably qualified and Network Rail certified contractors in the marketplace, we would advise that to retender the works would unlikely lead to a lower outturn price and would cause delays to the project with potentially significant additional inflationary costs.
1.0 Introduction

This report sets out to provide cost comparison information between the anticipated cost reported in the pre-tender estimate and the lowest tender submitted in the negotiated tender process.

It should be noted that, following the abandonment of the original tender process, changes were made to the tender documents to assist in obtaining compliant tenders. These changes were mainly as a result of matters raised by the tenderers during the original tender process.

As part of the tender rationalisation process, a number of post tender amendments were made to the Tender Sum to ensure that the Employers requirements were included in the contract documents. These amendments are articulated in the Final Report on Tenders issued separately.

2.0 Pre-Tender Estimate

The pre-tender estimate was prepared using the tender documents prepared for the original tender issue as the quantified basis. Rates from projects of a similar size and nature were applied where possible and published cost information was used where no rates were available. In addition, market testing was carried out for significant elements of the project to determine current market prices from major sub-contractors / suppliers as follows:-

- Piling
- Structural Steelwork
- External Cladding
- Roofing
- Internal Joinery items e.g. Doors, Furniture etc.
- Curtain Walling/Windows
- Various suppliers of Floor, Wall and Ceiling finishes
- Examination of current Mechanical & Electrical Installation costs

Where appropriate, percentages were applied to items such as Preliminaries costs, Daywork allowances etc. which were determined from historical data, current market trends and tenders received for projects of a similar size and nature.

In addition, the overall estimated cost of the project was compared to cost data from similar projects published by the BCIS (Building Cost Information Service). Due to the unusual nature of this project involving construction over a railway and the complete fitting out of the hotel, no directly comparable project costs were available however by isolating the “abnormal” costs such as the bridge construction and the hotel FF&E costs it was possible to obtain an indicative comparator for the superstructure works.
This comparison with the cost data available revealed that the pre-tender estimate was significantly higher than similar projects elsewhere in the country.

The comparator figures identified for hotel type construction are shown in the table below:

<table>
<thead>
<tr>
<th>Location</th>
<th>Storeys</th>
<th>Area (m²)</th>
<th>Cost / m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>London Business Park</td>
<td>5</td>
<td>3914</td>
<td>£ 1,342</td>
</tr>
<tr>
<td>Southwark, London</td>
<td>6</td>
<td>2170</td>
<td>£ 2,326</td>
</tr>
<tr>
<td>Chesterfield, Derbyshire</td>
<td>7</td>
<td>7338</td>
<td>£ 2,020</td>
</tr>
<tr>
<td>Aberdeen</td>
<td>7</td>
<td>4008</td>
<td>£ 1,785</td>
</tr>
<tr>
<td>Dundee Rail Station</td>
<td>5</td>
<td>7066</td>
<td>£ 2,468</td>
</tr>
</tbody>
</table>

It was considered that due to the complexity and associated risks of building over the railway and the items noted below, the higher than average cost was appropriate. In addition, much of the ground floor area and first floor is shell construction only which would attract a significantly lower cost/m².

Item 6.0 of the pre-tender estimate highlighted the following factors which could potentially affect the level of tender returns:

1. The lack of competition;
2. The requirement to estimate the cost of the number of railway possessions required to carry out the works and the requirement for the contractor to bear the risk of estimating this amount;
3. The volatility of the current building material market – in particular the fluctuation in the cost of steelwork
4. The potential lack of local labour resources due to the current level of local construction activities
5. The requirement to estimate the likely cost fluctuations due to inflation over the two year period and bear the risk of estimating this amount.

While these items were noted as having been considered at pre-tender stage, the approach taken by the tenderers to costing these items is entirely dependent upon their pricing strategy and their appetite for bearing risk. The tender costs submitted fluctuate significantly dependent upon the foregoing.

The pre-tender estimate was issued on 16th January 2015 in the sum of £21,030,000 excluding VAT.
3.0 Lowest Tender Amount

Tenders were originally received from two contractors in March 2015, however following detailed tender scrutiny, neither tender was found to be compliant and consequently, the Employer elected to enter into a negotiated tendering procedure.

As part of the negotiated tender process, tender documents were issued to both bidders in May 2015 and two tenders were subsequently received on 8th June.

The lowest tender amount received was in the sum of £27,969,716.00 excluding VAT.

As a result of the post tender amendments to achieve a fully compliant tender, as detailed in the Final Report on Tenders, the lowest tender amount was increased by £83,093.18 to £28,052,809.18

This equated to an increase of £7,022,809.18 over the pre-tender estimate.

It should be noted that due to the delay in the procurement process, it was necessary for the contractors to re-affirm the prices previously submitted by their subcontractors and to make any necessary amendments to their tender submissions.

4.0 Detailed Examination of Lowest Tender

4.1 General Summary

A fully detailed tender examination has been carried out to check for computational errors. A comparison of the rates between the two tenders received and the pre-tender estimate has also been carried out.

The detailed comparison of each of the tender rates extends to 283 pages and is not replicated in this report however a cost comparison summary of the main elements of the project is attached to this report as Appendix A.

A detailed examination was also carried out to identify the reasons for the increase of £7,022,809.18 over the pre-tender estimate, this follows under 4.2 to 4.6 and is summarised in Appendix B.

A graphical representation of the tender comparison is attached overleaf:
4.2 Preliminaries

Examination of the General Summary comparison (Appendix A – Table 1) indicates that the highest contributor to the increased cost is the Preliminaries section at over 51% of the increase – approximately £3.61M (excluding Overheads & Profit)

The pre-tender estimate was based on market testing and percentages obtained from projects of a similar size and complexity. The percentage allowance included for Preliminaries in the pre-tender estimate amounted to approximately 14%. Considering all factors associated with this project such as ease of access, degree of repetition etc., this percentage allowance was considered to be appropriate and was comparable with other similar projects.

The percentage of Preliminaries included within the lowest tender submission amounts to approximately 23% of the total cost of the work. This is considerably in excess of what would normally be expected for a project of this nature and it reflects the particularly risk averse approach taken by the tenderers to a rail related project. It is likely that the high Preliminaries costs are as a result of the matters highlighted in the pre-tender estimate noted at items 2, 3 and 5 of page 4 above.

A high level indication of the cost breakdown of the Preliminaries section of the tender document was submitted with the lowest tender. From the information supplied, it is not possible to accurately identify exactly the areas where additional costs have occurred. In addition, the allowances made in respect of Preliminaries costs in the pre-tender estimate were based on an overall percentage addition which cannot be directly compared to the indicative tender breakdown submitted with the tender. However the information made available has been used to provide the following indicative information as to where some of the additional costs may have occurred. It is stressed that the figures stated are indicative only:

- The amount included in respect of Railway Possessions is estimated to be approximately 90% higher than anticipated. The number of Railway Possessions required is entirely dependent upon how the contractor executes the works and the risk of correctly assessing the required number rests firmly with the contractor. It is clear that this has significantly contributed to the higher than anticipated Preliminaries costs. It is estimated that this may have added approximately £160K to the tender amount.

  The tenderers have priced on the basis of a significantly higher number of Possessions than was included in the pre-tender estimate to reflect the requirements of Network Rail. In addition to the cost of the additional Possessions, the tenderers will require to have allowed in their tender for additional labour, plant and running costs associated with operating outwith normal working hours. It is likely that this factor may have added approximately £330K.

- The lowest tenderer has included significant costs in respect of the pre-purchase of materials. Again the risk for correctly assessing the inflationary effects on materials for the contract period rests with the contractor and they appear to have taken a particularly pessimistic view of the potential future markets. The overall cost effect of these items is reflected in the unit rates for the superstructure.

  In addition, the tenderers have included specific allowances within the Preliminaries section in respect of inflation costs. It is likely that further inflationary costs are included within the measured rates in the Bills of Quantities. The potential effect of higher anticipated inflationary costs could amount to an addition of approximately £400K.
The tenderer has included a specific sum in his preliminaries in respect of risk, however risk allowances are also be included in the general pricing of the Preliminaries section of the document e.g. additional supervisions costs etc. There is no detailed breakdown of the risk allowance but obvious significant issues would include:

- Adjacency to railway and supporting structures
- Adjacency to main thoroughfare
- Requirement to meet stringent acoustic and thermal standards
- High quality public realm requirements
- Availability of appropriate local labour
- Additional Supervision and monitoring costs associated with working adjacent to railway and shift working
- Risk transfer to contractor due to non-standard terms and conditions of contract

These items have clearly influenced the tenderers approach to assessing and costing risk and may have added up to £750K to the tender amount.

The terms and conditions of contract required by Dundee City Council contain significant amendments to the Standard Form of Contract and insurance terms to comply with the requirements of the Network Rail Asset Protection Agreement (APA) and Hotel Operators Agreement for lease. In particular, a significant degree of risk has been transferred to the contractor and as a result, significantly higher risk allowances and insurance costs have been included. It is likely that these requirements have added up to £420K to the tender amount.

In addition, the contractual obligation on the contractor to have Employer’s insurances in the joint names of both DCC and Network Rail in compliance with the Asset Protection Agreement has added approximately £220K to the tender amount. The contractor has experienced significant difficulties in sourcing the required insurance from the market and this has clearly contributed to the additional cost.

Examination of the allowances in respect of scaffolding indicates that these are higher than would normally be expected. The costs associated with this item are method related and the tenderers have taken a cautious approach to the risks associated with this work as a result of the adjacency of the railway. It is likely that these costs exceed the pre-tender estimate by up to £250K.

Site supervision and co-ordination costs are significantly higher than expected and may have added approximately £300K to the tender amount. It is likely that these additional costs reflect the complexities of working above the railway and the Contractors method of managing these risks.

The pre-tender estimate was based on a percentage of the overall estimated cost of the measured works. As the lowest tender costs for measured works is significantly higher than the pre-tender estimate, this results in a corresponding difference of approximately £400K.

In general, the remainder of the preliminaries costs relating to various items such as temporary works, temporary accommodation, site servicing, site management, site running costs etc., are generally higher than anticipated for a project of this nature. This equates to a difference of approximately £380K.
4.3 Overheads & Profit (O&P)

The second highest contributor to the increased cost is the amount included by the tenderer in respect of O&P. The New Rules of Measurement require that the tenderers be afforded the opportunity to price their O&P separately in the tender documents rather than to include these costs in the individual measured rates. In this instance, both tenderers have elected to do so.

The rates used to price the pre-tender estimate included O&P in the measured rates and were based on a general allowance for O&P of 3%, equating to £0.57m. This would be considered to be the norm for a project of this nature and broadly in line with the current market.

It should be noted that the percentages included against the item for O&P are dependent upon the tenderers pricing strategy and are not necessarily indicative of the actual O&P costs included in the overall tender. However the declared O&P percentage at 8.5% is 5.5% higher than expected. It is likely that this additional cost is as a result of the lack of competition in the tendering exercise as highlighted in the pre-tender estimate (item 1 page 4 above). This has contributed to the overall increased cost by approximately £1.5M.

4.4 Measured Sections of the Bills of Quantities

The third highest contributor to the increased cost is the measured works section of the Bills of Quantities. This relates to the rates inserted by the tenderer against each of the measured items for all the elements of the work. This has contributed to approximately 25% of the increased cost – approximately £1.57M (Excluding O&P addition)

4.4.1 Bridge Construction

Examination of the cost of constructing the bridge appears to be marginally lower than anticipated at -£100K (excl. O&P) however it is known that the Preliminaries section includes the cost of pre-purchasing steelwork for the bridge which equates to approximately the same amount.

4.4.2 Substructure

The substructure costs are generally higher than anticipated in the pre-tender estimate by approximately £260K (4%).

The rates for excavation and disposal are generally much higher than anticipated due to the assumptions made by the tenderers as to the likely ground conditions in respect of contamination.

During the tender period, additional site investigation works were completed and additional ground condition information became available which significantly increased the piling requirements. An amendment to the tender document was issued to the tenderers during the tender period in respect of this alteration. The costs associated with the increased piling requirements were not contained within the pre-tender estimate and have added approximately £200K to the tender amount. In addition, the rates for steel reinforcement were higher than market testing had indicated.

4.4.3 Superstructure

Superstructure costs have contributed most to the increased costs associated within the measured section of the tender returns - equating to an addition of £1.356m
A comparison of the superstructure costs in the lowest tender received, with the pre-
tender estimate was carried out which identifies the cost and percentage differences
against each element of the work.

The rates throughout the tender are, in general higher than would normally be
expected. This may be reflective of the lack of available local labour resources as
highlighted in the pre-tender estimate (item 4 Page 4 above)

The reasons for the increased cost of this element are described in detail in section 4.5
below

4.4.4 External Works
The external works section is broadly in line with the costs anticipated in the pre-tender
estimate.

4.4.5 Provisional Sums
The provisional sums section has also generally been priced as anticipated in the pre-
tender estimate. The percentage additions inserted by the tenderers against the
daywork allowances are as expected and in line with the current industry norm.

This section of the tender indicates a significant reduction due to the removal of the
provisional sums relating to the hotel fitting out works.

4.5 Detailed Consideration of Superstructure Costs
As would be expected in any tendering exercise, there is a large degree of fluctuation in the pricing
of the document and this is largely down to each individual estimators approach towards pricing the
document and the information received from the sub-contractors. While there may appear to be
significant reductions and increases in some areas, this is reflective of the pricing strategies being
adopted. Of note however, are the following items of additional cost:-

4.5.1 Structural Steelwork
Market testing of the current price of steelwork for this project indicated that a rate of approximately
£1,700 per tonne would be appropriate (a recently published report by AECOM on tender prices
indicates that structural steel prices at London rates are typically £1,400 - £1,500 per tonne). The
average cost of the steelwork in the tender amounts to approximately £2,700 per tonne. The
complexity of the steelwork erection is clearly a factor in the increased cost of the steel, however
this was already factored in to the £1,700 per tonne which is significantly higher than for a standard
rectangular steel framed building. In addition, it is known that the contractor has included a sum of
money in the preliminaries section in respect of pre-purchasing steelwork in the order of £310K.
This would indicate that the cost of the steelwork is approximately £980K (43%) in excess of the
pre-tender estimate.

It appears likely that due to the risks associated with working over the railway and the difficulties in
setting out a steel frame to a curve, the tender prices have been significantly inflated to allow for all
costs associated with these matters. In addition, it is likely that the current volatility of this market
has significantly influenced the tenderers’ approach towards pricing this element of the work as
highlighted in the pre-tender report (item 3 page 4 above)

4.5.2 Roofing
Market testing of the selected roofing material indicated that an all in cost for the roofing could be
expected to be in the region of £105/m2. The all in cost of the flat roofing in the tender amounts to
£185/m2. There is no obvious reason as to why this element should have been priced as highly,
however working over the railway will clearly have been a significant factor. The cost of this element is approximately £130K (81%) above the pre-tender estimate.

4.5.3 Internal Walls & Partitions

During the tender period, a tender amendment was issued to the tenderers in relation to the acoustic sealing of the partitions at the boundaries of the works. This has increased the costs from those included in the pre-tender estimate.

Tenderers may also have included allowances in excess of those anticipated in respect of working to the curvature of the building which makes setting out of the partitions more difficult. The individual rates in this section have been examined in detail for error however it would appear that this section has simply been priced at high rates, possibly as a result of the volume of construction work currently available in the area. The cost of this element is approximately £370K (64%) above the pre-tender estimate.

4.5.4 Internal Floor Finishes

The average all in cost of the high specification floor finishes e.g. terrazzo to the café area and the public areas of the hotel are generally higher than was allowed in the pre-tender estimate which again was based on market testing. The cost of this element is approximately £200K (63%) above the pre-tender estimate.

4.5.5 Ceiling Finishes

The rates generally inserted by the tenderer in respect of the suspended ceilings are marginally above those included in the pre-tender estimate. However, the rates inserted by the contractor in respect of the hotel corridors are significantly higher than those anticipated. The requirement to ensure continuity of the acoustic properties of the ceilings is a particularly onerous task and while allowances were included in the pre-tender estimate rates for these complexities, the rates included in the tender are significantly higher.

In addition, the feature ceiling in the restaurant area of the hotel is particularly complex to construct. Again, allowances were made in the pre-tender estimate for the construction of this feature, however the cost of this item is significantly higher than could have been foreseen.

Ceiling finishes are approximately £80K (29%) higher than anticipated with approximately £38K of this cost being attributable to the ceilings in the second floor area of the hotel (Restaurant/Lounge/Bar etc.).

4.5.6 Fittings and Furniture / Internal Finishes

The cost of the bespoke furniture (bar counter, reception desk, cabinets etc.) and internal finishes generally in the hotel areas is significantly higher than was anticipated for these items of work. The cost of this element is approximately £90K (22%) above the pre-tender estimate.

4.5.7 Superstructure Generally – Sub-contractors

Much of the superstructure work is to be carried out by specialist sub-contractors. On examination of the proportionate value of this work, it is noted that 49% of the value of the superstructure work has been priced by the same sub-contractors in both of the tenders received. This is symptomatic of the lack of competition in the tender returns and will undoubtedly have led to increased prices.

While it has been possible to partially identify additional costs associated with the inherent risks of this project in relation to the main contractor, it is not possible to do likewise for the sub-contractors costs. Any risk costs associated with the project will be included in the tendered rates.

On examination of the tendered rates, particularly in relation to the steelwork, roofing and to a lesser extent, the external cladding, it seems likely that the high tendered rates are as a result of working over or adjacent to the railway and the inherent lack of competition in the supply chain.
4.5.8 Mechanical Services Installation

The costs associated with the mechanical services installation are significantly higher than those anticipated in the pre-tender exercise, however the amount included in the electrical services installation is significantly lower. It appears likely that these differences are simply as a result of pricing strategy with the overall aggregate cost of these elements being within 2.8% of the pre-tender estimate.

4.6 Contingencies

The contingency allowance is based on a 3% addition to the tender submission. With the exception of the contractor’s O&P, all of the foregoing additional costs have also attracted a 3% increase in respect of the contingency allowance. This has added approximately £145K to the tender amount.

5.0 SUMMARY

There are a significant number of factors that have contributed to the surprisingly high tenders received from the contractors, many of which are explained in detail above. Both tenderers have expressed surprise at the level of prices being received from their sub-contractors who appeared to be resistant to any downward negotiations. However, there are general considerations which will undoubtedly also have increased the Tender Sum as was highlighted in the pre-tender estimate report. These general factors are:-

- Lack of competition – With only two tenderers submitting bids, there is a clear lack of competition. This has clearly affected the prices being received from sub-contractors (refer 4.4.7)

- Adjacent railway working – The tenderers have clearly included significant costs in their tender to address the risks associated with working adjacent and over the railway. While allowance was made in the pre-tender costs for this aspect, the tenderers appear to be taking a particularly pessimistic view of the degree of risk.

- Market price of materials – Inflationary effects on the price of materials was allowed for in the pre-tender estimate however from the information available, the tenderers appear to be taking a particularly pessimistic view of the rising price of materials going forward. The graph below indicates the potential for disparity in the pricing of materials
- Local Market – There are a number of large scale projects running concurrently with the programme for this project. There are few local contractors noted in the list of sub-contractors proposed by each of the tenderers which indicates that the local workforce is fully engaged elsewhere. This requirement to use sub-contractors from further afield will clearly increase prices.

- Construction market generally – There has been a major upturn in the amount of work available within the construction industry. This reflects the fact that only two main contractors were prepared to submit bids. Further, it is likely that the main contractors were experiencing similar responses when attempting to obtain prices from their sub-contractors.

A general summation of the identified areas of additional costs is attached to this report as Appendix B.

It is disappointing that the tender returns are significantly in excess of those anticipated in the pre-tender estimate, however it is clear that the contractors have taken a particular approach towards pricing certain aspects of this project in light of the current markets and circumstances. Given the mix of civil engineering, rail related work and residential accommodation, the contractors have clearly considered this as an unusual project and have taken a cautious approach towards pricing the risk elements in their tender submissions. In determining how best to proceed, consideration should be taken of the following:

a) Preliminaries

The major factors contributing to additional costs in the preliminaries are:-

a) Number of Railway Possessions
b) Allowances in respect of inflation
c) Risk associated with construction activities particular to the project
d) Risk associated with contractual obligations

If the project were to be re-tendered on the same basis as before, it is unlikely that this would have a beneficial cost effect on any of the above items. The tenderers would likely make the same assumptions as before and include costs accordingly. With regard to item d) above, transfer of some of the risk back to DCC from the contractor would yield some minimal cost reduction but of course would increase the risk to DCC. With regard to item b) the time taken to re-tender the project would exacerbate the inflationary effects on the tender submissions, particularly in light of the rate of increase.

b) Overheads & Profit

The major factors that have influenced the additional cost of this item are:-

a) Lack of competition
b) Market conditions

ef the project were to be re-tendered, it may be possible to introduce additional competition, however the number of additional contractors who are certified and prepared to price the work is extremely limited with only two other contractors considered appropriate in the previous exercise. Given the general level of construction activity at present, introduction of additional competition may not be possible and current market conditions indicate that O&P levels are increasing significantly. It is likely that any reduction in O&P costs that might be achieved through additional competition would be significantly reduced by the increased inflation costs.

c) Measured Works

It is considered likely that the two contractors who submitted tenders have thoroughly explored the market to obtain the best rates from sub-contractors prior to submitting their tenders. It is unlikely that a re-tendering exercise would yield any significant reduction in the overall cost of this item and would likely increase due to inflationary pressures.
APPENDIX A

Comparison of the Pre-tender estimate with the lowest tender received

Comparison of the pre-tender estimate and the lowest tender received as amended to produce a compliant tender is as follows:-

<table>
<thead>
<tr>
<th>TABLE 1 - GENERAL SUMMARY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bill Section</td>
</tr>
<tr>
<td>--------------</td>
</tr>
<tr>
<td>Preliminaries</td>
</tr>
<tr>
<td>Bridge Works</td>
</tr>
<tr>
<td>Substructure</td>
</tr>
<tr>
<td>Superstructure</td>
</tr>
<tr>
<td>External Works - General</td>
</tr>
<tr>
<td>Provisional &amp; PC Sums</td>
</tr>
<tr>
<td>Contingencies</td>
</tr>
<tr>
<td>Overheads &amp; Profit incl</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

The pre-tender estimate was priced on the basis of rates that were inclusive of Overheads & Profit (O&P) and this figure was not identified separately in the estimate. Consequently in order to obtain an overall comparison, the O&P costs included in the pre-tender estimate have been identified and the table below demonstrates the result:-

<table>
<thead>
<tr>
<th>TABLE 2 - GENERAL SUMMARY - O&amp;P APPORTIONED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bill Section</td>
</tr>
<tr>
<td>--------------</td>
</tr>
<tr>
<td>Preliminaries</td>
</tr>
<tr>
<td>Bridge Works</td>
</tr>
<tr>
<td>Substructure</td>
</tr>
<tr>
<td>Superstructure</td>
</tr>
<tr>
<td>External Works - General</td>
</tr>
<tr>
<td>Provisional &amp; PC Sums</td>
</tr>
<tr>
<td>Contingencies</td>
</tr>
<tr>
<td>Overheads &amp; Profit incl</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>
## APPENDIX B

### SUMMARY OF IDENTIFIED CAUSES OF ADDITIONAL COSTS

<table>
<thead>
<tr>
<th>Item</th>
<th>Element</th>
<th>Item</th>
<th>Total</th>
<th>Amount</th>
<th>Outline Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Preliminaries</td>
<td></td>
<td></td>
<td>£3,610,000.00</td>
<td>See below</td>
</tr>
<tr>
<td>1.1</td>
<td></td>
<td>Railway possessions</td>
<td></td>
<td>£160,000.00</td>
<td>Number of railway possessions required are significantly more than anticipated - dependant on contractors method of work</td>
</tr>
<tr>
<td>1.2</td>
<td></td>
<td>Additional cost of out of hours working in connection with Railway Possessions</td>
<td></td>
<td>£330,000.00</td>
<td>Additional costs associated with item above</td>
</tr>
<tr>
<td>1.3</td>
<td></td>
<td>Inflation costs</td>
<td></td>
<td>£400,000.00</td>
<td>Higher than anticipated allowance in respect of future inflationary effects</td>
</tr>
<tr>
<td>1.4</td>
<td></td>
<td>Risk allowances</td>
<td></td>
<td>£750,000.00</td>
<td>Significantly higher risk allowance</td>
</tr>
<tr>
<td>1.5</td>
<td></td>
<td>Terms &amp; Conditions</td>
<td></td>
<td>£420,000.00</td>
<td>Contract conditions impose further risk obligations to contractor</td>
</tr>
<tr>
<td>1.6</td>
<td></td>
<td>Insurances</td>
<td></td>
<td>£220,000.00</td>
<td>Additional cost of providing Joint Names insurance - market resistance</td>
</tr>
<tr>
<td>1.7</td>
<td></td>
<td>Scaffold costs</td>
<td></td>
<td>£250,000.00</td>
<td>Higher than expected scaffolding costs due to adjacency of railway</td>
</tr>
<tr>
<td>1.8</td>
<td></td>
<td>General Items</td>
<td></td>
<td>£1,080,000.00</td>
<td>Generally higher rates than anticipated due to lack of competition, market conditions, lack of local labour etc</td>
</tr>
<tr>
<td>2</td>
<td>Overheads &amp; Profit</td>
<td></td>
<td></td>
<td>£1,500,000.00</td>
<td>Higher than market trends at the time of preparing the PTE</td>
</tr>
<tr>
<td>3</td>
<td>Measured Works</td>
<td></td>
<td></td>
<td>£1,570,000.00</td>
<td>See below</td>
</tr>
<tr>
<td>3.1</td>
<td></td>
<td>Substructure</td>
<td></td>
<td>£260,000.00</td>
<td>Additional site investigation information not available at PTE stage</td>
</tr>
<tr>
<td>3.2</td>
<td></td>
<td>Steelwork</td>
<td></td>
<td>£670,000.00</td>
<td>Excluding preliminaries pre-purchase. Market conditions causing higher than expected £/tonne</td>
</tr>
<tr>
<td>3.3</td>
<td></td>
<td>Roofing</td>
<td></td>
<td>£130,000.00</td>
<td>Higher rates than market testing was indicating</td>
</tr>
<tr>
<td>3.4</td>
<td></td>
<td>Internal walls</td>
<td></td>
<td>£370,000.00</td>
<td>Additional costs associated with acoustic sealing and fire protection details identified after PTE preparation</td>
</tr>
<tr>
<td>3.5</td>
<td></td>
<td>Floor finishes</td>
<td></td>
<td>£200,000.00</td>
<td>Higher rates than market testing was indicating</td>
</tr>
<tr>
<td>3.6</td>
<td></td>
<td>FF&amp;E</td>
<td></td>
<td>£90,000.00</td>
<td>Higher rates than market testing was indicating</td>
</tr>
<tr>
<td>3.7</td>
<td></td>
<td>Sundries</td>
<td></td>
<td>£150,000.00</td>
<td>Compensating reductions in other elements</td>
</tr>
<tr>
<td>4</td>
<td>Contingencies</td>
<td></td>
<td></td>
<td>£145,000.00</td>
<td>Proportionate increase based on percentage addition</td>
</tr>
<tr>
<td></td>
<td>Identified additional costs</td>
<td></td>
<td></td>
<td>£6,825,000.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total additional cost</td>
<td></td>
<td></td>
<td>£7,022,809.18</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Unallocated amount</td>
<td></td>
<td></td>
<td>£197,809.18</td>
<td>General rounding, External Works etc.</td>
</tr>
</tbody>
</table>
1 PURPOSE OF REPORT

1.1 To advise on progress towards the development of a Regional Performance Centre for Sport (RPCS) at Caird Park and seek authority to take the project forward to delivery.

2 RECOMMENDATION

2.1 It is recommended that the Committee:

- a agree the facilities to be provided and note the proposed site layout for the development of the centre at the eastern end of Caird Park;
- b remit officers to proceed with the necessary detailed design work, apply for all necessary consents and seek tenders for its construction and report on these to Committee in due course;
- c agree that a business plan is finalised in partnership with the Board of Leisure and Culture Dundee and that they be requested to undertake the management of the centre once the building works have been completed; and
- d agree to the establishment of a Project Board to oversee the delivery of the project comprising four members from the Administration, two from the major Opposition and two other members.

3 FINANCIAL IMPLICATIONS

3.1 An allocation of £12m for the RPCS is included in the approved Capital Plan 2016-21 and sportscotland have advised that a grant of £5m will be available subject to a satisfactory formal grant application. A total budget of £17m is therefore available for the delivery of the project and the following cost estimate indicates that the range of facilities proposed can be delivered within that budget.

**Buildings**

- Multi sports hall building (4,225m²) £5,600,000
- Air dome containing 3G football/rugby pitch £1,500,000
- Indoor running straight £1,500,000

**External Facilities**

- 3G football/rugby pitch with fencing and floodlighting £880,000
- Two grass football pitches £360,000

**Site Development**

- Regrading of site and retention walling etc £500,000
- Drainage including swales etc £800,000
- Parking, roads and paths etc £900,000
- Sundry landscaping and planting £150,000
- Fencing £300,000
Access and Utilities

- Upgrade access road, bridge and junctions: £1,000,000
- Utilities diversions and new sub-station: £660,000

Sundry Works

- Upgrade existing athletics track to IAAF Category 3: £320,000

**TOTAL BUILD COSTS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Contingency (15% based on early design stage)</td>
<td>£2,100,000</td>
</tr>
<tr>
<td>External Fees &amp; Project Costs</td>
<td>£430,000</td>
</tr>
</tbody>
</table>

**TOTAL PROJECT COSTS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£17,000,000</td>
</tr>
</tbody>
</table>

3.2 Any additional provision for dedicated professional football training facilities will be wholly funded from prudential borrowing and the repayment costs will be fully covered by the associated rental charges to Dundee FC. Work is underway to finalise the estimated costs for this component of the project.

3.3 A draft Business Plan prepared by Leisure and Culture Dundee in partnership with the Council for the Centre’s future operation indicates that while it is expected to break even in due course, it may require a level of revenue support in its first years of operation and proposals to provide for this will be reported to Committee in due course.

4 BACKGROUND

4.1 It was announced by sportscotland in July 2014 that Tayside was to be applicable for funding for a Regional Performance Centre of Sport as part of sportscotland’s National & Regional Sports Facilities Investment programme. This strand of funding was targeted at geographical gaps in sports facility provision to improve availability for community use, but also benefit aspiring performance athletes at both a national and regional level. The provision of large multi-purpose sports facilities at a regional level will ensure more athletes have access to high quality sports facilities and services.

4.2 Work has been progressing on the appropriate design for the Centre with extensive consultations with both sportscotland and the related sports’ national governing bodies, local sports leagues, Dundee City Disability Sport, Scottish Football Association, Tayside and Fife Regional Institute of Sport and Sports Partnership and the two professions football clubs within the city. This work had been overseen by a Steering Group made up of representatives from the City Council, local Higher Education Establishments, sportscotland, Scottish Football Association, Leisure & Culture Dundee and NHS Tayside.

4.3 Following a detailed option appraisal of potential sites across the city, the preference is to locate the Centre in Caird Park at its eastern end. The Steering Group concluded that Caird Park would be appropriate due to the available space for development, the ability to integrate with the existing sports facilities in the park (Athletics Stadium and Velodrome) and its proximity to bus routes and the regional road network.

4.4 The Steering Group and its associated Working Group have now effectively completed their role in the development of the project and it is now proposed that a Project Board be established within the Council to oversee the physical delivery of the project. Regular reports will be brought to Committee in due course.
4.5 It is proposed that Dundee’s Regional Performance Centre provides a training venue for national and regional squads across a range of sports. These facilities would include:

a indoor full size artificial pitch for football and rugby training;

b 8 court size multi-sports hall with spectator seating and storage for basketball; volleyball, netball, badminton and cricket;

c outdoor artificial pitch suitable for rugby and football;

d high standard grass Football pitch;

e medium standard grass Football pitch (suitable for Community use);

f indoor running straight;

 g associated parking and infrastructure;

h strength and conditioning Facilities;

i meeting rooms suitable for conferences, etc. with catering facilities; and

j assorted support facilities including Sportscience.

A draft layout plan for these facilities and associated illustrations are attached to this report.

4.6 The anticipated outline programme for the delivery of the Centre is:

a planning application in September 2015;

b tender issued by March 2016;

c start on site in July 2016; and

d project completion in December 2017.

Note: this programme is subject to possible change as the project develops further.

4.7 Discussions with the two professional Football Clubs within Dundee have identified that Dundee United FC are content to continue with their present training facilities in St Andrews and do not want to pursue this site option at this time. Dundee FC however wish to pursue an option to utilise an area of ground adjacent to the new Centre as their training base. The proposal is that the Council develop this area with a further four new training pitches plus associated changing and parking facilities. This element of the project would be discrete from the new Centre and would be fully funded from Prudential Borrowing based on a long term rental by Dundee FC.

4.8 Ongoing consultation works with sportscotland, relevant national governing bodies, regional squads, Dundee City Disability Sport, Scottish Football Association, the Regional Institute of Sport and Universities and College are continuing to finalise the detail design requirements and to create legal agreements on future usage including times, costings and frequency.

4.9 A Stage One grant application has been submitted to sportscotland seeking £5m of support for the project; recent feedback has indicated that sportscotland have agreed this in principle and will welcome a Stage Two application which will provide further detailed justification and evidence for the projects scope and contents.
4.10 Given their successful role in operating sports facilities throughout the city, it is envisaged that Leisure and Culture Dundee would manage the new Centre, subject to access agreements with the relevant national governing bodies and local leagues and clubs as appropriate. Leisure and Culture Dundee will in turn have Service Level Agreements with the Council for buildings and grounds maintenance.

5 POLICY IMPLICATIONS

5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

6 CONSULTATIONS

6.1 The Chief Executive, Executive Director of Corporate Services, Head of Democratic and Legal Services and the Director of Leisure and Culture have been consulted and are in agreement with the contents of this report.

7 BACKGROUND PAPERS

7.1 None

Mike Galloway
Executive Director of City Development

Rob Pedersen
City Architect

MPG/RP/KM

Dundee City Council
Dundee House
Dundee

13 August 2015
1. **PURPOSE OF REPORT**

1.1. To seek approval for Dundee’s Community Learning and Development (CLD) Strategy 2015-18 (attached).

2. **RECOMMENDATIONS**

It is recommended that the Committee:

2.1. Approve the Dundee CLD Strategy 2015-18;

2.2. Recognise the important contribution from partner agencies in the development of the CLD Strategy

2.3. Agrees the role/remit of the CLD Strategic Partnership in implementing, monitoring and evaluating the impact of the CLD Strategy (see Appendix 4 in the attached report).

3. **FINANCIAL IMPLICATIONS**

3.1. All the CLD Strategy’s resource implications will be met from existing budgets.

4. **BACKGROUND**

4.1. **CLD Strategic Guidance**

The CLD Strategic Guidance for Community Planning Partnerships was published by Education Scotland in September 2012. The Guidance emphasises the important role CLD has to play in the future delivery of public services, CLD’s contribution to early intervention and prevention and its ability to empower people both individually and collectively to make positive changes to their lives through learning.

The CLD Guidance identified CLD’s specific focus as:

- Improving the life chances for people of all ages through learning, personal development and active citizenship
- Supporting the development of stronger, more resilient, influential and inclusive communities

4.2. **CLD Regulations (Scotland) 2013**

The CLD Regulations (Scotland) 2013 aim to:

- Ensure that communities across Scotland, particularly those who are disadvantaged, have access to the CLD support that they need.
- Strengthen coordination between the full range of CLD providers, ensuring that Community Planning Partnerships, local authorities and other providers of public services respond appropriately to the expectations set out in the CLD Strategic Guidance.
• Re-inforce the role of communities and learners in the assessment, planning and evaluation processes to enable them to shape CLD provision
• Make the role and contribution of CLD more visible

5. ‘WORKING AND LEARNING TOGETHER WITH COMMUNITIES’ A Community Learning and Development Strategy for Dundee 2015-18

5.1 Dundee CLD Strategy has been developed in line with the CLD Strategic Guidance, the CLD Regulations and the Dundee Partnership Single Outcome Agreement.

5.2 The priorities identified in the CLD Strategy are based on extensive community engagement and the output from three stakeholder events which were attended in total by over 300 representatives from a wide range of partner agencies (see Appendix of attached report).

5.3 A CLD Strategic Partnership Steering Group was responsible for the development of the CLD Strategy and it is recommended that this group continues to play a role in strategy implementation, monitoring and evaluation.

6. POLICY IMPLICATIONS

6.1. This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

6.2. An Equality Impact Assessment is attached to this report.

7. CONSULTATION

7.1. Over 90 partner agencies have been consulted on the Dundee CLD Strategy and more than 300 stakeholders have been involved in the strategy development process at 3 major events.

7.2. Chief Executive, Executive Director of Corporate Services, Director of Environment, the Head of Democratic and Legal Services and the Dundee Partnership Management Group have all been consulted on the contents of this report and are in agreement with its contents.

8. BACKGROUND PAPERS


Stewart Murdoch
Director, Leisure and Communities
DUNDEE CITY COUNCIL
EQUALITY IMPACT ASSESSMENT TOOL

Part 1 Description/Consultation

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
<th>Please circle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is this a <strong>Rapid</strong> Equality Impact Assessment (RIAT)?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is this a <strong>Full</strong> Equality Impact Assessment (EQIA)?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date of assessment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Committee report number <strong>251-2015</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) This is a new policy, procedure, strategy or practice being assessed</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(If yes please tick box)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) Please give a brief description of the policy, procedure strategy or</td>
<td>Community Learning and Development Strategy for Dundee 2015-18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>practice being assessed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3) What is the intended outcome of this policy, procedure strategy or</td>
<td>Improved outcomes for communities through community learning and development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>practice?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4) Please list any existing documents which have been used to inform</td>
<td>CLD Strategic Guidance (2012)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>this Equalilty and Diversity Impact Assessment.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5) Has any consultation, involvement or research with protected</td>
<td>Yes, stakeholder involvement from protected characteristics communities in strategy development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>characteristic communities informed this assessment?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(If yes please give details)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6) Please give details of council officer involvement in this</td>
<td>Community Conference 21 March 2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>assessment. (E.g. names of officers consulted, dates of meetings etc.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7) Is there a need to collect further evidence or to involve or consult</td>
<td>Yes, through service monitoring</td>
<td></td>
<td></td>
</tr>
<tr>
<td>protected characteristic communities on the impact of the proposed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>policy? (Example: if the impact on a community is not known what will</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>you do this?)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Part 2 Protected Characteristics

Which protected characteristics communities will be positively or negatively affected by this policy, procedure or strategy?

NB Please place an X in the box which best describes the "overall" impact. It is possible for an assessment to identify that a positive policy can have some negative impacts and visa versa. When this is the case please identify both positive and negative impacts in Part 3 of this form.

If the impact on a protected characteristic communities are not known please state how you will gather evidence of any potential negative impacts in box Part 1 section 7 above.
Part 3 Impacts/Monitoring

1) Have any positive impacts been identified? (We must ensure at this stage that we are not achieving equality for one strand of equality at the expense of another) Yes

2) Have any negative impacts been identified? (Based on direct knowledge, published research, community involvement, customer feedback etc. If unsure seek advice from your departmental Equality Champion.) No

3) What action is proposed to overcome any negative impacts? eg. involving community groups in the development or delivery of the policy or practice, providing information in community languages etc. see Good Practice on DCC equalities web page N/A

4) Is there a justification for continuing with this policy even if it cannot be amended or changed to end or reduce inequality without compromising its intended outcome? (If the policy that shows actual or potential unlawful discrimination you must stop and seek legal advice) N/A
5) Has a 'Full' Equality Impact Assessment been recommended? (If the policy is a major one or is likely to have a major impact on protected characteristics communities a Full Equality Impact Assessment may be required) Seek advice from your departmental Equality lead.

| No |

6) How will the policy be monitored? (How will you know it is doing what it is intended to do? e.g. data collection, customer survey etc.)

| Annual Monitoring/reporting |

Part 4 Contact information

Name of Department or Partnership: Dundee Partnership

<table>
<thead>
<tr>
<th>Type of Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resource Policy</td>
</tr>
<tr>
<td>General Policy</td>
</tr>
<tr>
<td>Strategy/Service</td>
</tr>
<tr>
<td>Change Papers/Local Procedure</td>
</tr>
<tr>
<td>Guidelines and Protocols</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager Responsible</td>
</tr>
<tr>
<td>Name               Neil Gunn</td>
</tr>
<tr>
<td>Designation         Head of Communities</td>
</tr>
<tr>
<td>Base                21 City Square</td>
</tr>
<tr>
<td>Telephone           01382 307464</td>
</tr>
<tr>
<td>Email               <a href="mailto:neil.gunn@dundeecity.gov.uk">neil.gunn@dundeecity.gov.uk</a></td>
</tr>
</tbody>
</table>

Signature of author of the policy: Date
Merrill Smith

Signature of Director/Head of Service area: Date
David Martin

Name of Director/Head of Service:

Date of next policy review:
WORKING AND LEARNING TOGETHER WITH COMMUNITIES

A Community Learning and Development Strategy for Dundee

2015-18
COMMUNITY LEARNING AND DEVELOPMENT STRATEGY

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2. INTRODUCTION

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4. LOCAL POLICY CONTEXT

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6. CLD PRIORITIES 2015-18
   6.1 Employability
   6.2 Learning and Culture
   6.3 Children and Young People
   6.4 Health and Well Being
   6.5 Reshaping Care for Older People
   6.6 Community Safety
   6.7 Building Stronger Communities
   6.8 Environment/Sustainability

7. WORKING AND LEARNING TOGETHER WITH COMMUNITIES
   7.1 Ethos and Values
   7.2 Community Development Approach
   7.3 CLD Service Delivery Model
   7.4 Barriers to the Adequate and Efficient Delivery of CLD

8. CLD IN ACTION – MAKING A DIFFERENCE

9. BUILDING A WORKFORCE FOR THE FUTURE

10. CLD STRATEGY IMPLEMENTATION/COORDINATION

11. MEASURING IMPACT AND REPORTING PERFORMANCE

12. EQUALITIES AND DIVERSITY

13. CONSULTATION
1. **FOREWORD**

Community Learning and Development (CLD) has an important role to play in the future delivery of public services in Dundee. CLD is an evidence based approach, focussed on early intervention and prevention. CLD is skilled and organised learning and social development work with individuals and groups in communities with a particular focus on learning for adults, learning with young people and community capacity building. Partners will be encouraged to adopt a community development approach which embraces community engagement and community capacity building.

CLD organisations in Dundee provide services which reach out into communities to deliver learning opportunities and support people in community and voluntary groups to take action. The Dundee Partnership seeks to empower communities and local service providers to work together to identify and address local needs and in so doing make the best possible use of resources available. The partnership will build on the assets of individuals, families and communities to combat the economic challenges affecting Dundee including poverty, deprivation and inequality.

CLD can help transform the way public services are delivered by:- working with individuals and communities to strengthen their ability to engage in the planning and delivery of public services; supporting communities to achieve outcomes based on the identification of local needs; identifying barriers to lifelong learning, active citizenship and social inclusion and developing strategies to overcome these; and developing a workforce with the necessary skills and competencies to work with communities.

The main aim of Community Learning and Development is to help communities tackle real issues in their lives through community action and community based learning. These issues could include employability, health and well-being, community safety, the environment and a whole range of other topics. CLD can prevent more costly longer term interventions by working in and with communities, and by reaching out to people who might otherwise place a greater demand on public services.

CLD has a particularly important role to play in supporting individuals, families and communities through key transitions from the early years, through primary school and secondary education to post school destinations, into the world of adult learning, family life and work. CLD also has a role in supporting older people to live healthy, active and independent lives through learning, employment and volunteering. CLD in Dundee will also support communities experiencing significant regeneration or environmental change by building local groups capacity to engage in local community planning.

This CLD Strategy is very much welcomed by the Dundee Partnership for the significant contribution it can make to the quality of life for people living, working and visiting the city and I look forward to hearing about the positive changes that arise from the implementation of this strategy.

Ken Guild
Leader of Dundee City Council
2. INTRODUCTION

The Dundee Community Learning and Development Strategy for the period 2010-12 described the new relationship at that time between National and Local Government agreed in the Contract signed off by COSLA and the Scottish Government and set out the priorities for Community Learning and Development (CLD), in terms of Adult Learning, Youth Work and Community Capacity Building.

Since then, the Scottish Government published the CLD Strategic Guidance for Community Planning Partnerships in June 2012 and the CLD Regulations (Scotland) 2013.

The CLD Strategic Guidance emphasises the important role CLD has to play in the future delivery of public services, CLD’s contribution to early intervention and prevention and its ability to empower people both individually and collectively to make positive changes to their lives through learning. The Guidance identified CLD’s specific focus as:-

- Improving life chances for people of all ages through learning, personal development and active citizenship.

- Supporting the development of stronger, more resilient, influential and inclusive communities.

This will be achieved by:-

- Building an in-depth understanding of people’s needs, strengths and aspirations through local community planning
- Working with communities to identify and address issues at an early stage
- Identifying barriers to participation and strategies to overcome these
- Engaging communities in the planning and delivery of public services
- Working with communities to develop infrastructure

The CLD Regulations (Scotland) 2013 aim to:-

- ensure communities across Scotland, particularly those who are disadvantaged, have access to the CLD support they need.
- strengthen coordination between the full range of CLD providers, ensuring community planning partnerships, local authorities and other providers of public services respond appropriately to the expectations set out by the CLD Strategic Guidance.
- reinforce the role of communities and learners in the assessment, planning and evaluation processes to enable them to shape CLD provision.
- make the role and contribution of CLD more visible.

More detailed information on the CLD Regulations/Strategic Guidance can be found on the Education Scotland website at:-
http://www.educationscotland.gov.uk/communitylearninganddevelopment/about/ssi/index.asp

In response to the CLD Regulations/Guidance, the Dundee Partnership has produced this CLD Strategy for the period 2015-18 based on:-

- The identification of target individuals and groups.
- Consideration of the needs of those target individuals and groups.
An assessment of the degree to which these needs are already being met.
Identification of the barriers to the adequate and efficient delivery of CLD.

The CLD Strategic Guidance also states CPPs should ensure CLD has a core role in delivering outcomes for communities. This will depend on maximising the contribution of the following partners;

- Services in local authorities and government bodies with an identified CLD remit, and in voluntary sector organisations publicly funded for this purpose. These services should be closely aligned with education, culture, sport, leisure and library services and should use the resulting synergies to deliver agreed outcomes;
- Those – often in the voluntary sector – in settings such as community health, housing, social enterprise, anti-poverty work, equalities or sustainable development;
- Other public service organisations such as colleges and universities, the NHS and Skills Development Scotland;
- Local communities or communities of interest, for example ethnic minorities or people with disabilities, concerned with shaping CLD services in order to deliver the outcomes that are important to them.

This Strategy sets out the national/local policy within which CLD operates in Dundee, the CLD priorities in relation to the Dundee Partnership/Single Outcome Agreement themes and the ways in which these priorities will be delivered. The Strategy clarifies the Dundee Partnership’s CLD Workforce Development priorities for the next 3 years and the ways in which the impact of this CLD Strategy will be measured.

3. CLD NATIONAL POLICY CONTEXT

3.1 Community Planning

A clear and consistent commitment to the broad thrust of CLD is at the heart of the national agenda for public service reform. Much of this stems from the work of the Christie Commission which reported in June 2011. Amongst the priorities it identified were:

- Recognising that effective services must be designed with and for people and communities
- Maximising scarce resources by utilising all available resources from the public, private and third sectors, individuals, groups and communities
- Working closely with individuals and communities to understand their needs, maximise talents and resources, support self reliance, and build resilience
- Making provision in the proposed Community Empowerment and Renewal Bill to embed community participation in the design and delivery of services

In its response, Reviewing Scotland’s Public Services, the Scottish Government confirmed a commitment to listening, engaging and responding to the needs and aspirations of Scotland’s people. It also spelled out its asset-based vision for greater community empowerment and capacity building.

“We will empower local communities and local service providers to work together to develop practical solutions that make best use of all the resources available. The focus of public spending and action must build on the assets and potential of the individual, the family and the community rather than being dictated by organisational structures and boundaries. Public services must work harder to involve people everywhere in the redesign and reshaping of their activities - and we will develop workforce capabilities to deliver that aim.”
Community planning is one of the primary and most influential processes by which public services are shaped and delivered in Scotland. The national commitment to Community Planning Partnerships as a vehicle for bringing together all stakeholders in agreeing the Single Outcome Agreement for an area is strong and the principles of CLD were reinforced in the joint Scottish Government/COSLA Statement of Ambition which was published in March 2012.

Communities have high expectations of public services and have a key role to play in helping to shape and coproduce better outcomes within their communities. If Community Planning Partnerships are to unlock that potential, their foundations must be built on a strong understanding of their communities, and provide genuine opportunities to consult, engage and involve them. CPPs must be able to engage closely with the needs and aspirations of their communities, within the context of local and national democratic control, with strategic oversight of other specific arrangements and accountabilities for key aspects of public service delivery.

3.2 National Youth Work Strategy

The National Youth Work Strategy, launched in 2014 and titled “Our Ambitions for Improving the Life Chances of Young people in Scotland”, was developed in the context of the Strategic Guidance for CLD and the Children and Young People (Scotland) Bill.

The National Youth Work Strategy aims to ensure that we build on partnerships to enable the delivery of effective Youth Work. The strategy sets out five ambitions. These are:

a) Scotland is the best place in which to be young and to grow up.
b) Young people are at the heart of policy
c) The value of youth work is recognised
d) Workforce capacity is developed
e) Impact is measured

The Children and Young People Bill makes provisions over a wide range of children’s services policy. The main areas of the Bill which are of immediate relevance to CLD are:

- Requirement on local authorities and health boards to develop joint children’s services plans in cooperation with a range of service providers
- Requirement to identify a ‘named person’ for every child
- Requirement for a ‘child’s plan’ where targeted intervention is necessary
- Creation of a statutory definition of ‘wellbeing’

These areas of the Bill are largely concerned with the statutory implementation of elements of Getting it Right for Every Child (GIRFEC). GIRFEC grew out of concerns that service provision needed to be better integrated, more efficient and better focussed on the child. In Dundee, CLD Youth Work is fully involved in the implementation of GIRFEC through participation in the GIRFEC Implementation Group and the Team Around the Child development across the city.

3.3 Adult Learning in Scotland – Statement of Ambition

The Adult Learning Statement of Ambition (2014) was launched by the Scottish Government and is built on the work of the National Strategic Forum for Adult Learning. It sets out the Scottish Government’s ambitions to achieve transformational change through learning and is built on three core principles:

- Adult Learning is lifelong beginning in the early years, supported by Curriculum for Excellence and covering the whole age span of post compulsory education.
- Adult Learning is life-wide. It covers personal work, family and community aspects of living
- Adult Learning is learner centred. The educational process builds around the interests and motives of the learner.
The ambitions of the Statement are that:

- Scotland becomes recognised globally as the most creative engaged learning society
- Every adult in Scotland will have the right to access learning to meet their educational needs and their aspirations
- Adult Learning in Scotland and the outcomes that learners achieve will be world leading

The Statement of Ambition has community learning principles at its core, it aims to build on the assets and potential of the individual family and community to realise their own strengths and assets, develop capacity and contribute to their own economic and social development. It supports communities to influence change and co-produce service and is underpinned by the Community Learning and Development Competence Framework and Code of Ethics. It is supported by the Scottish Social Practice Model where adults’ life experiences are acknowledged and built on to create a successful learning experience and have effective guidance built in all stages of the process.

Adult Learning is seen as essential to empower and support adults in Scotland to develop the confidence, skills and knowledge necessary to play an active and productive role in personal, community and societal levels. It is acknowledging that adults’ past experience of learning may encourage or discourage further engagement in learning activities. Challenges due to financial hardship, age, abilities, cultural or social background are acknowledged and a commitment is given to ensuring that there is targeting and support given to all to access learning opportunities.

3.4 Community Empowerment (Scotland) Bill 2015

Aim of the Bill
The Community Empowerment (Scotland) Bill reflects the policy principles of subsidiarity and community empowerment improving outcomes for communities and provides a strategic framework which will:

- Empower community bodies through the ownership of land and buildings and strengthening their voices in the decisions that matter to them; and

- Support an increase in the pace and scale of Public Service Reform by cementing the focus on achieving outcomes and improving the process of community planning.

Community Empowerment
When people feel they can influence what happens in their community and can contribute to delivering change, there can be many benefits. Communities can often achieve significant improvements by doing things for themselves, because they know what will work for them. They become more confident and resilient; there are often opportunities for people to gain new skills and for increased employment as well as improved access to services and support. These in turn can lead to improvements in a wide range of areas such as crime, health, and reducing inequalities. Community empowerment can therefore have an important impact on a range of outcomes in the Government's National Performance Framework
http://www.scotland.gov.uk/About/Performance/purposestratobj

Community Planning
At local level, Community Planning Partnerships (CPPs) have a key role to play in shaping and delivering change. Community planning is the process by which key public service providers work together and with communities to plan and provide services within a local authority area. The key strategy document for each CPP is the Single Outcome Agreement (SOA) which provides a shared plan aimed at reducing inequalities and delivering better outcomes for communities. The strength of Local Community Planning and Community Engagement structures in Dundee will be an asset when responding to the requirements of the Bill.
Asset Transfer
Dundee City Council’s Community Asset Transfer Strategy was approved at the Policy and Resources Committee on 19th August 2013. The aim of this strategy is to set out a transparent, positive and proactive framework that enables and manages the transfer of assets from Dundee City Council to Voluntary and Community Organisations (VCOs) in order to bring about long term social, economic and environmental benefits to the community.

Participation Requests
The Community Empowerment Bill provides the opportunity for community bodies to request involvement in processes that lead to better outcomes for communities. The Dundee Partnership will need to establish a framework to deal with participation requests.

Conclusion
The relevance of the Community Empowerment Bill (Scotland) for Dundee’s CLD Strategy is the need to continue to invest in community engagement/ community capacity building support to enable Dundee citizens to take advantage of the opportunities presented by the legislation (see Building Stronger Communities priorities, section 6.7).

4. CLD STRATEGY – LOCAL POLICY CONTEXT

4.1 The Dundee Partnership
In the Single Outcome Agreement http://www.dundeepartnership.co.uk/content/single-outcome-agreement for Dundee, the Dundee Partnership explicitly establishes the importance of ensuring that communities have a voice in representing their needs and participating meaningfully in partnership arrangements. For many years this has been the focus of determined efforts by Dundee City Council, individual community planning partners and the Dundee Partnership as a whole.

4.2 Local Community Planning
The most meaningful expression of Community Planning is seen at the neighbourhood level as strategic outcomes meet the local needs of individuals, families and communities.

Local Community Planning Partnerships (LCPPs) are now well established in each of the 8 multi-member wards and continue to flourish. These are the way in which the national and Dundee outcomes are combined with priorities emerging from local areas to shape local and city-wide action. They bring together elected members, community representatives and partner agencies with the common purpose of improving services and communities. Their co-produced plans translate the strategic priorities for the city into actions which can be achieved within localities. Crucially, though, they also provide the means by which local people’s own priorities for action are brought into the partnership’s planning processes. In doing this, we form the desired connection from national outcomes to local, community and neighbourhood based outcomes and activity.

4.3 Community Engagement
In its most recent assessment, Audit Scotland confirmed that the Dundee Partnership is founded on a sound approach to Community Engagement and has a strong track record of working with local communities and taking a systematic approach to finding out the needs and concerns of residents. Across the Partnership, there is an ever-increasing appetite for effective Community Engagement as partners, groups and organisations seek to improve their policies and services in response to local needs.

While the Partnership is keen to develop community engagement generally, it is important that this activity is co-ordinated to ensure that effort is joined up where possible and that duplication is avoided. To achieve this, a cross-agency group has developed and co-ordinated a succession of community engagement action plans over the last five years. The last of these was superseded by the planning and development of this CLD strategy which has a broader scope and integrates a fuller range of partners and strategic agendas.
4.4 Making a Decisive Shift to Prevention
The Dundee Partnership has signed off an ambitious approach to prevention and recovery that reflects the original aims of the Christie Commission. It offers a framework (see Appendix 1) for understanding the contribution that prevention, early action and recovery-based activities can make to improving lives and outcomes of communities in Dundee. The framework, and the direction of travel it sets, clearly supports the national CLD objectives of improving life chances and strengthening and building communities. In particular, it describes the characteristics of effective recovery work which include working closely with communities in targeted, locality and asset based approaches through co-production and partnership with communities themselves. This is acknowledged as essential if we are to realise the recovery of the most deprived and vulnerable people in our city.

4.5 Tackling Poverty and Deprivation through the Dundee Fairness Strategy
The Dundee Fairness Strategy and action plan were adopted in June 2012 built on a broad outcome framework underpinned by the work of NHS Health Scotland’s evidence based mental wellbeing outcomes (see Diagram 1). As its long term outcome, the strategy aims to ensure that all our people will experience fewer social inequalities and a number of the outcomes set out in the framework below are entirely consistent with the CLD approach and could not be achieved without strong, trusting and capacity relationships which build trust, confidence and capacity.

### Diagram 1

**An Outcomes Framework for Fairness and Inclusion in Dundee**

<table>
<thead>
<tr>
<th>Social Inclusion</th>
<th>Financial Inclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Increase social inclusion, decrease inequality, stigma and discrimination of people living in poverty</td>
<td>- Increase financial inclusion and security, and reduce income inequality and fuel poverty</td>
</tr>
<tr>
<td>- Improve resilience, aspirations and purpose for people in poverty</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Communities and Neighbourhoods</th>
<th>Health</th>
<th>Learning and Employability</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Build social capital, connectedness and trust in disadvantaged communities</td>
<td>- Improve health and healthy behaviour for people in poverty</td>
<td>- Increase learning, skills and employment opportunities for people in poverty</td>
</tr>
<tr>
<td>- Promote safe and supportive environments at home, at work and in the community</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. COMMUNITY NEEDS ASSESSMENT

5.1 About Dundee

Over the last 10 years, the economic prospects of Dundee have improved. Indeed the city now stands on the cusp of economic regeneration which only occurs once in a generation or longer. The potential impact of securing offshore renewables, manufacturing and the V&A in Dundee can be seen as genuinely transformational and these will build on the city’s strengths in Life Sciences, Digital Media and the Creative Industries.

At the same time however, the levels of poverty, deprivation and substance misuse in the city continue to exist. The big challenge for Dundee will be to achieve greater fairness in the city by ensuring that people from the community regeneration priority areas are able to benefit from the future developments in Dundee and by supporting people as they experience the impact of Welfare Reform, the difficult economic climate and ongoing inequalities.

The Dundee CLD Strategy seeks to deliver an asset based approach, building on the vibrant community and voluntary sector that exists in the city and the excellent engagement of young people, adults and community groups in identifying and addressing local needs across the city.

5.2 Scottish Index of Multiple Deprivation (SIMD) Analysis

To assist in closing the significant inequalities gap which exists in Dundee, Community Learning and Development resources are largely deployed within areas of greatest deprivation. There are also significant areas of the city which do not fit into the most deprived areas based on the SIMD 2012 analysis. One of the resulting impacts of this is that areas which do not have significant levels of deprivation can experience unmet need. The map in Appendix 2 highlights the high concentrations of deprivation in six out of the eight multi-member Wards in the city.

- The level of employment deprivation in Dundee City is greater than that in Scotland as a whole. In the SIMD 2012 employment domain, 17.0% of the population of Dundee City aged 16-60/64 were employment deprived. This compares to 12.8% across Scotland as a whole.
- The level of income deprivation in Dundee City is greater than that in Scotland as a whole. In the SIMD 2012 income domain, 17.8% of the population of Dundee City were income deprived. This compares to 13.4% across Scotland as a whole.
- In the health domain in SIMD 2012 35 (19.6%) of Dundee City’s 179 data zones were found in the 15% most deprived data zones in Scotland, compared to 38 (21.2%) in 2009, 43 (24%) in 2006 and 54 (30.2%) in 2004.
- In the education domain in SIMD 2012, 48 (26.8%) of Dundee City’s 179 data zones were found in the 15% most deprived data zones in Scotland, compared to 53 (29.6%) in 2009, 55 (30.7%) in 2006 and 48 (26.8%) in 2004.
- In the crime domain in SIMD 2012, 40 (22.3%) of Dundee City’s 179 data zones were found in the 15% most deprived data zones in Scotland, compared to 30 (16.8%) in 2009 and 32 (17.9%) in 2006.
- In the housing domain in SIMD 2012, 67 (37.4%) of Dundee City’s 179 data zones were found in the 15% most deprived data zones in Scotland.
The SIMD 2012 stated that of the 144,290 people estimated to be living in Dundee City 42,125 people lived in data zones ranked within the 15% Most Deprived in Scotland. This is just under 30% of the population and Chart 1 shows that of all 32 Local Authorities, Dundee City has the third largest percentage of its population living in the 15% Most Deprived areas.

More detailed data about Dundee can be found at:
http://www.dundeepartnership.co.uk/content/dcc-wards-fairness-profiles-2013
http://www.dundeepartnership.co.uk/content/about-dundee-2014

5.3 Community Profiles

Community Profiles for each of the 8 multi-member Ward and Community Areas containing detailed local SIMD analyses for the period 2006-12 were updated to include Census data in 2014. This provides a detailed breakdown of the characteristics of each multi-member Ward in Dundee and the 54 community areas aligned with them. This information, will be used by partners to target CLD provision towards the areas of greatest need, it can be found at:
http://www.dundeepartnership.co.uk/content/local-community-planning.

5.4 Evidence of CLD Needs

The data analysis outlined above gives a clear picture of some of the challenges which CLD and partner organisations face in closing the inequalities gap in the city. Sources of further evidence of need are outlined below:

- **Local Community Plans** based on extensive community engagement have been created for each of the eight multi member wards in Dundee.

- **Consultation with Dundee Partnership Theme Groups** – each of the Dundee Partnership Theme Groups continue to gather evidence relating to their particular theme to inform practice and resource allocation. Eg the Dartington Survey reflects upon the degree to which current targeted service provision meets the needs of children in the wider community and considers implications for prevention, early intervention and targeting of services to identified need.

- **Dundee Partnership Community Conferences** – the Dundee Partnership has hosted Community Conferences on a biannual basis since 2010. Community representatives from across the city meet to discuss how best to tackle areas of common concern eg Poverty, Welfare Reform, Fairness, Alcohol and Drugs Misuse. http://www.dundeepartnership.co.uk/content/dundee-partnership-community-conferences
Consultation with target individuals and groups – Community Engagement events are held in each multi-member Ward on a regular basis and supports members of local communities to become engaged in refining existing services and the design of new services.

Local Learning Partnerships (LLPs) have been established across the city which bring stakeholders together to identify local needs and develop more joined up approaches to the planning and delivery of public services.

All of the above, in addition to feedback from CLD participants and service users, have helped to shape the priorities detailed in Section 6.

5.5 Unmet CLD Need

With almost 30% of Dundee’s population living in the worst 15% SIMD data zones, inevitably there are areas of unmet need. The key areas of unmet need emerging from stakeholder consultations include:

- Investment in CLD work with children aged 5-11 years
- Young people’s involvement in community decision making
- Succession planning for active community members involved in local organisations
- Access to additional learning support for groups of people with protected characteristics eg Deaf people, LGBT groups, people with learning disabilities, offenders and older people.
- Intergenerational work and learning support for parents with children who have emotional and behaviour problems.
- Additional support for people of all ages experiencing mental health difficulties.
- Growing demand for digital literacy/employability skills to cope with the impact of Welfare Reform.
- The need for increased access to volunteering, accreditation and progression.
- Lack of learning opportunities that promote emotional and spiritual well-being, mindfulness and resilience.

The CLD Strategic Partnership Group will consider the extent to which CLD can contribute to these areas of unmet need can be addressed during the period 2015-18.

6. COMMUNITY LEARNING AND DEVELOPMENT PRIORITIES 2015-18

6.1 EMPLOYABILITY

Employability is featured in the Work and Enterprise theme group and within the Dundee Partnership Single Outcome Agreement in Outcome 1 – Dundee will be an internationally recognised city at the heart of a vibrant region with more and better employment opportunities for our people. Community Learning and Development contributes to delivering this high level outcome through direct CLD service delivery and by working with individuals and Communities to identify and address employability needs, development skills and identify progression routes. The following CLD priorities have been identified for SOA Outcome 1.

Improving the life chances for people of all ages through learning, personal development and active citizenship by:

- Providing community based and learner influenced employability support, including; guidance, Jobshops and IT4 work
- Providing a range of community based learning opportunities for young people and adults, linked to their needs, with a focus on literacies, core skills, volunteering and employability resulting in positive outcomes
Increasing pre-vocational and vocational learning opportunities, linked to the local labour market information, to assist young people and adults transition to employment

- Increasing digital literacy skills to help with digital demands of employability
- Maintain support for school leavers/senior phase to develop the range of available training/employment opportunities
- Continuing to develop Adult Literacy Learning as part of the strategic implementation of literacies 2020
- Targeting of learning opportunities at people with no or low level qualifications.
- Continue to improve opportunities for young people and adults to gain accreditation

Building stronger, more resilient, influential and inclusive communities by:

- Ensuring local communities needs are identified and they have access to organisations to develop the skills and support measures to obtain employment
- Providing access to support and learning to improve financial capability
- Supporting the network of community services at a local and city-wide level for welfare/money/legal advice
- Strengthening volunteering opportunities as a route towards employment
- Exploring/enterprise start up support specifically for Opportunities for All young people including mentoring
- Addressing inequalities faced by individual and communities, ensuring vulnerable groups are supported to addressing barriers to employment
- Providing support measures, particularly in priority SIMD areas, to address barriers to employability
- Supporting social or recreational activities which provide people with the opportunity to build confidence, self-esteem and social contact
- Supporting learning and capacity building around the transfer of assets to communities to develop social enterprise opportunities
- Establishing Local Learning Partnerships in order to achieve a more coordinated approach to the development of learning/employability opportunities based on a shared assessment of need in local ward areas.

Performance Management

The CLD contribution to Employability will be assessed in relation to the following SOA indicators:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015 Baseline</th>
<th>2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage (and number ) of the working age population in employment</td>
<td>61.8% 60,100</td>
<td>72% 68,000</td>
</tr>
<tr>
<td>Percentage (and number) of 16-24 year olds claiming jobseekers allowance</td>
<td>4.2% 1,095</td>
<td>6.8% 1,500</td>
</tr>
<tr>
<td>Percentage of school leavers in positive and sustained destinations.</td>
<td>91.3%</td>
<td>92%</td>
</tr>
<tr>
<td>Number of unemployed people that have progressed to employment as a result of their participation in Council funded or operated employability activities</td>
<td>732</td>
<td>1,200</td>
</tr>
<tr>
<td>Number of people receiving community based adult guidance</td>
<td>822</td>
<td>1,000</td>
</tr>
</tbody>
</table>
6.2 LEARNING AND CULTURE

Learning and Culture is featured in the Dundee Partnership Single Outcome Agreement in Outcome 2 – Our People will be better educated and skilled in a city renowned for learning and culture. Community Learning and Development has a key role to play in delivering this high level outcome through direct CLD service delivery and by working with individuals and Communities to identify and address need. The following CLD priorities have been identified for SOA Outcome 1.

Improving the life chances for people of all ages through learning, personal development and active citizenship by:

- Provision of learning support and guidance in communities.
- Providing a range of community based learning range of opportunities linked to needs of local community with a focus on literacies, employability, family learning, health and wellbeing.
- Increasing digital literacy skills to help with demands of Welfare Reform job search, benefit claims and the general the move to key documentations online.
- Promoting learning through engagement in English for Speakers of Other Languages (ESOL) classes.
- Continuing to develop Adult Learning through the implementation of Literacies 2020 and the Adult Learning Statement of Ambition.
- Targeting of learning opportunities at people with no or low level qualifications.
- Continue to improve opportunities for young people and adults to gain accreditation.

Building stronger, more resilient, influential and inclusive communities by:

- Addressing inequalities faced by individuals and communities, ensuring learning is inclusive, addressing barriers to participation both cultural and financial.
- Maximising the potential of learning opportunities which are created when people are already involved in their communities.
- Contributing to the cultural sectors’ Community Engagement Strategy.
- Supporting the development of community based and community led cultural activities including Gaelic Language medium, where there is an identified need.
- Providing low or no cost family learning activities in priority SIMD areas, particularly during school holidays.
- Supporting the work of GIRFEC and the Early Years collaborative through family learning opportunities, building the capacity of families and communities as early educators.
- Working with individuals and community groups to secure the Learners voice in identifying and designing the learning experience.
- Developing volunteering opportunities.
- Supporting social or recreational activities which provide people with the opportunity to build confidence, self esteem and social contact.
- Working in partnership with communities to maintain and create Adult Learning Associations which provide a wide range of learning and cultural opportunities and builds the capacity of the community to deliver services.
- Promoting community participation in local learning events, activities and campaigns.

Performance Management

The following performance measures drawn from Dundee’s Single Outcome Agreement will be used to measure CLD impact on learning and culture:
<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015 Baseline</th>
<th>2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of adult learners.</td>
<td>3641</td>
<td>3800</td>
</tr>
<tr>
<td>Percentage (and number) of adult learners - from Community Regeneration Areas.</td>
<td>56%</td>
<td>60%</td>
</tr>
<tr>
<td>Percentage of Learners engaged in CLD courses who report an increase in confidence</td>
<td>85%</td>
<td>85%</td>
</tr>
<tr>
<td>Number of people receiving community based Adult Guidance</td>
<td>822</td>
<td>1,000</td>
</tr>
<tr>
<td>Number of adults taking up literacy learning</td>
<td>1,896</td>
<td>1,900</td>
</tr>
<tr>
<td>Number of English for Speakers of Other languages learners</td>
<td>400</td>
<td>450</td>
</tr>
<tr>
<td>Number of people attending cultural events within community Centres</td>
<td>17,784</td>
<td>18,400</td>
</tr>
<tr>
<td>Number of cultural events held within Community centres</td>
<td>196</td>
<td>205</td>
</tr>
</tbody>
</table>

6.3 CHILDREN AND YOUNG PEOPLE

Work with Children and Young People is aimed at enabling young people to build self-esteem and confidence, sustain and maintain personal and social relationships, create learning and skills development opportunities, develop capacity for positive decision making and support young people to develop a wider world view.

CLD priorities have been identified for SOA Outcome 1+3 as follows:

Dundee will be an internationally recognised city at the heart of a vibrant region with more and better employment opportunities for our people.

Our children and young people will be safe, healthy, achieving, nurtured, active, respected, responsible and included.

Improving the life chances for people of all ages through learning, personal development and active citizenship by:

- Supporting young people to become active citizens by taking on roles which involve them as representatives of their peers.
- Providing learning opportunities which support the development of skills for life, learning and work for young people.
- Developing programmes of support, which promote greater resilience, for children and young people experiencing issues with mental health and wellbeing.
- Supporting children and young people to take greater responsibility for their own safety, including online safety and risk taking behaviour.
- Continuing to support young people to achieve their full potential, building their ambitions and aspirations, and in so doing have their achievements recognised and recorded.

Building stronger, more resilient, influential and inclusive communities by:

- Supporting children and young people to overcome social, educational, physical and economical inequalities and be accepted as part of the community in which they live and learn.
- Supporting children and young people to volunteer in their communities and participate in community affairs.
- Providing opportunities for children and young people to develop leadership skills and peer led programmes/campaigns.
- Working with children and young people to build their confidence, capacity, and skills to identify and address the issues affecting their lives.
- Involving children, young people and families in the planning and delivery of public services.
Performance Management

The following performance measures drawn from Dundee’s Single Outcome Agreement will be used to measure CLD impact on Children and Young People:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015 Baseline</th>
<th>2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of young people in employability programmes</td>
<td>330</td>
<td>350</td>
</tr>
<tr>
<td>The number of young people achieving nationally accredited achievement awards.</td>
<td>715</td>
<td>900</td>
</tr>
<tr>
<td>No. of individual participants who take up peer mentoring or other volunteering opportunities</td>
<td>650</td>
<td>800</td>
</tr>
<tr>
<td>No. of individual young people engaged and influencing local and national developments.</td>
<td>220</td>
<td>400</td>
</tr>
<tr>
<td>No. of individual young people accessing health and well-being information and services through CLD Youth Work programmes.</td>
<td>15000</td>
<td>15000</td>
</tr>
</tbody>
</table>

6.4 HEALTH AND WELLBEING

Health and well-being is featured in the Dundee Partnership Single Outcome Agreement, **Outcome 4 - People in Dundee will have improved physical and mental well-being and will experience fewer health inequalities.** Community Learning and Development has a key role to play in delivering this high level outcome through direct CLD service delivery and by working with Communities to identify and address local community health and well-being issues.

The CLD priorities for health and well-being have been identified through the Healthy Dundee Thematic Partnership Group, Local Community Planning Consultations, Dundee Partnership Citizen’s Survey, Equally Well Consultations and research. Healthy Dundee are working together to improve physical and mental well-being as well as reducing health inequalities. These CLD priorities and key issues will continue to be addressed as the integration of Health and Social Care moves forward.

Improving the life chances for people of all ages through learning, personal development and active citizenship by:

- Engaging with disadvantaged communities to develop easily accessible and affordable healthy living opportunities to improve mental, physical and social well-being.
- Delivering training opportunities including “Mind Yer Heid Plus” and “Poverty and Stigma” sessions to frontline staff to increase awareness of mental wellbeing and health inequalities.
- Developing and promoting “My Well-being” web pages to raise awareness of sources of support in Dundee to improve mental well-being.
- Developing knowledge and confidence in parents to improve children and young people’s emotional and social development through play, physical activity and healthy eating.
- Identifying local health inequalities and supporting vulnerable people to make informed positive choices.

Building stronger, more resilient, influential and inclusive communities by:

- Supporting local health and well-being networks to provide opportunities for stakeholders to work together on identified community mental wellbeing needs.
• Raising awareness of local well-being issues and the role that services can play in addressing these.
• Supporting Tests of Change to explore new ways of working that can be sustained through using existing resources.
• Co-ordinating community engagement with a wide range of stakeholders to build relationships with vulnerable people.
• Working in partnership with local people to provide healthy activity groups and to build community capacity though training volunteers and community groups.
• Supporting the social prescribing scheme to improve the mental wellbeing of vulnerable individuals.
• Developing referral pathways which increases access to a wide range of services and support for vulnerable adults and young people.

Performance Management

The following performance measures drawn from Dundee’s Single Outcome Agreement will be used to measure CLD impact on Health & Well-being:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015 Baseline</th>
<th>2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Community Regeneration Areas with Equally Well support.</td>
<td>6</td>
<td>Maintain</td>
</tr>
<tr>
<td>No. of patients being referred to and engaging with Social Prescribing Scheme.</td>
<td>200</td>
<td>Maintain</td>
</tr>
<tr>
<td>No. of staff involved in mental wellbeing and inequalities sensitive practice training sessions.</td>
<td>150</td>
<td>Maintain</td>
</tr>
<tr>
<td>No. of page views to My Wellbeing Dundee City Council website.</td>
<td>16588</td>
<td>24000</td>
</tr>
<tr>
<td>No. of participants attending DHLI physical activity programmes.</td>
<td>1200</td>
<td>Maintain</td>
</tr>
<tr>
<td>No. of participants attending a one off health related session or short course.</td>
<td>1200</td>
<td>Maintain</td>
</tr>
<tr>
<td>No. of individuals given advice at health information points.</td>
<td>625</td>
<td>Maintain</td>
</tr>
</tbody>
</table>

6.5 RESHAPING CARE FOR OLDER PEOPLE

Reshaping Care is featured in the Dundee Partnership Single Outcome Agreement Outcome 5 which states *people in Dundee are able to live independently and access support when they need it.*

We know that an ageing population and the effects of deprivation combine to increase the demands on health and social care services. People are living longer with increased ill-health and frailty and people in areas of multiple deprivation are likely to experience the long term conditions associated with ageing at an earlier stage.
We also know that older people are assets in our communities and older people actually provide far more care than they receive. Helping to support, sustain and grow this capacity is essential if we are to achieve better outcomes for older people.

Community Learning and Development has a key role to play in co-production and community capacity building by working with older people, their carers and the third sector to build an approach to providing care, based on co-production principles, to develop new community driven models of care provision, and to help older people maintain their independence wherever possible.

The CLD priorities for older people have been identified through the needs assessments, gap demand analysis, referral data, health data, census information, community profiles, CAN consultation events, consultation and engagement with older people and people with alzheimers and dementia, uptake of OPEN Funding, service providers identify gaps and Older People Strategic Planning Group.

CLD priorities have been identified for SOA Outcome 5 as follows:

**Improving the life chances for people of all ages through learning, personal development and active citizenship by:**
- Working with individuals and community groups to build their confidence, skills and capacity to develop community based activities through co-production.
- Co-producing men’s group work and Men’s Shed Initiatives to develop learning opportunities and address social isolation issues
- Co-producing a range of community based activities which provide opportunities for socialisation
- Developing a volunteer community group which supports older adults to maintain hobbies and access new activities by providing 1:1 support
- Promoting and increasing the number of older adults volunteering
- Supporting participation of older people in strategic planning
- Exploring options for intergeneration work
- Developing accessible community transport services which address the needs of older people

**Building stronger, more resilient, influential and inclusive communities by:**
- Developing community based programmes which will help to maintain skills; support relevant self help and care and increase social interactions
- Encouraging a culture of peer support and brief interventions to bring about improvements at an individual and community level
- Developing a programme of individual and community support to encourage and enable older adults to maintain healthy life styles choices such as stopping smoking and reducing alcohol intake
- Ensuring minority groups are included in ongoing engagement processes and identify and address any relevant issues
- Building community resilience by developing intergenerational activities and developing social networking opportunities for times of bereavement, retirement and ill health
- Developing a local programme which promotes a positive message of ageing
- Further developing dementia care services to provide a range of activities for both individuals and their carers
- Exploring opportunities for developing a dementia friendly city
Performance Management
The following performance measures drawn from Dundee’s Single Outcome Agreement will be used to measure CLD impact on Reshaping Care for Older People

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015 Baseline</th>
<th>2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of small capacity building/co-production grants awarded through TSI</td>
<td>23</td>
<td>69</td>
</tr>
<tr>
<td>No. of Men’s Sheds/Group</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>No. of participants in Community Companion.</td>
<td>Baselines to be established</td>
<td>Increase by 20%</td>
</tr>
<tr>
<td>No. of active customers for Dundee Community Cars</td>
<td>50</td>
<td>200</td>
</tr>
<tr>
<td>No. of journeys</td>
<td>140</td>
<td>560</td>
</tr>
<tr>
<td>No of older people representation via Change Fund &amp; Integrated Care Fund Monitoring Group, Older People’s SPG and Dundee Health &amp; Social Care SPG</td>
<td>2 for each</td>
<td>No. maintained</td>
</tr>
<tr>
<td>No of attendees at Positive Aging Events</td>
<td>150</td>
<td>No. maintained</td>
</tr>
</tbody>
</table>

6.6 COMMUNITY SAFETY

Community Safety is featured in the Dundee Partnership Single Outcome Agreement in Outcome 6 – Our Communities will be safe and feel safe. Community Learning and Development has a key role to play in delivering this high level outcome through direct CLD service delivery and by working with Communities to identify and address local community safety issues.

The CLD priorities for Community Safety have been identified through the Dundee Community Safety Partnership’s Strategic Assessment, Local Community Plans/Community Profiles, and dialogue with community planning partners, consultation with local community groups and focus group meetings with a wide range of community safety stakeholders. CLD priorities have been identified for SOA Outcome 6 as follows:

Improving the life chances for people of all ages through learning, personal development and active citizenship by:

- Targeting E-Safety learning opportunities towards vulnerable individuals and groups.
- Creating a broad range of positive engagement opportunities to divert young people from crime and anti-social behaviour.
- Developing peer mentoring approaches to support young people to make informed choices and reduce risk taking behaviour.
- Developing a preventative approach to reducing re-offending based on a community learning and development approach.

Building stronger, more resilient, influential and inclusive communities by:

- Working with individuals and community groups to build their confidence, skills and capacity to identify and address local community safety issues.
- Promoting community participation in local community safety groups, events, activities and campaigns.
- Developing an educational programme with schools and community groups around the current threat posed to the UK by terrorism and raising awareness about the mechanisms for reporting concerns.
• Building community resilience by developing intergenerational activities, peer mentoring/support networks and personal safety education programmes.
• Working with communities and partner agencies to develop Dundee City as a “Safe Place” for people with learning disabilities and other vulnerable groups eg older people, ethnic minorities, the LGBT community etc.

Performance Management
The following performance measures drawn from Dundee’s Single Outcome Agreement will be used to measure CLD impact on Community Safety:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015 Baseline</th>
<th>2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of young people participating in youth diversionary activities.</td>
<td>3000</td>
<td>3500</td>
</tr>
<tr>
<td>No. of children participating in the Safe Taysider Programme</td>
<td>1300</td>
<td>All P7 pupils</td>
</tr>
<tr>
<td>No. of adults participating in E-Safety Learning Events</td>
<td>280</td>
<td>300</td>
</tr>
<tr>
<td>No. of young people participating in E-Safety Learning Events</td>
<td>290</td>
<td>300</td>
</tr>
<tr>
<td>No. of CONTEST Prevent events/activities</td>
<td>20</td>
<td>25</td>
</tr>
</tbody>
</table>

6.7 BUILDING STRONGER COMMUNITIES
The Building Stronger Communities strategic theme group is accountable for the delivery of three complementary aspects of the Dundee Single Outcome Agreement:

Outcome 7 Dundee will be a fair and socially inclusive city
Outcome 8 Our people will live in strong, popular and attractive communities
Outcome 9 Our communities will have high quality and accessible local services and facilities

The CLD priorities for building stronger communities have been agreed in collaboration with Local Community Planning Partnerships; Community Regeneration Forums; Community Conference participants; Community Planning Partners with a localities focus; Third sector organisations including registered social landlords.

CLD priorities have been identified and aligned with the SOA intermediate outcomes as follows:

Improving the life chances for people of all ages through learning, personal development and active citizenship by:

• Co-producing local community engagement strategies with community representatives
• Supporting people to respond to welfare reform through developing financial capability skills, digital inclusion opportunities and online skills, and additional benefit advice
• Promoting financial capability for young people
• Increasing capacity of local groups to influence and improve services provided by all community planning partners
• Developing capacity building support for local people and groups
• Supporting Equally Well approach to improve wellbeing in communities
• Developing volunteering opportunities and supporting volunteers
• Providing outdoor learning and training opportunities
• Developing local community centres and libraries as local public service contact points and provide facilities to combat digital exclusion.
Building stronger, more resilient, influential and inclusive communities by:

- Supporting Local Community Planning Partnerships and implementing local community plans.
- Reducing the impact of poverty by tackling stigma in agencies, services and communities
- Providing capacity building support for community neighbourhood representative structures including community councils
- Targeting capacity building initiatives to community regeneration areas
- Increasing opportunities to participate in community festivals and celebrations
- Creating new community facilities and improving existing facilities and community centres
- Promoting community leadership in design, planning and management of local community and partnership facilities
- Supporting local groups to acquire community assets following introduction of a new asset transfer policy and mechanisms
- Promoting community leadership to secure local environmental awards (such as Beautiful Scotland awards)
- Expanding community role in management and maintenance of local green spaces through Friends Of groups

Performance Management

The following performance measures drawn from Dundee Single Outcome Agreement will be used to measure CLD impact on social inequalities & strong communities with high quality services and facilities.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015 Baseline</th>
<th>2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of community groups accessing grants, buildings and/or equipment</td>
<td>70</td>
<td>80</td>
</tr>
<tr>
<td>Number of individuals provided with personal support, training and development</td>
<td>240</td>
<td>265</td>
</tr>
<tr>
<td>Number of community groups receiving capacity building support (long-term)</td>
<td>90</td>
<td>93</td>
</tr>
<tr>
<td>Number of community groups receiving capacity building support (short-term)</td>
<td>58</td>
<td>70</td>
</tr>
<tr>
<td>Number of Community Councils and Neighbourhood Representative Structures supported</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Number of volunteers supporting community centre programmes.</td>
<td>130</td>
<td>142</td>
</tr>
<tr>
<td>Number of festivals and other community events facilitated with the support of the Community Regeneration Team.</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td>Number of users of community centres.</td>
<td>390,000</td>
<td>maintain</td>
</tr>
<tr>
<td>Number of attendees at Community Engagement events.</td>
<td>7,459</td>
<td>8,000</td>
</tr>
<tr>
<td>Number of community members regularly involved in Regeneration Forums.</td>
<td>72</td>
<td>75</td>
</tr>
<tr>
<td>Percentage of Local Community Plan outputs delivered</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td>Number of sessions provided through Partnership Agreements within community centres.</td>
<td>2,689</td>
<td>2,820</td>
</tr>
</tbody>
</table>
6.8 ENVIRONMENT AND SUSTAINABILITY

Environment and Sustainability features in the Dundee Partnership’s Single Outcome Agreement in Outcome 10 – **Our people will live in a low carbon sustainable city.** Community Learning and Development has a key role in delivering this high level outcome in engaging communities to develop skills and building community capacity to identify and actively improve their environment.

The CLD priorities for Environment and Sustainability have been identified through a number of stakeholders including the Community Regeneration Forums, LCPPs, Friends Group meetings, Allotment Associations, Community Engagement Group, residents and the Council’s Environment and Education Departments. CLD priorities have been identified and aligned with the SOA intermediate outcomes as follows:

**Improving the life chances for people of all ages through learning, personal development and active citizenship by:**

- Supporting and encouraging community groups to enter into appropriate national environmental award/recognition schemes to improve the image and perception of the city.
- Supporting and increasing the activity of community groups involved in the management and maintenance of open spaces including community clean ups and Neighbourhood Environmental Action Teams.
- Supporting community participation in public climate change and energy efficiency awareness campaigns.
- Promoting participation in the international Eco Schools programme to promote environmental awareness via the school curriculum.
- Streamlining current community learning and development activities to provide a more targeted approach to waste education and to promote the "Towards Zero Waste" message.

**Building stronger, more resilient, influential and inclusive communities by:**

- Working with community groups and Local Community Planning Partnerships to improve standard of play provision and open space.
- Working with partners to plan and deliver a programme of outdoor activities and events for the Central Waterfront open spaces.
- Developing a strategy for the development of community allotments and gardens within the community regeneration areas.
- Work with individuals and community groups to promote recycling activities and increase the number of accessible community recycling facilities across the city.
- Developing community capacity in the delivery of the Dundee Travel Active Strategy to achieve health benefits as well as reduce the need for city centre parking.

**Performance Management**

The following performance measures drawn from Dundee’s Single Outcome Agreement will be used to measure CLD impact on Environment:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015 Baseline</th>
<th>2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of adults giving up time to volunteer in the last 12 months</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>Percentage of children walking or cycling to school</td>
<td>53%</td>
<td>60%</td>
</tr>
<tr>
<td>Percentage of journeys to work made by public or active transport</td>
<td>39%</td>
<td>40%</td>
</tr>
<tr>
<td>Percentage of schools achieving Eco-Schools Scotland accreditation at: a) Bronze level; b) Silver level; c) Green Flag level</td>
<td>74% 43% 12%</td>
<td>a) 80% b) 60% c) 20%</td>
</tr>
</tbody>
</table>
7. WORKING AND LEARNING TOGETHER WITH COMMUNITIES IN DUNDEE

7.1 Ethos and Values
Successful Community Learning and Development is planned for and delivered in partnership with the main local stakeholders. It is based on a set of core values which have been identified by the CLD Standards Council as:

- **Self-determination** – respecting the individual and valuing the rights of people to make their own choices
- **Inclusion** – valuing equality of both opportunity and outcome, and challenging discriminatory practice
- **Empowering** – increasing the ability of individuals and groups to influence issues that affect them and their communities through individual and/or collective action
- **Working collaboratively** – maximising collaborative working relationships in partnership between the many agencies which contribute to CLD, including collaboration with participants, learners and communities
- **Promotion of learning as a lifelong activity** – ensuring that individuals are aware of a range of learning opportunities and are able to access relevant options at any stage of their life.

The Community Learning and Development Code of Ethics is part of the foundation of a professional practice, together with the values and principles and competences for CLD practitioners. The code has been developed using an inclusive, participatory process which has been developed with and for the CLD sector. The code of ethics recognises CLD as a field of professional practice made up of Adult Learning, Community Development and Youth Work professions. It acknowledges their practices and constituents may differ but that they have in common a commitment to the communities they serve and that the principles should be informed by a core and common set of ethics. ([http://www.cldstandardscouncil.org.uk/files/CLD_Code_of_Ethics.pdf](http://www.cldstandardscouncil.org.uk/files/CLD_Code_of_Ethics.pdf))

Equity, Empowerment, Duty of Care, avoid corruption, transparency, confidentiality; co-operation, professional development, self awareness, boundaries, self care.

7.2 Community Development Approach
Community development aims to make sure that local people are involved in defining and taking action on the issues that affect their lives. It seeks to involve those who are usually excluded from decision-making processes and to challenge discrimination and inequality.

Community development is about building active and sustainable communities based on social justice and mutual respect. It is about changing power structures to remove the barriers that prevent people from participating in the issues that affect their lives.

Community Capacity Building
Community Capacity Building (CCB) is one of the ‘twin pillars’ of community development. The other pillar is Community Engagement. Most of the beneficial changes in communities come about through the process of engagement, whereby communities are able to respond to opportunities, or deal with problems, by bringing them to the attention of those with the ability to respond and carrying out agreed plans of action.

Engagement cannot take place unless the community has the capacity and the recognition required to engage in such discussions. Also, the most excluded groups and communities are most often the ones with the least capacity to do so. Communities with capacity are confident, organised, cohesive and influential, and mean that community members are likely to enjoy a
better quality of life. This means they can deal more effectively with public bodies to come up with solutions to problems or opportunities; that they can do more to set up and run projects or initiatives, and that they can encourage people to support each other. A good working definition of CCB is:

"Activities, resources and support that strengthen the skills, abilities and confidence of people and community groups to take effective action and leading roles in the development of communities" (Strengthening Communities, S Skinner, CDF publications, 2006)

Community Engagement
The National Standards for Community Engagement define community engagement as:

'Developing and sustaining a working relationship between one or more public body and one or more community group, to help them both to understand and act on the needs or issues that the community experiences' (see http://www.scdc.org.uk/what/national-standards).

It is now accepted that public services that involve their users are likely to be of higher quality and more relevant to the communities they serve. The Scottish Government has built the principle of community engagement into policy and guidance to public services. This is most notable for Community Planning through which the Local Government Scotland Act requires partners to work together to engage communities in the planning and delivery of public services.

This will be achieved by refreshing the Dundee Partnership Community Engagement Model (see Appendix 3) and ensuring that community engagement is joined up at local neighbourhood level through the Local Community Planning Partnerships.

7.3 CLD Service Delivery Model
7.3.1 Competent Practice

The Community Learning and Development Standards Council, in partnership with key stakeholders, refreshed the CLD competences in recognition of the changing sector and new challenges and opportunities, which have influenced the needs of practitioners; organisations and learning providers. The competences are a key part of the quality assurance process for Community Learning and Development workers. They are used for reflection, personal development, organisational development and to design learning programmes. They are a benchmark to identify current practice levels and future learning needs.
The CLD Standards Council is remitted by the current Secretary of Education and Lifelong Learning to deliver a professional approval structure for qualifications, courses and development opportunities for becoming involved in CLD. The Standards Council have established a professional registration system which is available to practitioners currently delivering CLD practice. Registration application forms can be found at http://www.cldstandardscouncil.org.uk/Registration/Registration

Develop and establish a model of supported induction CPD and training opportunities.

7.3.2 Who delivers CLD in Dundee?

CLD in Dundee is delivered primarily by the Local Authority and in the voluntary and community sectors. However, partnership working with other stakeholders such as the NHS, Dundee and Angus College, the Universities, Skills Development Scotland, Leisure and Culture Dundee, Police Scotland and the Scottish Fire and Rescue Service, bring together a range of skills and expertise that help deliver positive outcomes for communities. The most important collaboration of all is partnership working with Communities. This includes the involvement of communities in the planning and delivery of CLD services and working together to co-produce responses to community needs and issues through local community planning.

Education Scotland are currently working together with the CLD Standards Council on a CLD Workforce Survey which will further define who is responsible for delivering CLD as a competency based approach both in Dundee and across Scotland. The results from the survey will be published on the Education Scotland website at www.educationscotland.gov.uk

7.3.3 How will CLD be delivered in Dundee?

Partners will aim to work together in Dundee to deliver CLD priorities identified in the strategy through:

- Community development (building the capacity of communities to meet their own needs and engaging with and influencing decision makers)
- Local community planning
- Youth work and family learning and other early intervention work with children, young people and families
- Community based adult learning, including literacies and English for speakers of other languages
- Volunteer development
- Learning for vulnerable and disadvantaged groups in the community
- Learning support and guidance

7.4 Barriers to the Adequate and Efficient Delivery of CLD in Dundee

The main barrier to the adequate and efficient delivery of CLD in Dundee is the increasing demand for the service at the same time as resources are diminishing. The onset of Welfare Reform and the fact that over 42,000 people in Dundee live in the worst 15% SIMD zones (See Appendix 2) makes it very difficult to meet the CLD needs of those suffering from poverty, deprivation and social isolation during a period of austerity when budgets are cut and there are less staffing resources available to meet demand. This means that CLD can no longer be delivered as a universal service. Increasingly, services will be targeted towards the areas of greatest need, ie the community regeneration priority areas.
Partnerships with the voluntary sector are key to the delivery of CLD, particularly in the non SIMD priority areas. This however, depends on voluntary effort which is often difficult to sustain. These barriers will be addressed by working in partnership with community and voluntary sector organisations to build their capacity to identify and address the CLD needs of target individuals and groups.

8. CLD IN ACTION – MAKING A DIFFERENCE

In order to bring the CLD Strategy to life, the following case studies have been produced to illustrate the impact of CLD on the lives of children, families and communities.

8.1 EMPLOYABILITY - THE S WORD CAFE

The S Word is a hospitality and catering sector training programme for 16-18 year olds based in The Shore in Dundee. The training is delivered as part of Skills Development Scotland’s Employability Fund. Over the course of a year, around 50 young people access the training and are enabled to develop skills in food preparation, basic cooking and an introduction to health and safety, food handling and essential kitchen skills. Successful learners are accredited with the Certificate of Work Readiness, basic first aid, elementary food and hygiene, elementary health and safety and essentials of catering. The vast majority of the training takes place within the Tay S Tay community cafe within the Shore in Dundee’s City Centre.

The S Word has always developed successful and innovative approaches to supporting young people develop their personal social and employability skills as well as a strong customer focus by developing a Community Café that gives trainees access to real time work experience and a real working environment.

The S Word meets all its employability and social outcomes and the impact of the programme can be seen in the numbers of young people who progress from the training into employment, not only in the hospitality sector but in retail and Care. Many trainees also progress into advanced programmes within Further and Higher education.
Dundee City Council’s Adult Learning Service engages with adults looking to return to learning with a focus on employability. This is achieved by providing targeted support and guidance towards people living in the most disadvantaged communities in Dundee and helping them to make positive changes in their lives. The outcomes derived from the type of work included involvement in further learning, increased skills and confidence and improved quality of life. An example of this type of provision is the 6 weeks Options and Choices course which is run at Mitchell Street Centre, Dundee. The course is targeted towards people who are unemployed and is designed to encourage participants to identify their personal qualities and skills, their career goals and to explore the options available to help them achieve their longer term aspirations.

All the participants reported increased confidence and skills and motivation to progress their learning and development. The Options and Choices Course provided some participants with their first opportunity for accredited learning since leaving school, and an adult guidance service supported their progression on to other things. Of the 14 people who attended the last course, six found work, four moved on to further education, three continued their learning journeys with other groups and one person got involved in voluntary work.
8.3 CHILDREN AND YOUNG PEOPLE – HOT CHOCOLATE TRUST

Hot Chocolate Trust is a grassroots youth work organisation based in the Steeple Church, Dundee.

In October 2001 a few volunteers went out on the grass beside the church to get to know some of the young people who regularly congregated there. They didn’t have a plan in mind beyond building relationships and finding out what the young people might want to do together. Because it was cold they took hot chocolate with them to share…

For 14 years now Hot Chocolate Trust has been successfully engaging and supporting vulnerable and disadvantaged young people aged 12-21 who congregate in the city centre and in different ways have become marginalized from their wider community.

These young people (around 300 each year) commonly face issues such as homelessness, unemployment, debt, mental health issues; often engage in or are affected by high risk behaviours; frequently do not engage with any forms of support other than Hot Chocolate; and many struggle in making the transition to adulthood. They are also incredibly intelligent, articulate, creative, compassionate, energetic and full of potential.

Through a small team of passionate staff, and a large team of dedicated volunteers (including former Hot Chocolate young people), Hot Chocolate builds long-term genuine relationships, develops a safe place with the young people that feels like ‘home’ and ‘family’ (the young people’s own words), and offers creative opportunities to develop skills, expand worldviews, and increase self-worth. Hot Chocolate does not put on services for young people, but grows a community with young people by giving them the trust and responsibility for developing their own programmes and interests.

Young people are involved in planning and participating in drop-in sessions incorporating art, music, sport and cooking (3 per week), regular responsive group work, and individual support with a youth worker. There are also a few residential weekends each year, creative projects during school holidays, street work, and ‘Youth Team’: a supported and accredited volunteering programme.
8.4 HEALTH AND WELL-BEING – THE COLDSIDE CAFÉ

In 2013, Equally Well undertook community engagement within the SIMD 5% most deprived streets in the Coldside ward. Findings showed that issues affecting wellbeing included social isolation, poverty, and lack of community facilities. In response, a steering group of local people and workers was convened to discuss the possibility of developing a community café in the area, where local people could gather socially, gain access to services, and buy healthy food at affordable prices. The venture is led by Coldside Parish Church and funding was awarded from a variety of sources to develop a café in the church hall and employ a part-time co-ordinator.

The café opened in April 2015 and is supported by volunteers. Further funding has been awarded to employ a community development worker to expand the café further and develop a range of additional activities to support disadvantaged local people. The outcomes show that by using a CLD approach to identify local wellbeing issues and build the capacity of local partners to work differently and in partnership with one another, new services and activities can be developed that empower the community to address its own needs. The community café is already providing a range of benefits for local people and for the volunteers who help run it. For example, volunteers have reported a reduction in social isolation, an increase in sense of purpose, and development of new skills to help increase employability.

Café customers have benefitted from new social networks and knowledge of available services, and the café has provided food for families during the school holiday periods. In addition, there is increased use of the church facilities by a wide variety of groups and individuals not entering the building previously. This initiative benefits from a visionary and committed multi-agency steering group that continues to go from strength to strength.
8.5 RE-SHAPING CARE FOR THE ELDERLY – NAE LIMITS 60+ ASSOCIATION

Nae Limits is a group of volunteers who came together due to an interest in providing social opportunities for older people in the community. The group applied for Small Grants funding to cover the initial start up costs of the group. The award meant they could hire meeting space for the committee and hospitality. It has allowed the management committee to meet regularly, produce their constitution, code of conduct and to facilitate the organising of events. Events included Celebrating Volunteering, Reminiscence, Nostalgia and Bygone Years. They also held a Development Day supported by the Re-Shaping Care Team which looked at committee skills and plans for the year ahead.

The Celebrating Volunteering Event aimed to encourage new volunteer to the group and was attended by volunteers and potential volunteers. Five young people expressed an interest in getting involved and are now volunteering making the group intergenerational.

The volunteers have gained experience and skills through organising and facilitating the events. Nae Limits has received further small grants funding and will use the skills gained to host two pilot consultation events in the form of tea dances. They will ask attendees to identify activities of interest and therefore shape future events provided by the group. This will increase choice and further reduce social isolation for older people.
8.6 COMMUNITY SAFETY – KIRKTON ACTIVE YOUTH

Strathmartine Active Youth (SAY) started in August 2013 initially as a partnership between Community Learning and Development and Kick it Kick Off, in response to community safety issues raised locally at the Local Community Planning Partnership, for which a sub group was established – Kirkton Issues Group.

A programme was developed which included a football drop-in programme run by CLD workers at St. Paul's AstroTurf which now operates on two evenings a week, for Primary 6’s + 7’s and 11-14 year olds on Mondays and Wednesday from 6:30pm-8:00pm for 15+. At the moment there are on average between 70 and 80 young people attending every week across the three sessions.

The aim and outcome of project is to reduce levels of anti-social behaviour, improve levels of physical activity and increase employability opportunities for local young people. To successfully reduce anti-social behaviour in the area, staff have worked with a range of partners – Police Scotland; Community Safety Wardens; ASBT; SACRO & Social Work Department to ensure that staff were effectively targeting the right young people to engage in diversionary learning opportunities.

Another key development within Strathmartine Active Youth has been local young people taking up volunteer opportunities within the project. There are currently 5 young volunteers who access the 15+ group on a Wednesday evening but come back on a Monday evenings to support the session for the younger groups in the local community.
8.7 BUILDING STRONGER COMMUNITIES – THE WHITFIELD DEVELOPMENT GROUP

This representative resident’s group has operated since 2007 when a plan for the latest Whitfield regeneration initiative was launched by Dundee City Council. It has evolved and changed over the years as members have changed. This has brought challenges to CLD staff in increasing capacity with a membership that change regularly. An annual development/action plan has been integrated into the WDG operation so that new members can see how the previous year’s operation has fared, before participating in dialogue about what the group should do in the coming year, in line with analysis of the results of consultation/community engagement events. This has helped to identify the priorities for the group’s operation for the following year.

In addition, support to initiate themed sub groups around key local priorities has been provided. The groups have been established as satellite sub groups that welcome individuals with an interest in the topic, but who might not necessarily want to join the main committee. This has allowed fresh ideas to be considered and ensured regular participation from the wider community.

These working groups have been provided with a range of learning opportunities and options to enhance the members’ knowledge. Members have chosen to participate in workshops/field visits on a diverse range of subjects. The WDG has been able to use this learning to influence change and enhance the regeneration plan, particularly in the creation of the open/green space plan for the area, within which the group invested in making their own difference to the area by securing funding from the BIG lottery fund for a £250,000 neighbourhood park.
8.8 ENVIRONMENT/SUSTAINABILITY – THE FRIENDS OF DUNDEE LAW

For a number of years there have been complaints regarding the state of the Dundee Law. The paths and steps have become overgrown and are in poor state of repair. There was no proper signage and little directional information available.

In 2010, the Coldside Community Forum organised a campaign to address these issues. Forum members consulted with local users of the Law Hill and secured community work support from the local Community Regeneration Team and technical support from the Council’s Environment Department. This generated a number of ideas that led to the development of an action plan. The Forum hosted a public meeting which led to the establishment of the Friends of Dundee Law Group.

The Friends of Dundee Law held its launch event in May 2012. The event included dog training sessions, nature walks, Forest Schools and Children’s activities.

Volunteers have since retained an active involvement in improving the environment around the Law and this was rewarded by £80k of funding from the Heritage Lotter Fund which contribute to the overall project costs of £350k.

This initiative is based on a community development approach which built community capacity to address an issue of local concern and achieved a positive environmental impact.
9. BUILDING A CLD WORKFORCE FOR THE FUTURE

The Strategy recognises that Community Learning and Development service delivery is delivered by a wide range of practitioners in diverse settings in both paid and voluntary capacities. CLD has recognised, coherent and distinct set of practices defined by clearly identified competencies and values which are at the core of good practice (see Sections 7.1 and 7.3).

All CLD practitioners should be prepared to continually add to their skills, whether it be formally through a learning programme or informally through the development of experience and knowledge. In a profession centred on learning and development, encouraging a learning ethos is critical.

To support CPD and the development of a learning culture within the sector, the CLD Strategic Partnership will continue to build on existing strengths, develop capacity and adopt a model of continuous improvement, ensuring that paid staff and volunteers are support to provide the best outcomes for communities. This will be achieved by:

- Developing a clear and coherent framework to support volunteers, which includes a commitment and access to CPD.
- Facilitating the sharing of information about workforce development opportunities and good practice across the CLD sector in Dundee.
- Developing greater awareness and application of the CLD competencies across the sector.
- Promoting iDevelop as a resource to support workforce development.
- Creating pathways for accreditation and progression within CLD.
- Working in partnership with the Fife and Tayside Local Authorities to identify workforce development needs and deliver a programme of CLD Upskilling opportunities.
- Promoting the registration of CLD practitioners with the CLD Standards Council.
- Ensuring that quality improvement is embedded in self evaluation/improvement planning practice.
- Raising awareness of the principles and values embedded in the Community Development approach and the importance of a commitment to social justice.
- Committing protected time for CPD activity across the CLD sector’s workforce.

10. CLD STRATEGY IMPLEMENTATION/COORDINATION

A Community Learning and Development Strategic Partnership will be established to oversee the implementation of the CLD Strategy. The CLD Partnership remit is detailed in Appendix 4. The Partnership will take responsibility for developing tools and a framework to support the implementation, monitoring and evaluation of the CLD Strategy during the period 2015-18. The CLD Strategic Partnership will also bring together a wider range of stakeholder twice a year to enable partners to better understand and deliver the CLD Strategy. Strategy implementation will also be supported by the Dundee Partnership, Voluntary Sector Forums and Local Learning Partnerships as follows:

The Dundee Partnership

The Dundee Partnership will continue to co-ordinate opportunities for engagement with communities through:

- formal decision making groups (where community representatives sit as equal partners);
• **strategic theme groups** (either through direct membership or in dedicated relationships with groups and networks providing community representation and leadership);

• **local community planning partnerships**;

• budget holding **community regeneration forums** (where elected local representatives allocate funding to projects which promote community wellbeing and capacity building; &

• bi-annual **community conferences** addressing key strategic challenges facing the city such as job creation, tackling poverty and welfare changes, recovery from substance misuse etc.

**Voluntary Sector Forums**

A number of networks and forums have been established in the city to strengthen the voice of communities of interest, geographic communities, service users, carers and third sector organisations, enabling them to engage in decision making.

They are best placed to build on the assets of a community and deliver solutions tailored to the needs of service users, unpaid carers and participants, including those most marginalised in society. By using a CLD approach these forums increase the ability of individuals and groups to influence issues that affect them, their families and their communities. Through individual and/or collective action they effect change in services and public policy. Building connections and supporting relationships leads to innovative solutions within and across sectors, such as early intervention, preventative and crisis services that reduce repeated interventions. Third Sector networks and forum are recognised as representative structures to reach voluntary and community organisations, communities of interest, service users, unpaid carers and participants. They play an increasing role at all levels of community planning, the co-design, delivery and evaluation of services and Dundee’s delivery of SOA’s.

**Local Learning Partnerships**

Local Learning Partnerships (LLPs) have been established across all 8 multi-member elected wards. The concept of LLPs originated from the Curriculum for Excellence. LLPs aim to bring partners together at a local area level to provide a coherent package of learning and support for individual learners and target groups in the context of local needs and circumstance. LLPs will therefore have an important role in implementing the CLD Strategy at a local neighbourhood level. There have been some examples of excellent partnership working developed through LLPs but a more consistent approach is needed to joint planning, service delivery, self evaluation and improvement planning. In implementing the CLD Strategy, LLPs will be expected to take account of the CLD Strategic priorities identified in this document alongside local needs assessment data to plan and deliver an appropriate range of CLD outcomes for children, families and communities.

11. **MEASURING IMPACT AND PERFORMANCE REPORTING**

Mechanism for measuring the impact of the CLD Strategy will be developed by the CLD Strategic Partnership and implemented by the Dundee Partnership Theme Groups. Lead Officers will be identified to gather data to measure progress against the baselines identified for each of the performance indicators set against each of the Dundee Partnership Themes. Performance will be reported annually to the Dundee Partnership Management /Co-ordinating Groups.

The CLD Strategic Partnership will take responsibility for developing a framework and set of tools, to enable LLPs to evaluate the impact of the CLD Strategy at local area level. Partnership approaches to self evaluation and improvement planning at a local area level will be established. LLPs will be encouraged to focus their self evaluations on:

• How well partners are working together to improve learning, increase life chances and promote well being and;
• How well partners are working together to improve the quality of service in their learning community areas

The output from LLPs self evaluation/improvement planning processes will be fed back into the planning cycle and the evidence of impact will be made available for external inspection by Education Scotland.

12. EQUALITIES AND DIVERSITY

The community learning and development approach has equality at its centre. Promoting equality and diversity is crucial for all providers of community learning and development, along with all other service providers, to ensure that everyone is treated fairly, with dignity and respect, and that the learning and support opportunities provided are open to all. CLD activity involves working closely with equalities groups. This is extremely valuable in helping us to understand the disadvantages and inequalities faced by different communities. This can help raise awareness and encourage action to address inequality particularly in relation to ‘protected characteristics’. CLD can provide a valuable setting for working with all communities to tackle stereotypes, prejudice and negative attitudes.

In Dundee, the vision is for community planning partners to demonstrate the mainstreaming of equality and ensure that all individuals benefit equally from public services. Within this context an integrated partnership approach will consider:

• Reviewing partners equalities monitoring arrangements to better inform the future planning and delivery of CLD services
• Producing a strategy to effectively engage with equalities groups
• Developing joint opportunities to equalities training to help share learning and experience across partnership agencies.

13. CONSULTATION

A wide range of stakeholder from the Public, Community and Voluntary Sections have been consulted on the development of this strategy. The consultation has been progressed through the Dundee Partnership Theme Groups, Community and Voluntary Sector Networks, two stakeholder events involving over 300 representatives from partners agencies and a community conference. A full list of consultees are detailed in Appendix 5.
PREVENTION FRAMEWORK FOR DUNDEE PARTNERSHIP

APPENDIX 1

PREVENTION FRAMEWORK FOR DUNDEE PARTNERSHIP

RECOVERY BASED PREVENTION
- Focus on personal strengths & resilience
- Asset based
- Family & community based
- Focus on wide range of control and outcomes
- Challenge behaviour which stigmatises
- Supports re-integration
- Links between services/agencies joined up

EXAMPLES
- Targeted employability support
- Financial advice & debt management
- Parenting course for fathers in custody
- Eclipse project
- Gordon Rehab
- Art Angels
- Voice Versa

IMPROVING OUTCOMES

DETERIORATING OUTCOMES

CYCLE OF NEGATIVE OUTCOMES

REPEAT | RELAPSE | RE-OFFENDING

UNIVERSAL PREVENTION
- Target to at risk groups or places
- Not based on risk
- Suitable for everyone
- Benefits outweigh costs
- Legislative framework

EXAMPLES
- Parenting
- Vaccination
- Health promotion
- CCTV

TARGETED PREVENTION
- Targeted to at risk groups or places
- At risk but no signs of problem
- Risk could be immediate or lifelong

EXAMPLES
- Focus on looked after children or young carers
- Focus on community regeneration around schools
- Home safety visits
- Equally Well
- Luchew Peedlefinder
- ASPEF
- Pre-emptive Bedroom Tax impact

EARLIEST INTERVENTION
- Targeted to high risk individuals/families
- Early or minimal signs of problems
- Not yet triggering crisis response

EXAMPLES
- Risk assessment for young people
- diversion from criminal justice system
- Early Action on Bedroom tax welfare reform
- CR Youth Work
- Support & Connect
- Focus Around The Child
- Inclusive Plan
- New Beginnings

Individuals, families & communities achieving positive outcomes through effective universal provision & services

Individuals, families & communities achieving negative outcomes and requires effective crisis provision & services
CLD STRATEGIC PARTNERSHIP GROUP

Remit

- Involve key stakeholders in the further development, implementation and evaluation of the CLD Strategy.
- Develop a framework to support the coordination/delivery of the CLD Strategy.
- Establish the role of the Local Community Planning Partnerships/Local Learning Partnerships and thematic partnerships in the implementation of the CLD Strategy.
- Establish a framework to support joint planning, delivery, self evaluation and improvement planning at local area level.
- Develop a system to evaluate the impact of the CLD Strategy and report performance to the Dundee Partnership.
- Support CLD Strategy Implementation by refreshing the Dundee Partnership Community Engagement Model.

Bring together a wider range of stakeholders twice a year to;

- Provide key strategic support and implementing the CLD Regulations and Guidance.
- Identify and address cross cutting issues across the Dundee Partnership theme groups.
- Identify and address CLD Workforce Development Needs.
- Increase the profile of CLD in Dundee and promote the important role it has to play in early intervention/prevention in the future delivery of public services.
- Consider the extent to which the CLD Sector in Dundee can respond to the areas of unmet need identified in the CLD Strategy.
LIST OF CONSULTEES

Aberlour Child Care Trust: Scotland’s
Children’s Charity
Abertay Housing Association
Action for Children
Alcohol and Drugs Partnership
Alcohol Tayside
Alzheimer Scotland
Ardler Village Trust
Balmoral Tenants & Residents Association
Barnardos
Caledonia Housing Association
Charleston Tenants & Residents Association
Coldside Regeneration Forum
Community Spirit Action Group
Craigowl Communities
Creative Learning Dundee Rep
Crown Office and Procurator Fiscal Service
Deaf Links – Tayside Deaf Hub
Douglas Community Centre
Dundee Contemporary Arts
Dundee and Angus College
Dundee Carers Centre
Dundee City Council: Chief Executive
Dundee City Council: City Development
Dundee City Council: Communities
Dundee City Council: Corporate Planning
Dundee City Council: Education
Dundee City Council: Environment
Dundee City Council: Housing
Dundee City Council: Integrated Children’s Services
Dundee City Council: Social Work
Dundee City Council: Support Services
Dundee City Council: Welfare Reform
Dundee Heritage Trust
Dundee Pensioners Forum
Dundee Rep
Dundee Schools
Dundee Social Enterprise Network
Dundee West Communities Association
Dundee Voluntary Action
Dundee Youth Council

Equally Well
Faith in Community Dundee
Fintry Community Council
Friends of Broughty Ferry Library
Hillcrest Housing Association
Homegroup
Leisure and Culture Dundee
LGBT Youth Scotland
Local Community Planning Partnership
Lochee Parish Church Cafe
Lochee Regeneration Forum
Maryfield Regeneration Forum
Nae Limits 60+
NHS Tayside
North East Regeneration Forum
Police Scotland
Rock Solid
SACRO
Sanctuary Housing
Scottish Enterprise
Scottish Fire and Rescue Service
Scottish Children’s Reporter Administration
Servite Housing Association
Skills Development Scotland
St Ninians Church
St Ninians Stay and Play
Strathmartine Regeneration Forum
Scottish Fire and Rescue Service
The Attic
Under 12’s Project
Venture Trust
V&A Dundee
Volunteer Centre Dundee
Whitfield Community Project LMG
Whitfield Development Group
Women’s Rape and Sexual Abuse Centre
REPORT TO: POLICY & RESOURCES COMMITTEE

REPORT ON: EMPLOYER RECRUITMENT INCENTIVE

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 270-2015

1. PURPOSE OF REPORT

1.1 This report notes the progress to date of the implementation of Scotland’s Employer Recruitment Incentive (ERI) in Dundee and seeks financial support for the continuation of the revised scheme for the period 1 July 2015 to 31 March 2016.

2. RECOMMENDATIONS

2.1 It is recommended that the Policy & Resources Committee:

i) notes the success of Dundee’s ERI to date in supporting young people into sustainable employment opportunities

ii) acknowledges the contribution of the scheme in growing local small businesses

iii) approves the implementation of the revised scheme to bring an additional 130 job opportunities for young people from 1 July 2015 to 31 March 2016

3. FINANCIAL IMPLICATIONS

3.1 Dundee City Council aim to develop 205 additional employment opportunities for young people during the financial year 2015/16. Scottish Government is co-funding the scheme and Dundee City Council will supplement this funding from mainstream budgets as required.

To continue this co-funded model will require revenue costs of £489k in 2015/16 and £506k in financial year 2016/17. Funding of 27% will be available from European Social Fund which will equate to £268k and the balance of 73% will be matched funded by a combination of resources from Scottish Government and Dundee City Council.

Dundee City Council’s contribution over two years will be £237k. In 2015/16 the placements can be funded from existing revenue budget provision for the employment recruitment programme and a further £105k will require to be added to the 2016/17 Revenue Budget to fund the full year effect of these placements.

£44,000 has also been made available to incentivise employers to pay the Living Wage. An additional £500 per job will be paid to employers who pay the Living Wage on completion of the 12 month job. Dundee City Council will actively promote this additional incentive to employers.
4. **BACKGROUND**

4.1 The Youth Employment Scotland Fund (YESF) was introduced by the Scottish Government in July 2013 to provide a recruitment incentive to develop job opportunities and Modern Apprenticeships for young people aged between 16 and 29 years old. This original phase was funded through a combination of Scottish Government and European Social Fund money.

Following the end of this funding package in December 2014, Local Authorities agreed to enter into a co-funding model with the Scottish Government to cover the period January – June 2015. A revised scheme has just been announced to cover the rest of the financial year 2015/16.

4.2 **Benefits to Young People**

The ERI has been particularly instrumental in improving the employment opportunities of young people in Dundee. During the two years of the original scheme 457 young people from Dundee have been supported into employment opportunities with 233 employers. It has been effectively targeted as part of our prevention strategy and over one third of all the participants are under 18.

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Number</th>
<th>% of Total</th>
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<tbody>
<tr>
<td>16 /17 years</td>
<td>161</td>
<td>36%</td>
</tr>
<tr>
<td>18 – 20 years</td>
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<tr>
<td>21 – 24 years</td>
<td>137</td>
<td>30%</td>
</tr>
<tr>
<td>25 – 29 years</td>
<td>24</td>
<td>5%</td>
</tr>
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</table>

The scheme provides young people, who may not have the necessary skills, qualifications or networks, support to access employment opportunities. If they are unsuccessful they are then assisted to address any gaps in their employability skills through Dundee Partnership’s Pipeline provision.

4.3 **Support to Employers**

As previously stated, 233 employers in the Dundee area have been supported to grow and develop their businesses through their involvement in the ERI Scheme; 226 private sector, 6 Social Enterprises and Dundee City Council.

The scheme has therefore been very effectively targeted at small businesses with almost 70% of those participating having fewer than 20 employees. This is promoting business growth in the city across a whole range of sectors with employers clearly identifying the recruitment incentive as a catalyst for their expansion.

<table>
<thead>
<tr>
<th>Size of Business</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 10 employees</td>
<td>113</td>
</tr>
<tr>
<td>11-20 employees</td>
<td>43</td>
</tr>
<tr>
<td>21-50 employees</td>
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<tr>
<td>101 - 150 employees</td>
<td>18</td>
</tr>
<tr>
<td>150 - 400 employees</td>
<td>15</td>
</tr>
</tbody>
</table>
Employers include all major sectors; hairdressing, construction, retail, care, hospitality, motor vehicle and the service industries. Labouring, manual/trades and factory/warehouse jobs combined account for 36% of the posts created through the scheme. Admin/customer service roles are the next popular at 32% with care sector jobs at 9% and hospitality 8%. Other jobs include drivers, fitness instructors and butchers.

Dundee City Council has also provided employers with recruitment and screening support to ensure that employers’ needs are matched to a young person with the appropriate skills and experience. This means that the jobs are more likely to succeed for both the employer and the young person.

‘We are so pleased with the amazing and professional service we have received from you. The young people are fitting in so well and you matched our needs 100%. As a small employer your help and support has been invaluable.’

Tay Tyres

21 Modern Apprenticeships have also been recruited by Dundee City Council as part of the scheme in joinery, painting, customer service, building quality, social care, plastering, administration, housing officer, youth work, and environmental services. The Council also developed 6 Graduate Internships.

Employers have actively embraced the ERI and are keen to support local young people to develop and progress.

4.4 Sustainability

The original scheme supported employers to create a new post for 6 months with an expectation, but no compulsion, on the employer to retain the young person following the initial placement. However 74% of those who have completed their initial placement have been retained with their original employer and 9% have secured employment with other employers.

‘Just thought I would pass on some good news. R and M have just about completed their SVQs, but more importantly they have both been offered, and accepted, permanent full-time positions.’

Hutchison Technologies

4.5 Reducing inequality

The ERI is providing entry level, minimum experience opportunities for young people who would otherwise struggle to get into the job market without this type of assistance. Dundee’s School Leaver Destination Results for 2013/14 shows a small increase in the number of young people going into employment; however Dundee City Council is committed to further improvement in the employment rates of young people and continuation of the ERI will support this ambition.
The ERI Co-ordinator has also been effective in ensuring that young people can access all the available financial and employability supports to help them move into employment. Dundee Employability Pipeline’s Barrier Free Fund has provided bus passes, Construction Skills Certificate Scheme (CSCS) cards and financial support for tools and clothing. If young people require CV’s and other training then they are referred into the Pipeline for this support.

In continuing with and growing the service, Dundee is showing a clear and ambitious commitment to bridging the inequality gap for those often disenfranchised and vulnerable young people.

4.6 Revised Scotland’s Employer Recruitment Incentive

In July 2015, the Scottish Government announced further substantial revisions to SERI for the period 1 July 2015 to 31 March 2016. Funding will now be administered to local authorities by Skills Development Scotland. The ERI is also eligible for additional European Social Fund money.

This will provide a financial contribution to employers towards the additional costs of recruiting and sustaining the employment of young people aged 16 to 29 who have barriers or additional support needs. The aim is to encourage employers to recruit young people into sustainable employment, including Modern Apprenticeships for a minimum of 52 weeks. This extension of double the original 26 week duration, is to ensure that the targeted group of young people are given every opportunity to secure ongoing employment.

An additional incentive is also available, on completion, to employers for paying the Living Wage for the full duration of the job opportunity.

The revised scheme is no longer available to the public sector and has a clear focus on supporting small and micro businesses and third sector providers.

5. POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Risk Management.

An equality impact assessment is attached.

6. CONSULTATIONS

The Chief Executive, Executive Director of Corporate Services, Executive Director of Children and Families Service, Head of Democratic and Legal Services and Dundee Partnership’s Employability Core Group

7. BACKGROUND PAPERS

None
In view of the timescales involved this report was approved by the Chief Executive in consultation with the Convener of the Policy & Resources Committee, Labour Group spokesperson, Conservative member, Liberal Democrat member and the Independent member.

David R Martin  
Chief Executive  
24 July 2015  
Date

Willie Sawers  
Depute Convener of Policy & Resources Committee  
30 July 2015  
Date

Kevin Keenan  
Labour Group Spokesperson  
28 July 2015  
Date

Derek J Scott  
Conservative Member  
24 July 2015  
Date

Fraser Macpherson  
Liberal Democrat Member  
24 July 2015  
Date

Ian Borthwick  
Independent Member  
27 July 2015  
Date
## EQUALITY IMPACT ASSESSMENT TOOL

### Part 1: Description/Consultation

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<tr>
<th>Question</th>
<th>Answer</th>
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</tr>
<tr>
<td>Is this a Full Equality Impact Assessment (EQIA)?</td>
<td>Yes ☐</td>
</tr>
<tr>
<td>Date of Assessment:</td>
<td>15/7/15</td>
</tr>
<tr>
<td>Committee Report Number:</td>
<td>270-2015</td>
</tr>
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<td>Title of document being assessed:</td>
<td>Employer Recruitment Incentive</td>
</tr>
<tr>
<td>1. This is a new policy, procedure, strategy or practice being assessed</td>
<td>(If yes please check box) ☐</td>
</tr>
<tr>
<td>2. Please give a brief description of the policy, procedure, strategy or</td>
<td>The report provides an update on the local implementation of Scotland’s Employer Recruitment Incentive and identifies the financial requirements to support the revised scheme for the financial year 2015/16.</td>
</tr>
<tr>
<td>practice being assessed?</td>
<td>(If yes please check box) ☐</td>
</tr>
<tr>
<td>3. What is the intended outcome of this policy, procedure, strategy or</td>
<td>To work with local employers, particularly small businesses, to support 205 young people into supported employment opportunities during the financial year 2015/16.</td>
</tr>
<tr>
<td>practice?</td>
<td></td>
</tr>
<tr>
<td>4. Please list any existing documents which have been used to inform this</td>
<td>Scotland’s Employer Recruitment Incentive Guidance Paper (1/7/15)</td>
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<tr>
<td>Equality and Diversity Impact Assessment.</td>
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</tr>
<tr>
<td>5. Has any consultation, involvement or research with protected</td>
<td>No, although Local Authority performance figures for the first 2 years of the previous scheme has informed the revised Employer Recruitment Incentive’s target participants..</td>
</tr>
<tr>
<td>characteristic communities informed this assessment? If yes please give</td>
<td></td>
</tr>
<tr>
<td>details.</td>
<td></td>
</tr>
<tr>
<td>6. Please give details of council officer involvement in this assessment.</td>
<td>Karen Gunn, Youth Employability Manager Nikki Bryce, ERI Co-ordinator</td>
</tr>
<tr>
<td>(e.g. names of officers consulted, dates of meetings etc)</td>
<td></td>
</tr>
<tr>
<td>7. Is there a need to collect further evidence or to involve or consult</td>
<td>Compliance documentation is required to be submitted to Skills Development Scotland on a regular basis. This information requires details regarding characteristics of participants and</td>
</tr>
<tr>
<td>protected characteristics communities on the impact of the proposed</td>
<td></td>
</tr>
<tr>
<td>policy?</td>
<td></td>
</tr>
</tbody>
</table>
(Example: if the impact on a community is not known what will you do to gather the information needed and when will you do this?)

evidence of their outcomes.

### Part 2: Protected Characteristics

Which protected characteristics communities will be positively or negatively affected by this policy, procedure or strategy?

NB Please place an X in the box which best describes the "overall" impact. It is possible for an assessment to identify that a positive policy can have some negative impacts and visa versa. When this is the case please identify both positive and negative impacts in Part 3 of this form.

If the impact on a protected characteristic communities are not known please state how you will gather evidence of any potential negative impacts in box Part 1 section 7 above.

<table>
<thead>
<tr>
<th>Protected Characteristics</th>
<th>Positively</th>
<th>Negatively</th>
<th>No Impact</th>
<th>Not Known</th>
</tr>
</thead>
<tbody>
<tr>
<td>Race, Ethnic Minority Communities including Gypsies and Travellers</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Gender</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Gender Reassignment</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>Religion or Belief</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>People with a disability</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Age</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Lesbian, Gay and Bisexual</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Socio-economic</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Pregnancy &amp; Maternity</td>
<td>☒</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>Other (please state)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

### Part 3: Impacts/Monitoring

1. **Have any positive impacts been identified?**

   (We must ensure at this stage that we are not achieving equality for one strand of equality at the expense of another)

   The ERI is targeted at young people, predominately aged 16 – 24, who have additional support needs or have substantial barriers to moving into employment. This covers a wide range of young people, including those with protected characteristics, therefore no single group should be in any way disadvantaged.

2. **Have any negative impacts been identified?**

   (Based on direct knowledge, published research, community involvement, customer feedback etc. If unsure seek advice from your departmental Equality Champion.)

   People aged over 24 will not have access to this scheme; with the exception of those with additional support needs who are eligible until their 30th birthday.
3. **What action is proposed to overcome any negative impacts?**
   (e.g. involving community groups in the development or delivery of the policy or practice, providing information in community languages etc. See Good Practice on DCC equalities web page)
   Support to access other local employability services, including Dundee’s Employability Pipeline, will be offered to those who are ineligible.

4. **Is there a justification for continuing with this policy even if it cannot be amended or changed to end or reduce inequality without compromising its intended outcome?**
   (If the policy that shows actual or potential unlawful discrimination you must stop and seek legal advice)
   It is anticipated that the ERI, due to its firm focus on young people who have substantial barriers, will reduce inequality as this is its intended outcome.

5. **Has a 'Full' Equality Impact Assessment been recommended?**
   (If the policy is a major one or is likely to have a major impact on protected characteristics communities a Full Equality Impact Assessment may be required. Seek advice from your departmental Equality lead.)
   No

6. **How will the policy be monitored?**
   (How will you know it is doing what it is intended to do? e.g. data collection, customer survey etc.)
   Skills Development Scotland requires DCC to complete monitoring information regarding participants’ details and eligibility characteristics. This also includes an Equal Opportunities section. Progress and participant details will also be measured through Dundee's Operating System Client Employment Routes (OSCER).

**Part 4: Contact Information**

<table>
<thead>
<tr>
<th>Name of Department or Partnership</th>
<th>Integrated Children’s Services</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Type of Document</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resource Policy</td>
<td>☐</td>
</tr>
<tr>
<td>General Policy</td>
<td>☐</td>
</tr>
<tr>
<td>Strategy/Service</td>
<td>☐</td>
</tr>
<tr>
<td>Change Papers/Local Procedure</td>
<td>☐</td>
</tr>
<tr>
<td>Guidelines and Protocols</td>
<td>☐</td>
</tr>
<tr>
<td>Other</td>
<td>☒</td>
</tr>
<tr>
<td>Manager Responsible</td>
<td>Author Responsible</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td><strong>Name:</strong> Bert Sandeman</td>
<td><strong>Name:</strong> Karen Gunn</td>
</tr>
<tr>
<td><strong>Designation:</strong> Integrated Children Services Manager</td>
<td><strong>Designation:</strong> Youth Employability Manager</td>
</tr>
<tr>
<td><strong>Base:</strong> Dundee House</td>
<td><strong>Base:</strong> Discover Opportunities Centre</td>
</tr>
<tr>
<td><strong>Telephone:</strong> 01382 434390</td>
<td><strong>Telephone:</strong> 01382 434588</td>
</tr>
<tr>
<td><strong>Email:</strong> <a href="mailto:Bert.sandeman@dundeecity.gov.uk">Bert.sandeman@dundeecity.gov.uk</a></td>
<td><strong>Email:</strong> <a href="mailto:Karen.gunn@dundeecity.gov.uk">Karen.gunn@dundeecity.gov.uk</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Signature of author of the policy:</th>
<th><strong>Date:</strong> 15.07.15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Signature of Director/Head of Service:</strong> Michael Wood</td>
<td><strong>Date:</strong> 15.07.15</td>
</tr>
<tr>
<td><strong>Name of Director/Head of Service:</strong> Michael Wood</td>
<td></td>
</tr>
<tr>
<td><strong>Date of Next Policy Review:</strong></td>
<td>31.03.16</td>
</tr>
</tbody>
</table>
REPORT TO: POLICY AND RESOURCES COMMITTEE – 24 AUGUST 2015
REPORT ON: TELEPHONY SYSTEM MAINTENANCE CONTRACT
REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES
REPORT NO: 293-2015

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to seek Committee approval for the appointment of a maintenance contractor for the Council’s Avaya telephony system.

2.0 RECOMMENDATIONS

2.1 The Committee is asked to approve the following:

   a) Agree the outcome of the Tender Evaluation to procure a Telephone System Maintenance Contract for a three year period with the option to extend for a further year.

   b) Agree the annual expenditure described in paragraph 3 for a three year period with the option to extend for a further year.

   c) Purchase the services of Capita IT Enterprise Services as the best value choice for their Telephony System Maintenance Contract.

3.0 FINANCIAL IMPLICATIONS

3.1 The revenue cost of the maintenance service is £127,469 per annum and will be met from Departmental budgets.

4.0 MAIN TEXT

4.1 The Council’s telephone system provides a vital communication service for all areas of Council business. It provides over 4300 telephone extensions across nearly 150 locations and also supports the operation of all the Council’s contact centres. In addition the system has been expanded to provide audio conferencing facilities and voice recording. The maintenance support contract provides an essential service that ensures a high level of reliability and performance is sustained.

4.2 The software subscription will allow for a high level of service to be delivered and reduce the risk associated with a failure of the telephone system. It also allows the Council to maintain the latest release of software across the entire system. This is important to ensure the Council meets the security requirements associated with Central Government’s Public Service Network (PSN) programme. It will also future-proof the system and allow the Council to take advantage of new features and services when they are released by Avaya.

4.3 The current maintenance contract expires on the 30th of September 2015. There are only a small number of suppliers that have the specialist knowledge and skills required to support a maintenance contract of this nature. A single stage open tender process via Public Contracts Scotland was carried out to ensure as many of these suppliers could respond as possible.

4.3 There were 7 companies submitted a response to the tender. Two of these were eliminated based on price and quality after the initial evaluation was carried out. The other 5 bidders were invited to present their service offering in more detail.
4.4 After full evaluation and detailed verification of the proposals it was determined that the best overall proposal, based on price and quality of the submission, was that of Capita IT Enterprise Services.

5.0 POLICY IMPLICATIONS

5.1 This Report has been screened for any policy implications in respect Sustainability, Strategic Environmental assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

6.0 CONSULTATIONS

6.1 The Chief Executive and the Head of Democratic and Legal Services have been consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

7.1 None.

Marjory Stewart  
Executive Director of Corporate Services  
Date: 4 August 2015