

Item:  
**4**



## Report to Partnership Meeting – 4 April 2008

### FINANCE – CAPITAL BUDGET 2007/08

#### Purpose of Report

To provide details of the position in terms of delivery of the HITRANS Capital Programme at the end of March shortly before the end of the financial year.

#### HITRANS Capital Programme

The Capital budget managed by HITRANS in 2007/08 is split into two programmes. The first programme is the direct RTP Capital Grant to HITRANS of £3,530,227. The Scottish Executive also transferred responsibility to HITRANS to ensure the delivery of 3 projects whose funding was secured through the Public Transport Fund and had fallen behind their original delivery period.

The two tables below summarise the latest spending position for each programme and this information is expanded in the report.

#### HITRANS Capital Budget Programme

<b>Capital Programme</b>	<b>Total Funding Allocation</b>	<b>Grant Claims to Date</b>
B836 Strategic route from Colintrave to Sandbank	£450,694	£450,694
Hatston Ferry Terminal	£400,000	£400,000
Western Isles Spinal Route	£146,479	£146,479
Inverness Airport Station / Park and Ride (Design)	£43,442	£43,442
Lochmaddy Pier Structure	£215,000	£215,000
Oban to Connel Cycle Route	£300,000	£299,723
Port Askaig Ferry Terminal	£300,000	£300,000
Airport Infrastructure Improvements Scheme	£50,000	£50,000
Accessible Bus Scheme	£427,000	£427,000
Bus Service Infrastructure and Information Project	£723,402	£584,956
Cycling and Walking Scheme	£31,900	£31,900
Ferry Terminal Facilities Scheme	£172,011	£172,011
Rail Station Facilities Scheme	£190,457	£179,128
Project Management	£80,000	£80,000
	<b>£3,530,385</b>	<b>£3,380,333</b>

## Public Transport Fund Transfer

<b>Project</b>	<b>Total</b>	<b>Claimed</b>
Cuan Sound Transport Links	£1,564,000	£0
Inverness City Centre / Invernet	£621,000	£621,000
Lochmaddy Ferry Terminal	£425,000	£100,000
	<b>£2,610,000</b>	<b>£721,000</b>

### **Cuan Sound Transport Links**

The Cuan Sound Transport Links STAG recommended a fixed link as the best solution for the crossing to the island of Luing. With no decision yet agreed on the best way of delivering the lifeline link across the Cuan Sound HITRANS wrote to Government asking them what mechanism they intend to use to guarantee the committed Government funding for this project as it could not progress in 2007/08. After discussing the issue at length with Scottish Government civil servants it was proposed that the £1.564 million for the Cuan Ferry Crossing could be temporarily transferred to Strathclyde Partnership for Transport who would use this capital sum for projects nearing completion and would return the funds in 2008/09 when the Council were in a position to deliver either the preferred fixed link crossing of the Cuan Sounds or if funding for this could not be secured they could revert to the ferry option.

### **Inverness City Centre and Invernet**

The final grant funding secured by Highland Council through the Public Transport Fund for the Invernet and Inverness City Centre Streetscape programme was allocated to HITRANS as a result of its falling behind the original timetable extension. This grant has now been paid out in full.

### **Lochmaddy Ferry Terminal**

The funding secured by HITRANS in the fourth round of the Public Transport Fund for enhanced facilities at Lochmaddy Ferry Terminal was extended to allow completion within the current financial year.

Difficulties in the post tender period led to the withdrawal of the lowest tender with a subsequent delay in the work going ahead as the Council had to engage the next lowest contractor and there were a number of issues that had to be considered before the contract could be awarded. J.A MacDonald Construction of South Uist commenced on site in January and work is now progressing but completion will not now be until August 2008. Comhairle Nan Eilean Siar has claimed £100,000 of the £425,000 available through the PTF funding.

To allow the Council to draw down the remaining £325,000 available for the Lochmaddy project from the PTF funds HITRANS secured agreement that the same "bed and breakfasting" arrangement could be established for this sum as has been established for the Cuan Crossing funding. Therefore Strathclyde Partnership for Transport will receive the funding now to deliver project in their region and will transfer an equivalent sum back in 2008/09 when the project is finally completed in the summer.

### **Lochmaddy Pier Structural Works**

Comhairle Nan Eilean Siar has now received HITRANS contribution of £215,000 towards a series of structural improvement works at Lochmaddy Pier. The Council will complete this project in 2008/09 and have committed a further £215,000 of their budget to this project.

### **Colintraive to Sandbank Road**

Work on the Colintraive to Sandbank road improvement scheme is nearing completion and Argyll and Bute Council has claimed the full HITRANS grant awarded to this project of £450,694.

### **Port Askaig Ferry Terminal**

Argyll and Bute Council have confirmed they will fund the third phase of the Port Askaig Ferry Terminal from their own capital budget in 2008/09. This has allowed them to claim HITRANS contribution against phase 2. The full claim has therefore been made.

### **Oban to Connel Ferry Cycle Path**

Issues over land access in the delivery of the Oban to Connel section of the Oban to Fort William Cycle Route have finally been resolved by Argyll and Bute Council. The project will now progress and the full HITRANS grant contribution of £300,000 will be claimed by 31 March 2008.

### **Hatston Ferry Terminal and Pedestrian / Cycle Path**

The cycle path and extension of Hatston Terminal Building has now been completed and HITRANS £400,000 contribution has been claimed.

### **Western Isles Spinal Route**

The uncertainty over whether HITRANS would receive any capital grant in 2008/09 meant we had to postpone the first phase of the Inverness Airport Park and Ride site which was scheduled for delivery by July 2008. As a result of this change the Partnership agreed at the meeting in Rothesay on 30 November 2007 to offer funding to Comhairle Nan Eilean Siar to assist with a significant cost overrun on the Western Isles Spinal Route schemes recently completed in Harris and North Uist on a previously supported project. A grant claim of £146,479 has now been made in relation to this scheme.

### **Project Management**

The fee allocated against staff time in HITRANS and HRP for management of the Capital Programme has been claimed in full and amounts to £80,000.

### **Public Transport Network Development Programme**

The Public Transport Network Development Programme represents a continuation of the projects delivered by the voluntary partnership since 2002.

Funding is split into six schemes plus project management costs. A summary of these schemes is listed below and a detailed project description has been attached to the report as background information.

<b>Public Transport Projects</b>	<b>Total Funding Allocation</b>	<b>Grant Claims to Date</b>
Airport Infrastructure Improvements Scheme	£50,000	£50,000
Accessible Bus Scheme	£427,000	£427,000
Bus Service Infrastructure and Information Project	£723,402	£584,956
Cycling and Walking Scheme	£31,900	£31,900
Ferry Terminal Facilities Scheme	£172,011	£172,011
Rail Station Facilities Scheme	£190,457	£179,128
	<b>£1,594,770</b>	<b>£1,444,995</b>

A total of £149,775 had not been claimed by the 27<sup>th</sup> March. This sum relates to bus shelters and real time information and the invoices for these items were expected by 31<sup>st</sup> March. Allowance for such items has been made in the accrual of costs incurred before 31<sup>st</sup> March arrangements agreed with the Scottish Government. A full report detailing all the projects delivered in 2007/08 will be presented at the Partnership meeting in June once the audit process has been completed.

**Report by:** Ranald Robertson  
**Designation:** Programme Manager  
**Date:** 27 March 2008