

Report

Report to:	Executive Committee
Date of Meeting:	8 June 2011
Report by:	Executive Director (Enterprise Resources)

Subject:	Hamilton Ahead Financial Plan 2011/2012
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Seek approval for the 2011/2012 Hamilton Ahead Financial Plan

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the Hamilton Ahead Expenditure Programme for 2011/2012 totalling £170,000, as set out in Appendix 1 to this report, be agreed

3. Background

- 3.1. The Financial Plan for Hamilton Ahead is reviewed on an annual basis. Approval is sought each year for the allocation of funds for individual projects within Hamilton Town Centre. This report presents the opportunity to update the Council on these projects and any consequent financial implications in terms of both income and expenditure.
- 3.2. The Plan is nearing completion with most of the physical projects to be led by the Council and funded through the Plan now implemented. Progress on private sector led projects which contribute to delivering the strategy has been slow, with the UK retail and property environment even more challenging than ever before. Partnership working, however, continues to be key to the delivery of the Council's objectives for the town centre. The Council will continue to work with the private sector to strengthen the town centre's role as an important focal point for community, commercial and leisure activities.

4. Hamilton Ahead Activity in 2010/11

- 4.1. The total expenditure for 2010/2011 was £13,828. The majority of this expenditure was spent on external fees associated with valuation work at the Asda foodstore site and Palace Grounds Retail Park, letting agents and legal fees associated with the Hamilton Towers project and holding/maintenance costs associated with the development site at Blackswell Lane.
- 4.2. The deal with McCarthy & Stone for the sale of the Blackswell Lane site for a development of retirement flats for £550,000 concluded in March 2011. The development of 64 retirement flats is progressing well, with an anticipated completion date of early 2012.

- 4.3. Income during 2011/2012 is expected to be limited to two items. Firstly, a refund is due from Virgin telecommunications in relation to utility works for the Almada Street Roundabout project. Secondly, a capital receipt from Scottish Water is due for land used by them adjacent to their Mote Hill Water Pumping Station. It is anticipated that total income of around £210,000 will be received for these two transactions.
- 4.4. Whilst the level of activity in the Financial Plan appears to be limited, a number of projects promoted but not funded through Hamilton Ahead are coming to fruition. These include the major redevelopment work at Hamilton Bus Station - largely funded by SPT but with a significant Council contribution - and the implementation of the major road improvements at Peacock Cross - the majority funded through the Council's Capital programme with a contribution from SPT. The Peacock Cross project is now completed and Phase 2 of the bus station project is due to start in the autumn following completion of Phase 1 in April 2011.
- 4.5. Events and marketing activity in Hamilton Town Centre included the Hamilton Music Festival, the Hamilton Food Festival and the extremely successful Classic Car Rally. All were managed by the Hamilton Marketing Group, a partnership between the Council and local businesses. The Christmas lights event was held in November and attracted very positive feedback from businesses and the public.

5. Hamilton Ahead Activity in 2011/12

- 5.1. 2011/12 will continue to see a minimal level of financial activity as the objectives of the Plan continue to be met. Project expenditure of £170,000 is focussed on payment of outstanding works at Almada Street roundabout and the settlement of the final CPO claim on the same project.
- 5.2. The Hamilton Marketing group will deliver a number of events in 2011, including the Music Festival and a Classic Car Rally. The Christmas programme has yet to be finalised, however the event will again take place in November. Palace Grounds revenue will also support other initiatives to promote the town centre, such as the proposed Hamilton Gift Card initiative.
- 5.3. The Lanarkshire Chamber of Commerce are promoting a Business Improvement District (BID) for Hamilton Town Centre. It is proposed that the Council support this initiative which will include some financial support through the Palace Grounds Revenue. The details of this proposal are the subject of a separate report to the Enterprise Resources Committee.

6. Income 2011/2012 and Beyond

- 6.1 With little prospect of a major upturn in retail and property activity, the impact of the current recession will have an effect on the level of property disposals in the short to medium term. The Financial Plan takes account of this. The only capital receipts forecast for 2011/2012 are for a total of £210,000 as set out in paragraph. 4.3.

7. Employee Implications

- 7.1 None

8. Financial Implications

- 8.1 There are no budgetary implications for the Council's mainstream Capital programme. The proposed Hamilton Ahead programme amounting to £170,000 will be funded from the budget established for the Hamilton Ahead project. Income assumptions reflect the current economic conditions and will be subject to ongoing monitoring and adjustment as necessary.

9. Other Implications

- 9.1 The main risk associated with the Hamilton Ahead Financial Plan is that there is a significant overspend. The risk has been assessed as low given the detailed project management plans prepared and monitored for each project.
- 9.2 There are no significant implications in relation to sustainability associated with the recommendations contained in this report.

10. Equality Impact Assessment and Consultation Arrangement

- 10.1 Consultation has been undertaken within Enterprise Resources when putting together this programme. Consultation continues with partners and the business community through the Hamilton Town Group.
- 10.2 This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

Colin McDowall
Executive Director (Enterprise Resources)

17 May 2011

Link(s) to Council Objectives/Improvement Themes/Values

- Support the local economy by providing the right conditions for growth, improving skills and employability.
- Improve the quality of the physical environment.

Previous References

- Report to Executive Committee – 23 June 2010

List of Background Papers

- None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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HAMILTON AHEAD FINANCIAL PLAN 2011/2012

Anticipated Expenditure	2022/2012 Year Total (£'000)
(i) Payment of compensation and fees for Almada Street CPO	£130k
(ii) Payment of outstanding Works at Almada Street	£40k
Total	£170k