



# Glasgow's Capital Investment Programme

Annual Performance Report for  
the year ended 31 March 2016



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# KEY FACTS

## Did you know...

**19**

major projects completed in 2015/16

**101**

projects monitored by the Capital Programme Board during 2015/16

**45km**

carriageway resurfaced in 2015/16

**3,451**

children enjoying the primary and nursery schools built/upgraded in 2015/16

**19,478**

attendances in first 6 months at new Royal Concert Hall auditorium

**73**

work experience placements on 2015/16's capital projects through Community Benefit Clauses

**16%**

reduction in journey time using Fastlink from City Centre to Queen Elizabeth University Hospital

**57** new

entrant trainees employed on 2015/16's capital projects through Community Benefit Clauses

**£1.2** million

expected savings over next 20 years from solar panels on schools

**1,000**

operational assets operated and maintained by the Council





S1:

**INTRODUCTION**

# S1: INTRODUCTION

## 1.1 REPORT PURPOSE AND SCOPE

The Capital Programme Board's (CPB) Programme (referred to as 'the Programme') is a subset of the Council's wider Capital Investment Programme (CIP), which includes all capital projects, irrespective of their scale and cost. Smaller scale capital projects within the CIP (i.e. the 118 school refurbishment projects with a budget of less than £2 million each) lie out with the scope of this report.

This Annual Performance Report (APR) outlines the performance and achievements of the key projects which were monitored by the Council's Capital Programme Board for the 12-month period from April 2015 to March 2016.

The Programme includes the Council's key projects for the development, upgrading and maintaining of transport infrastructure (e.g. roads, bridges and public realm), facilities development (e.g. schools, care homes, leisure centres) and equipment (e.g. IT hardware).

## 1.2 BACKGROUND

Did you know the Council is responsible for the maintenance of:

- around 1,000 operational assets (including schools, care homes and offices) with a gross internal floor area of 1.5 million m<sup>2</sup>;
- 1,851km of carriageway and roads, 277 bridges, 310km of cycle lanes;
- 68,184 lighting columns and 71,481 lighting units;
- 87 parks (5 City, 12 district and 70 local), 3381 hectares of open space, 1029 hectares of woodland and 22 allotments; and
- 25,779 PC's, 6,702 laptops, 3,261 tablets, 3,536 Blackberry and Mobile Communication Devices, 527 physical servers, 382 virtual servers and 750 apps.

# S1: INTRODUCTION

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## 1.2.1 STRATEGIC NEED FOR CAPITAL INVESTMENT

The Council's assets play a vital role in supporting the delivery of a wide range of Council services to residents, so it is essential they are safe, are of high quality and are fit for purpose.

A significant proportion of the City's historic buildings and architectural heritage is owned by the Council, ranging from Provand's Lordship (the oldest house in the City, built in 1471), grand masterpieces such as Kelvingrove Museum and the City Chambers (built to showcase the wealth of the 'Second City of the Empire'), to contemporary landmarks such as the Clyde Arc Bridge and the Riverside Museum.

Coupled with the sprawling parks and public open spaces, such as George Square, these Council-owned buildings and spaces form a key element of residents' civic pride and are a vital component of the City's overall attractiveness to the businesses and visitors which are driving the City's economy.

Given their importance, both to the effective delivery of services and shaping perceptions of Glasgow, it is vital that the portfolio of

assets is properly managed, maintained and continually developed to meet the City's requirements. Of course, as Scotland's largest city, this means significant levels of investment are required by both national and local government. Indeed, recent investments in venues and facilities for the Glasgow 2014 Commonwealth Games, enhancements to infrastructure including the M74 and the construction of the new Queen Elizabeth University Hospital has seen Glasgow achieve higher than average capital expenditure per head of population (£502 in 2014/15) than the national average (£453), with the City ranking 10th of all authorities and recording double the level of expenditure of smaller councils such as East Renfrewshire (£243).

However, despite this higher than average level of capital expenditure, decades of population decline and a lack of private sector investment mean the City continues to face a number of challenges including one of the highest proportions of vacant and derelict land across Scotland (11% / 1,171 hectares), stalled development sites in key locations and weaknesses in the transport infrastructure.



# S1: INTRODUCTION

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## 1.2.2 National Policy Context

Audit Scotland's '*Major Capital Investment in Councils Follow-up, 2016*' report notes that the rescheduling of the Scottish Government's capital grant funding of £120 million and £100 million, originally due to councils in 2012/13 and 2013/14, to the following two years, coupled with the on-going need for capital investment to tackle socio-economic challenges, has seen councils across Scotland, seek new methods for funding capital projects including for example, Tax Incremental Financing (TIF), Growth Accelerator Model (GAM) and the UK Green Investment Bank.

However, an increase in the availability of Scottish Government capital grants in 2014/15 to compensate for earlier reductions, has now seen councils across Scotland borrowing less (reducing from 54% in 2011/12 to 33% in 2014/15) and instead funding an increased proportion of capital spending from capital grants (increasing from 28% to 43%) such as the City Deal agreements.

In August 2014, the UK and Scottish governments signed the first City Deal in Scotland with the eight local authorities in Glasgow and the Clyde Valley. The Glasgow and Clyde Valley City Region

City Deal will see the UK and the Scottish Government each contributing £500 million of new capital funding over twenty years, complemented by a further £130 million invested by the local authorities. The City Deal funds will stimulate regional economic growth by enhancing transport infrastructure and unlocking previously stalled development sites for housing and employment over the next 10 to 15 years.

In common with many other local authorities, the Council has also sought efficiencies through participation in the Scottish Futures Trust's (an independent company established in 2008 by the Scottish Government) 'Schools for the Future' and 'Hub' programmes, both of which seek to deliver better value for money for new schools and combined social work and health centre developments respectively (including the Hubco Gorbals and Woodside) through collaborative working (e.g. joint procurement activity) with other public sector bodies.

# S1: INTRODUCTION

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## 1.3 REPORT STRUCTURE

The remainder of this report sets out how the Council, through the delivery of its Capital Investment Programme, is responding to the need for high quality capital infrastructure in a manner which ensures best value. This report is structured under the following sections:

**Section 2:** The role, remit and work programme of the Capital Programme Board

**Section 3:** The scale, scope and performance of the Capital Programme

**Section 4:** The key achievements and the benefits realised by projects completed in 2015/16

**Section 5:** Continuous improvement of Capital Programme governance

**Section 6:** Capital Programme priorities for 2016/17.





S2:

**THE CAPITAL  
PROGRAMME  
BOARD (CPB)**

# S2

## THE CAPITAL PROGRAMME BOARD (CPB)

### 2.1 BOARD MEMBERSHIP

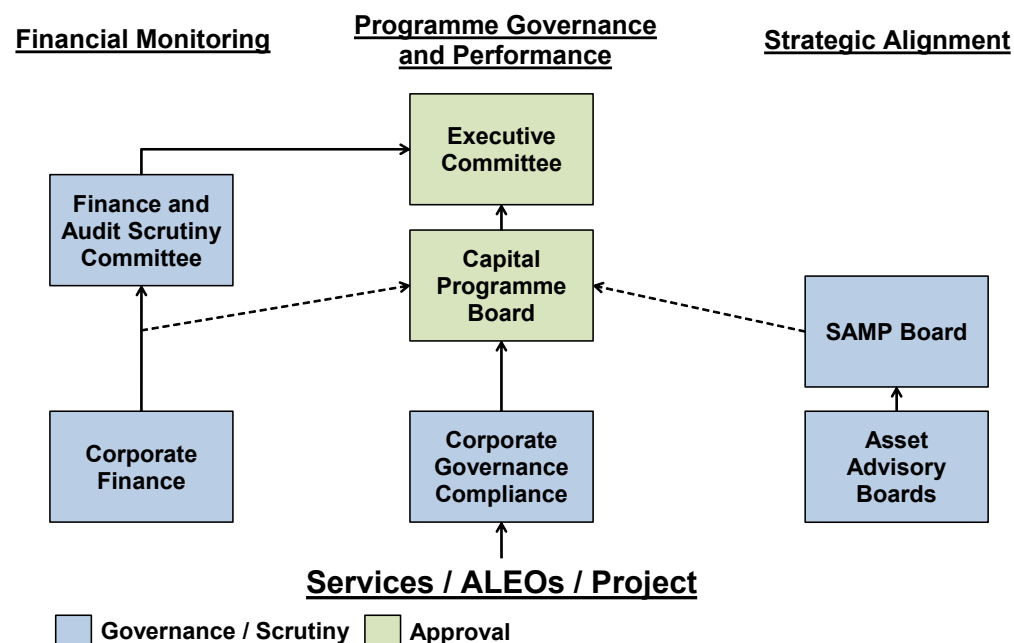
The members of the Capital Programme Board (the Board) are Lynn Brown (Chair), Executive Director of Financial Services, Carole Forrest, Director of Corporate Governance and Solicitor to the Council and Duncan Black, Head of Audit and Inspection. Senior officers from Council Services and ALEOs also attend.

### 2.2 BOARD SCOPE AND REMIT

The Board was established to ensure effective management of the Council's key capital funded projects, which includes those projects with a value of £2 million and above and projects of a complex nature and/or with a tight timescale. It is at the discretion of the Board which projects are included in the reporting process. The Board manages Capital Programme activity across all Council Services and Arms-Length External Organisations (ALEOs).

The Board receives requests from Services and ALEOs for new capital investment from the Asset Advisory Boards, via the Strategic Asset Management Plan (SAMP) Board where the strategic case for the proposed capital investment is assessed.

Figure 1: Major Capital Project Governance Structure



# S2

## THE CAPITAL PROGRAMME BOARD (CPB)

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The role of the Board is to:

- scrutinise the performance of projects;
- approve or recommend approval of capital funding;
- monitor financial performance; and
- approve changes to expenditure<sup>1</sup>, project milestones and progress.

It is also responsible for dealing with escalated risks, issues and interdependencies affecting the delivery of projects. Following delivery, the Board reviews any lessons learned before signing off and closing individual projects. Through these governance processes, the Board ensures projects are delivered efficiently and effectively and provide value for money.

In order to ensure the required level of project monitoring can be undertaken, the Board meets on a four-weekly basis. During 2015/16 the Board held 12 meetings.

<sup>1</sup> The Executive Director of Financial Services has delegated authority to transfer up to £100,000 between projects to correct any projected overspend that cannot be addressed through remedial action. Requests for larger transfers or additional resources are submitted to the Executive Committee for approval.

### 2.3 BUDGET MONITORING REPORTS

In addition to the Board's monitoring activity, financial monitoring is also undertaken by the Finance and Audit Scrutiny Committee (FASC) via detailed quarterly Budget Monitoring Reports. These monitoring statements, which cover the wider Capital Investment Programme (including those smaller-scale projects which are out with the scope of the CPB), compare actual and projected expenditure with the approved budget and highlight any variance with delivery timescales and planned remedial action.

In addition to the detailed quarterly monitoring statements, summary statements are also reported on a four-weekly basis to FASC and the Executive Committee. Where an overspend is projected, Service Executive Directors are required to report to the Executive Committee outlining the reasons for the projected overspend and the remedial action to be taken in order to manage the delivery of projects within the overall resources available to the Service.





S3:

**THE CAPITAL  
PROGRAMME  
2015/16**

# S3:

## THE CAPITAL PROGRAMME 2015/16

### Did you know during 2015/16...

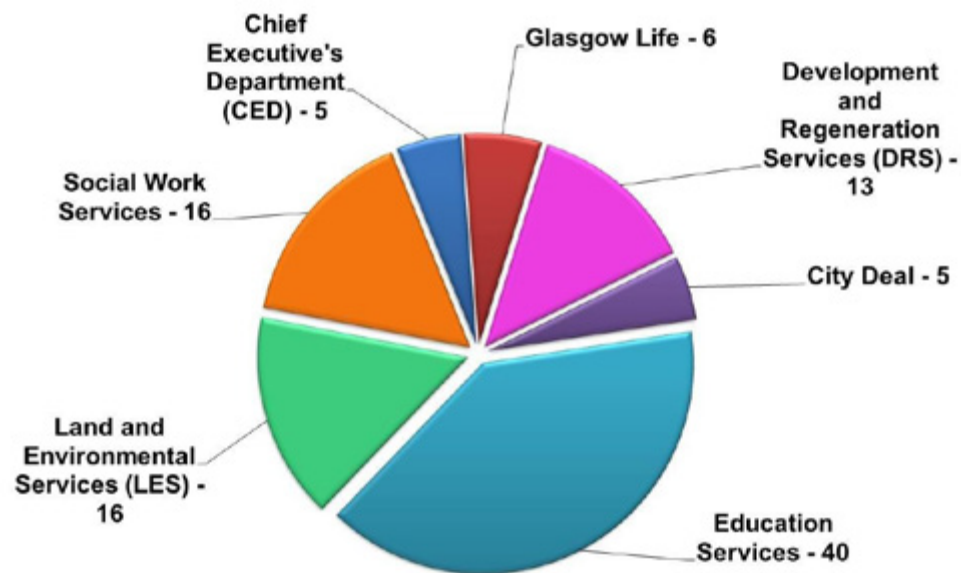
- 101 projects were monitored by the Capital Programme Board.
- 19 major projects were completed and became operational.
- The largest share of capital investment was in Education Services (33.9%), followed by Land and Environmental Services (24.1%) and Development and Regeneration Services (12.6%).
- The largest share (68.0%) of the capital investment funds came from capital grants and other contributions (including the Scottish Government and central government bodies) with one fifth (20.0%) coming from borrowing.

### 3.1 CAPITAL PROGRAMME 2015/16

The number of projects within the Programme, and therefore being reported to the Board, changes throughout the year, with new projects being added and projects being removed from the Programme upon their completion.

During 2015/16, a total of 101 projects reported to the Board throughout the year. Figure 2 below shows the number of projects reported by each Council Service and ALEO throughout the year.

**Figure 2: Number of Projects by Service/ALEO, 2015/16**



**Total number of projects reported 2015/16 - 101**

# S3:

## THE CAPITAL PROGRAMME 2015/16

Of the 101 projects monitored, 12 were added during 2015/16, with the remainder already having been in progress. Of the 12 new projects:

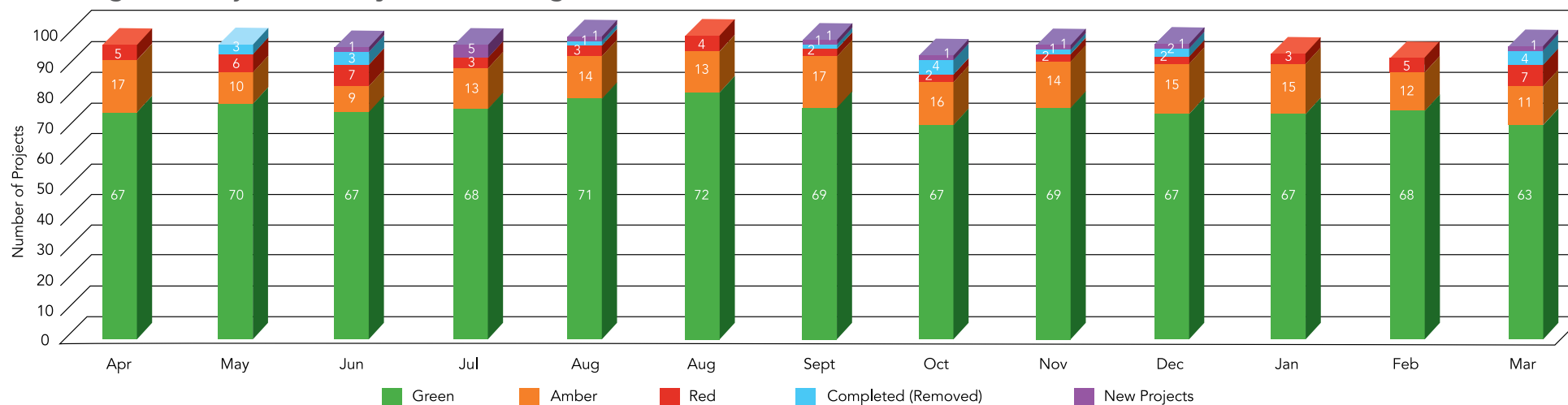
- three were part of on-going programmes of work (Vacant and Derelict Land Fund Projects) or are elements of large projects already being monitored (i.e. Sighthill Transformational Area Regeneration (TRA) M8 Bridge and City Centre Fastlink); and

- five are City Deal Glasgow infrastructure projects.

### 3.2 PERFORMANCE OF THE PROGRAMME DURING 2015/16

Each project is required to report an overall project status (Red, Amber or Green) within each four-weekly CPB Report. Figure 3 shows the number of projects and their status for each of the 2015/16 CPB meetings.

**Figure 3: Project Status by Board Meeting, 2015/16**





# S3

## THE CAPITAL PROGRAMME 2015/16

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Figure 3 shows that the number of projects being monitored by the Board has remained fairly stable throughout the course of the year, with around 90 projects being monitored at any one time. In terms of their performance, of the 101 projects monitored throughout the year:

- the majority 60 (59%) reported Green (on time, budget and specification) throughout the entire year;
- 27 (27%) reported an Amber status (behind programme and/or over budget and/or not meeting specification, but with a recovery plan) at some point during the year; and
- 14 (14%) reported a Red status at some stage during the year (significantly behind programme and/or over budget and/or not meeting specification with no recovery plan).

The main reasons for projects being Amber or Red include:

- tenders returned higher than budget;
- delays with utilities disconnections;
- delays in procurement process;
- delays in agreeing design due to changes to scope; and
- unforeseen ground conditions.

# S3

## THE CAPITAL PROGRAMME 2015/16

### 3.3 PROGRAMME STATUS AS AT 31 MARCH 2016

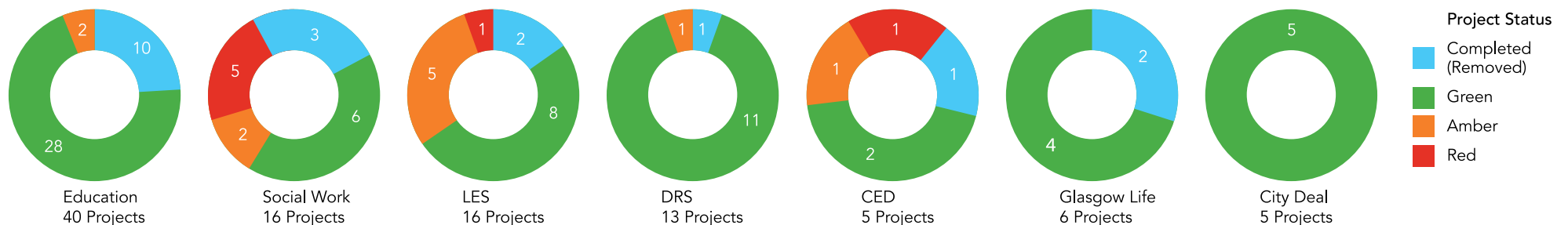
Figure 4 shows the status of the Programme's projects at the end of the financial year. Of the 101 projects monitored by the Board during 2015/16, as at 31 March 2016:

- 19 were completed and removed from the CPB Report;
- 82 were still being monitored by the Board: 43 of which were on site; 25 were at design stage; and the remaining 14 had reached practical completion and/or had become operational but were still to submit their final account.

In total, this means 33 projects have become operational (19 completed and removed from the Programme and 14 still to submit final account).

There was strong performance for school projects during 2015/16, (with 90% of the 10 projects completed on time and budget) which would seem to mirror the picture nationally with the findings of Audit Scotland's 2013 report showing that between April 2012 and October 2015, councils completed over two-thirds of schools projects to cost targets (compared to just over half of non-school projects) and over 80% of school projects on time (compared to two-thirds of non-school projects).

**Figure 4: Programme Status by Service, 31 March 2016, (no. of projects)**



# S3:

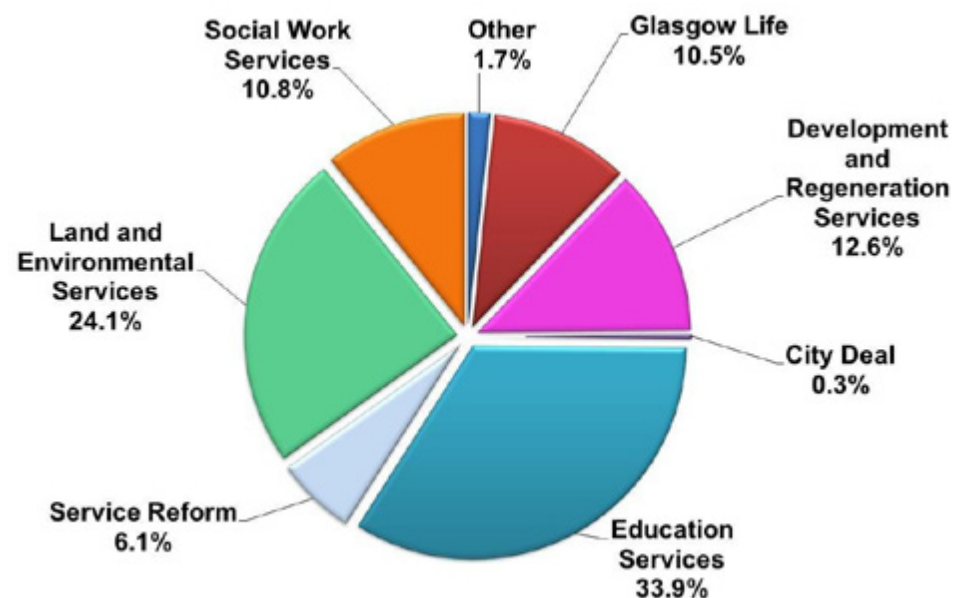
## THE CAPITAL PROGRAMME 2015/16

### 3.4 CAPITAL INVESTMENT PROGRAMME EXPENDITURE 2015/16

According to Audit Scotland, as at October 2015, councils across Scotland were planning to spend £2.6 billion on capital projects in 2015/16 - the equivalent of £7.1 million a day. Within Glasgow, the gross expenditure for the wider Capital Investment Programme for 2015/16 was £188.3 million, with the vast majority of this value being accounted for by the 101 projects monitored by the Capital Programme Board throughout the year.

Figure 5 shows the distribution of the Investment Programme's £188.3 million gross expenditure during 2015/16 by Service and ALEO.

Figure 5: Distribution of Gross Capital Expenditure by Service 2015/16 (%)





# S3

## THE CAPITAL PROGRAMME 2015/16

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Figure 5 shows that:

- The largest investment was in Education Services (33.9%, £63.8m), followed by Land and Environmental Services (24.1%, £45.4m) and Development and Regeneration Services (12.6%, £23.8m).

### 3.5 FINANCING OF CAPITAL EXPENDITURE

The size of the Council's Capital Programme is determined both by the need for investment and the availability of funds. Capital income is often received for specific schemes, reducing the net cost to the Council. This includes grants from the Scottish Government and UK government departments and other public and private sector contributions. The residual net cost to the Council may be funded from borrowing; receipts from assets; the use of fund balances; and the use of revenue funds, known as capital from current revenue (CFCR).

In terms of borrowing, prior to 2004, central government controlled the amount that local authorities were permitted to borrow in order to fund their capital investment programmes.

From April 2004 the Prudential Code, introduced by the Local Government in Scotland Act 2003, permits local authorities to use the Code's framework to determine whether their planned borrowing is affordable, prudent (in terms of debt exposure) and sustainable.

In addition to meeting the requirements of the Code, the Council's current capital borrowing policy requires the cost of any borrowing above the level assumed for loan charge grant support in the Local Government Finance Settlement to be met by either additional revenue or efficiency savings, ensuring no additional impact on Council Tax.

# S3:

## THE CAPITAL PROGRAMME 2015/16

Figure 6 shows the sources of finance for funding the wider Capital Investment Programme's £188.3 million gross expenditure for 2015/16.

**Figure 6: Sources of Financing of Gross Capital Expenditure, 2015/16 (%)**

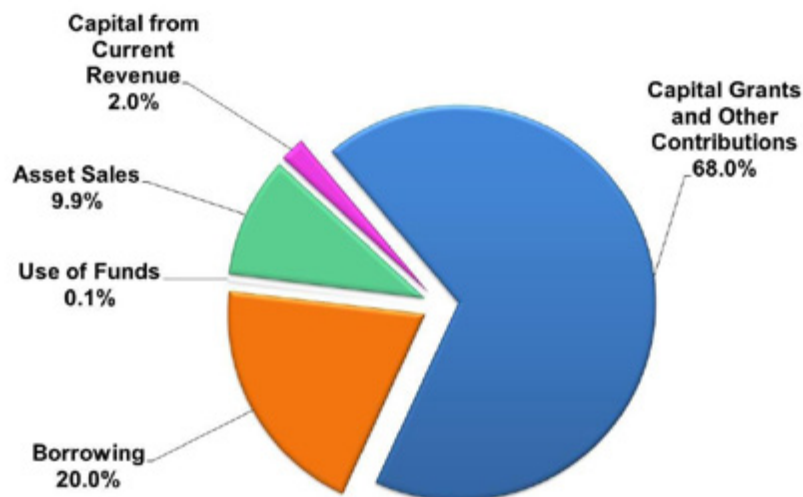


Figure 6 shows that:

- the largest share (68.0%) of the capital investment funds came from capital grants and other contributions (including the Scottish Government and central government bodies);
- a fifth (20.0%) came from borrowing;
- 9.9% was sourced from capital receipts from asset sales; and
- the remainder came from other sources including 2.0% from current revenue.



S4:

**CAPITAL  
PROGRAMME  
BENEFITS**



# S4:

## CAPITAL PROGRAMME BENEFITS

### Did you know...

- 57 New Entrant Trainee jobs, 11 apprenticeships and 73 Work Experience Places have been created from Community Benefit Clauses on current Capital Programme projects.
- From its opening in October 2015 to the end of March 2016, there were 145 events at the new auditorium in the Glasgow Royal Concert Hall enjoyed by 19,478 attendees.
- Fastlink has reduced the journey time between City Centre and Queen Elizabeth University Hospital by 16%.
- 45 km of carriageway and 35 km of footway were resurfaced during 2015/16.
- Council staff can work in a more flexible, secure and productive manner thanks to the provision of around 8,500 new desktops and laptops and 2,500 mobile hybrid touchscreen devices.
- Solar photo voltaic panels installed on eight Glasgow primary schools are expected to generate almost £1.2 million in savings and revenue through the Feed-in-Tariff over the next 20 years.
- The Education Estate Strategy 'The 4Rs Programme' has already decreased the number of schools rated in C or D from 100 in 2003 to 23 in March 2016.
- 3,451 children are enjoying the new or upgraded facilities in the primary and nursery schools completed during 2015/16.



# S4:

## CAPITAL PROGRAMME BENEFITS

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### 4.1 PROJECT BENEFICIARIES

The 101 projects which were monitored by the Capital Programme Board during 2015/16 are already providing benefits to the residents, visitors and businesses of Glasgow, whether that be as a service user of one of the 33 projects which became operational during the year, or as an owner or employee in one of the many businesses which was awarded a contract or subcontract to deliver the projects.

### 4.2 CONTRIBUTING TO THE COUNCIL STRATEGIC PLAN

The variety of projects means a whole range of different benefits are being delivered to Glasgow, directly contributing to the six themes of the Council's Strategic Plan. For example, of the 33 capital projects becoming operational in 2015/16:

- 16 are school and nursery projects (contributing to the Learning City theme);
- four are culture and arts-related projects (Vibrant City theme);

- three are transport-related projects (Economic Growth and Sustainable City themes);
- three are children's units and one is an older persons care home (Vulnerable People theme); and
- three are information technology projects (Best Use of Resources theme).

Indeed, mapping the location of the 101 projects (see Appendix 1) shows that, in addition to the wide-spread support of the Council's strategic themes, the projects are geographically wide-spread, with capital investment in facilities and infrastructure distributed across all parts of the City.

More information about how some of the on-going and newly operational projects are contributing towards the Council's strategic themes is provided below along with a number of case studies.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### 4.3 ECONOMIC GROWTH

#### Commonwealth Games Athletes' Village

The Athletes' Village was successfully retrofitted following the Games to become one of the most significant new urban housing developments in the UK. Providing 700 new houses and flats to the Dalmarnock area (300 of which were sold by the developer with the remaining 400 rented by three locally-based housing associations), the development is an important element in the on-going physical and economic regeneration of the East End.

#### Key benefits:

- The development's environmental measures (including solar photo voltaic panels on homes and the provision of energy to all homes from a District Heating Energy Centre) are expected to save households around £500 per year in reduced energy costs.
- The design standards, which are also estimated to produce 60% less CO2 than a standard new build, have already resulted in the achievement of numerous awards and quality ratings including:

- Scottish Building Sustainability Standard Gold rating;
- BREEAM (Building Research Establishment Environmental Assessment Management) Ecohomes 'Excellent' rating;
- Best Green Initiative (Homes for Scotland Awards, 2013);
- Best Regeneration Project (Herald Property Awards, 2013);
- Regeneration Project of the Year (Scottish Property Awards); and
- Regeneration Project of the Year (Royal Institute of Chartered Surveyors (Scotland) Awards, 2014).

A residents' survey which was undertaken in June 2016 and is due to report in Autumn 2016 will provide more information on the economic benefits of the development.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### Community Benefits in Procurement Policy (CBiP)

The Council introduced the CBiP in August 2008, allowing for the scoring of potential contractors' bids on the basis of the economic and social benefits the bidder can offer for residents, small to medium-sized enterprises and social enterprises.

During 2015/16, the policy was subject to review as part of the new arrangements for City Deal, however, during the year, three Capital Programme projects continued to deliver community benefits. In addition to the support offered by the CBiP Policy, the Council has continued to support the employment of apprentices and those employed by the Royal Strathclyde Blindcraft Industries (RSBi) social enterprise, which employs disabled people to make high-quality furniture, through the awarding of capital project contracts to City Building (Glasgow) LLP.

### Key benefits:

- The Kelvin Hall Refurbishment has achieved 10 New Entrant Trainee (NETs) jobs for the long-term unemployed and those leaving education. The project has also provided six Work Experience Places (WEP) for graduates and students.
- The Fastlink project achieved 8 NET jobs.
- The Glasgow Recycling and Renewable Energy Centre (GRREC) project has delivered 47 NETs, 11 apprenticeships and 67 WEPs. The case study on page 26 provides more details.
- During 2015/16, City Building (Glasgow) LLP apprentices and RSBi staff delivered the internal fit out of a number of Social Work Services' capital projects including Orchard Grove Care Home.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### **Economic Benefits from Capital Programme Expenditure**

Throughout 2015/16, the 101 projects within the Programme have been awarding contracts, providing business opportunities for companies across Glasgow and Scotland.

Capital investment by the Council is a key source of jobs and Gross Value Added (GVA) for the City. For example, the final estimates, using the Scottish Government Input-Output model, show that the £530 million investment in the Commonwealth Games capital programme over the six years from 2008 to 2014 is estimated to have supported on average 1,100 gross jobs and contributed £50 million gross to Scotland's GVA in each year. Of this, the capital programme is estimated to have supported on average 600 gross jobs in Glasgow and contributed £30 million gross to Glasgow's GVA in each year.

### **Key benefits:**

- During 2015/16, nine Tier 1 contracts with a value of £25.5 million were procured (through the Council's Corporate Procurement Unit) for seven of the 101 capital projects (Glasgow-wide Cycle Route Enhancement, Residual Waste Treatment, Bereavement Services, Cathkin Landfill, Sighthill TRA, Shawlands Town Centre Action Plan and Burrell Collection).
- Of the £25.5 million awarded, £21.6 million was awarded to companies based in Glasgow and the Clyde Valley.
- In addition to these contracts, during 2015/16, Education Services and Social Work Services have awarded contracts to City Building (Glasgow) LLP, helping to sustain employment in this Glasgow-based business.



## CASE STUDY: COMMUNITY BENEFITS IN PROCUREMENT: GLASGOW RECYCLING AND RENEWABLE ENERGY CENTRE



With the introduction of Landfill Tax and ambitious Scottish Government zero waste targets, in December 2009 the Council began the tendering process to find a partner to transform how Glasgow handles its domestic waste. The successful contractor, Viridor, put forward plans for a new £154m Glasgow Recycling and Renewable Energy Centre (GRREC) at the Council's Polmadie waste depot. Demolition work started on the Polmadie site in August 2013, with the plant scheduled to be operational in 2016. Once operational, the new facility will feature some of the most advanced recycling and renewable energy technologies across Europe which are expected to result in:

- a cost saving to the City of £254m during the 25-year contract;
- a saving to Glasgow of 90,000 tonnes of CO2 every year;
- increased recycling from green bin waste;
- the generation of enough renewable energy to power the equivalent of 22,000 households and heating for 8,000 homes; and
- the creation of 254 jobs, including a range of professional, skilled and new entrant roles including apprenticeships with an annual local salary bill of £1.5m.

Although the project is still in its construction phase, it has been supporting a significant number of construction jobs over the last three years, with for example, about 350 people employed on-site in December 2015.

Thanks to the establishment of a recruitment portal three months prior to works commencement, all vacancies for the GRREC project

have been advertised with Jobs and Business Glasgow. The GRREC project has so far delivered:

- 47 jobs for New Entrant Trainee from the long-term unemployed and those leaving education (surpassing the targeted number of 31);
- 67 Work Experience Places for graduates and students (exceeding the 32 targeted); and
- 11 apprenticeships (against a target of nine).

As part of its community benefits commitment, Viridor also has a commitment to build capacity through the supply chain. As well as providing 'Meet the Buyer' events for Small to Medium-sized Enterprises (SMEs) and Social Enterprises (SEs) wishing to bid for subcontracts, Viridor has also delivered over 930 hours of capacity building training to more than 382 SMEs/SEs with a diverse range of workshops from Health and Safety, IT Skills and Autism in Employment.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### 4.4 A VIBRANT CITY

#### **Kelvingrove Bandstand and Amphitheatre**

The Category A-listed historic building, is owned by the Council and managed by Glasgow Life. This unique venue was restored and extended in a project managed by Glasgow Building Preservation Trust.

Glasgow Life is providing seasonal free access to the venue for families, children, young people and disadvantaged groups in the City to enjoy as spectators and performers. It is also seeking to promote the venue for hire to a range of potential clients, the proceeds of which go into supporting free and subsidised programmes for a wider audience.

#### **Key benefits:**

- An important venue in Glasgow's cultural history has been restored and renewed providing another high quality venue.
- During 2015/16, 17 ticketed events were held at the Bandstand with 17,151 attendees.
- Community and educational groups such as local schools, voluntary choirs and environmental groups have used the venue for vintage themed days and by taking part in programmes such as Doors Open Day.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### Glasgow Royal Concert Hall Upgrade

Owned by the Council and managed by Glasgow Life, the upgraded Glasgow Royal Concert Hall (GRCH) provides a new home for the Royal Scottish National Orchestra (RSNO).

Re-opening in October 2015, to coincide with the beginning of the celebrations of the RSNO 125th anniversary, the upgraded facility now includes a new 600-seat, acoustically adjustable auditorium, offices, rehearsal and recording studios, a music library for the Orchestra's extensive archive that will ensure access to scores for research and enhanced foyer spaces for audiences and visitors.

The new auditorium boasts state-of-the-art technology including balconies which can fold up against the walls for maximum available hall volume and floor space for the Orchestra. For recitals, the balconies are lowered, narrowing the room and improving acoustics.

The upgraded facility also houses a new dedicated education space, the Robertson Learning and Engagement Centre, where the RSNO's Learning and Engagement Team deliver participatory music-making activities to all ages and abilities including workshops for community groups, schools and nurseries.

### Key benefits:

- The new facility is providing a world class cultural venue for the people of Scotland. From its opening in October 2015 to the end of March 2016, there were 145 events at the new auditorium with 19,478 attendees.
- The Concert Hall has been awarded a TripAdvisor Certificate of Excellence in 2015 for consistently earning great reviews from visitors.

## CASE STUDY: GLASGOW ROYAL CONCERT HALL. MUSIC REVIEW

**RSNO'S FIRST CONCERTS AT THE NEW RSNO CENTRE, GLASGOW,  
7 OCT 2015, MICHAEL TUMELTY, CLASSICAL MUSIC WRITER, HERALD SCOTLAND.**



OH my God, what an awesome night - and what a baptism for Glasgow's latest concert venue, the new auditorium of the RSNO Centre, situated behind the familiar frontage of the Royal Concert Hall. It's a 600-seater auditorium. It seems to be a flexible space: the walls move. Last Saturday, when I stuck my nose in, before giving a talk elsewhere in the building, the walls had come in to create a modest hospitality space for a reception. On Tuesday, for the first full orchestral concert in the new space, presented by Sandy Burnett, those walls had puffed up with pride to their full proportions, accommodating a full-scale symphony orchestra pouring out molten, emotional music by Tchaikovsky at white heat.

I can't believe what's going on here, so I'll just say it: Glasgow has taken an exponential leap into the future, and, by the greatest luck, design, inspiration, calculation and alchemy, has come up with a new concert hall, lean, dry and clear, and of absolutely stonking immediacy.

And the quality of the RSNO sound, scorching off the players' instruments, with the inspiration of music director Peter Oundjian, in white-hot extracts from Tchaikovsky, including the Nutcracker Suite and the Fourth Symphony, was incandescent in its temperature and impact. I thought the roof was coming off in the blazing finale of the Fourth Symphony. I cannot say this strongly-enough: the RSNO has a new administrative HQ that is a near miracle, equipped into the digital age beyond my powers of description. It has a blistering new concert hall that potentially batters through existing horizons. Scotland owns all of this. The potential is enormous. Much more to follow.





# S4:

## CAPITAL PROGRAMME BENEFITS

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### 4.5 A SUSTAINABLE CITY

#### Road Infrastructure 2015/16

A high quality roads infrastructure is vital to the City's economic and social wellbeing. Land and Environmental Services (LES) is responsible for the management and maintenance of the City's 1,851 km of carriageways and 3,606 km of pavements.

#### Key benefits:

- Throughout 2015/16, early intervention resurfacing was carried out to 35 km of footway and 22 km of carriageway, reducing the need for reactive maintenance for many years and decreasing the need for future expensive replacement.
- 23 km of carriageway with surface failure, often resulting in potholes, was resurfaced during the year with patching repairs ensuring the remainder of the network is safe and fit-for-purpose.
- Following a number of severe flooding incidents which resulted in major disruption for local resident and commuters, a flood prevention scheme has now been completed on Balmore Road, reducing the likelihood of repeat events.
- In partnership with Clyde Gateway Urban Regeneration Company, the Council has completed improvement works to Carstairs Street, completing the walking and cycling route between Dalmarnock Station and the Smart Bridge. Improvements include carriageway and footway surfacing, a renewed surface water drainage system and the diversion of a new water main with a new drainage outfall.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### Fastlink

The Fastlink project consisted of the design and construction of a Bus Rapid Transit (BRT) system including the construction of segregated sections of carriageway, bus lanes and installation of traffic priority measures at junctions aimed at improving journey times for public transport. The project also involved the upgrading of infrastructure, such as roads, footways, street lighting and CCTV and the creation of a Statutory Quality Partnership (SQP) to oversee the scheme's operation.

### Key benefits:

- The project provides high quality interchanges linking Buchanan Street Bus Station, Queen Street Station, Central Station and Govan Underground improving access to the healthcare services at the new Queen Elizabeth University Hospital, leisure and education facilities at the Glasgow Science Centre and key employment zones such as the media area at Pacific Quay.
- Assessment of the journey time savings has indicated a saving of 16% has been achieved on a round trip from Buchanan Bus Station and Arrival Square at the Queen Elizabeth University

Hospital. Additional time savings are envisaged with the further optimisation of traffic signalling, junction layouts and completion of the City Centre Infrastructure Works.

- 100% of the buses utilising the Fastlink infrastructure are Euro-4 standard or higher, reducing the environmental effect of public transport along the Clyde Corridor.
- CCTV has been installed along the route improving safety of the route.
- 100% of bus stops installed along the route have high access kerbs and all buses operating on the infrastructure are required to be low floor, enhancing accessibility to all.

While it is too early to determine the impact of Fastlink on population growth or availability of jobs, the high quality public transport system is likely to add to the recently completed developments, Premier Inn at Pacific Drive, Village Hotel at Pacific Drive and the commencement of significant housing development at Linthouse.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### Cathedral Street Bridge

The project is part of the wider Buchanan Quarter Tax Incremental Funding (TIF) Scheme. As a consequence of structural weakness identified in the late 1990's, between 2000 and 2013 Cathedral Street Bridge was restricted to vehicles below a 17 tonnes weight limit and a single lane crossing. A cost sharing deal was agreed between the Council and Network Rail for strengthening of the bridge to allow all classes of vehicles to use the bridge.

#### Key benefits:

- Following the strengthening works, all traffic lanes have been reopened with the bridge being used as a bus only route.
- The pedestrian route has also been significantly improved with the environment around the northern gateway to Queen Street Station significantly improved. The planned works to the south entrance to the Station will provide further improvements.

### Solar Photo Voltaic Panels on Schools

The project involved the installation of solar photo voltaic panels on the roofs of eight primary schools. Each of the installations provide enough energy to power a school nursery.

#### Key benefits:

- Each installation is expected to generate energy savings of between £2,600 and £3,400 for each school, as well as generating revenues of between £4,800 and £5,100 through the Feed-in-Tariff (FiT) scheme for 20 years. This equates to a benefit of just under £60,000 per annum and a total of almost £1.2 million after the 20 years of the FiT. The value of the energy savings will grow as energy prices increase and will continue to be delivered for over 35 years.
- Dashboard displays installed in the schools allow pupils to see the benefits of the renewable energy generated and use the information in lessons.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### Future Cities Glasgow (FCG) Programme

In 2013, Glasgow was awarded £24 million of funding from the Technology Strategy Board (TSB), now known as Innovate UK, to explore innovative ways to use technology and data to make life in the city safer, smarter and more sustainable. The range of initiatives and projects is known as the Future Cities Glasgow (FCG) Programme.

OPEN Glasgow is the FCG Programme's 'under-pinning' work-stream, demonstrating how, by making data available to the public and partners (known as open data), new insight can be gained into the operation of the City.

OPEN Glasgow is centred on the City Data Hub which provides access to almost 480 open data sets, published by over 60 different public bodies and organisations. Launched in February 2015, it is the second largest open data store in the UK after the Greater London Authority.

The FCG Programme is now complete with the Programme Management Office disbanded. On completion of the Programme, Innovate UK has publicised FCG as an example of good practice. Examples of some of the Programme's achievements and benefits are provided below for four projects - Active Travel, Social Transport, Street Lighting and Energy Efficiency.

#### Key benefits:

- The **Active Travel** project saw the creation of a Walking and Cycling App with 1,393 routes captured (at January 2016) with a distance of 9,138km. Since being launched in November 2014, the app has had over 1,200 downloads.
- The **Social Transport** project saw the development of Route Optimisation Software and hardware kit. It is currently being used within Education Services to improve the pick-up/drop-off transport services leading to a reduction in the annual overall length of the daily planned journeys by 75,636 miles per annum (down from 947,864 miles in 2013/14 to 872,228 miles in 2015/16), providing an annual fuel saving of £16,186 and a corresponding carbon reduction of 33 tonnes.



# S4:

## CAPITAL PROGRAMME BENEFITS

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- This **Street Lighting** project saw the installation of LED lights and sensors at the Riverside Walkway, Gordon Street and the Merchant City. A Central Management System allows direct control to adjust light levels and note maintenance requirements. The lights have shown a reduced energy consumption of 68% compared to conventional lighting. The ability to monitor footfall, noise and air quality has also provided a benefit to public safety and information about pollution levels.
- A variety of **Energy Efficiency** initiatives have been implemented including:
  - the Glasgow Energy App & 3D City Energy Model (used to identify suitable schools for the Solar Voltaic Panels on Schools project outlined above);
  - Demand Side Management Technology enabling building management systems to manage peaks in demand;
  - the Insulation Retrofit Study, using sensors in 60 homes to improve understanding of the positive (energy savings) and negative (moisture levels) impacts of retrofit insulation;
  - the Renewables Mapping Tool is being used to identify renewable energy generation opportunities on vacant and derelict land; and
  - the Behavioural Change initiative has seen the development of media materials including the energy awareness game for Primary 4 to First Year Secondary pupils which is expected to contribute towards £190,000 worth of annual energy savings in schools.

### 4.6 A CITY THAT LOOKS AFTER ITS VULNERABLE PEOPLE

In supporting the most vulnerable in our City, Glasgow has embarked on a substantial programme to deliver new children's residential facilities and care homes for the elderly to replace a number of existing facilities which are no longer fit-for-purpose.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### Children's Residential Facilities

During 2015/16, three new-build two-storey, eight-bed children's homes were completed. Two were completed as part of integrated development with social housing associations.

#### Key benefits:

- The new homes meet the needs of National Care Standards especially in terms of privacy and dignity, providing lockable en suite bedrooms. The children also have safe, monitored internet access within their bedrooms.
- The new design supports better and increased supervision and communal areas have provided flexibility to allow entertainment and life skills development with staff interaction in cooking, laundry and gardening projects.
- The improved environment has led to happier young people, with less absconding and more focused care planning with a high percentage of positive and final outcomes.
- The children are enrolled at local schools and have access to local health centres, GPs and dentists.
- The buildings integrate well into a community setting in a discreet manner, reducing the stigma associated with living in a care setting.
- The design offers an improved working environment, with privacy to allow key workers and managers to work on specific areas of care planning.
- The new facility has reduced the need for purchase of high cost external purchased placements.
- General maintenance and repair reporting has significantly improved with robust bespoke furniture procured through RSBi for longevity and cost effectiveness.
- Care Inspectorate assessments have improved and resulted in increased grades.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### **Orchard Grove Care Home (Toryglen)**

Orchard Grove is one of five new 120-bed care homes for the elderly which are part of the Glasgow-wide regeneration of residential and day care services for older people. With the project team having been approached by a number of other local authorities and the Care Inspectorate to share research, design and specifications, the design standards provide a new benchmark for other residential and day care services to be measured against.

#### **Key benefits:**

- The new building facilitates the delivery of day care services to a more vulnerable population of older people with tailored and focused small group activities using flexible multipurpose spaces.
- The merging of two day care centres has promoted integration across the ethnically diverse service provision in Glasgow.
- Feedback from the service users, family and staff has been extremely positive with this reflected in a recent regulatory inspection with the high grades achieved on a six-point scale for the quality of the environment (5), staff (5), management (4) and care and support (4).
- On conclusion of the assessment, BREEAM 'Good' is expected to be achieved for the facility.
- This property feeds into the wider strategy in standardising buildings with the same equipment and systems, thereby providing continuity and familiarity for staff, enabling more efficient working.

## CASE STUDY: ORCHARD GROVE CARE HOME



Orchard Grove located in Prospecthill Circus in the Toryglen area of Glasgow, is the second integrated care home and day care centre built by the Council as part of Tomorrow's Residential and Day Care Programme. The centre, which accommodates the residents from three decommissioned care homes (Merrylee Lodge, Windlaw House and Carmichael House) and service users from Battlefield Court and Muslim Day Care, was officially opened on 21 March 2016.

The care home, which was named by the residents, offers 120 en suite, dementia-friendly bedrooms and provides a high quality living environment centred around the individual needs of residents. The home has eight units which are named after a fruit to reflect the name of the home. Each unit has 15 en suite bedrooms which are bright and spacious and equipped with an individual flat screen TV, fridge, telephone, personal safe, specialist bed and a staff call system. Each unit also has a dining room, sitting room and activity room.

Orchard Grove has a number of communal areas including a cinema room, hairdressing salon, treatment rooms, a reception area, enclosed dementia-friendly landscaped gardens and a balcony

area. The Day Care Centre can provide support 7 days per week to 30 vulnerable older people who live in the community and would benefit from extra support to enable them to continue to live independent lives. It currently provides a 5 day service excluding evenings. The dementia-friendly centre provides a variety of activities designed to be fun but which aim to provide people with the support and skills needed to maintain independent living.

Resident, Irene Imrie, speaking at the official opening ceremony, said, "I am proud to speak on behalf of all the residents who reside here. I am happy to say I have settled in very well. We have our own activity co-ordinator called Rose who supports us with arts and crafts, games etc. We also have an exercise class hosted by Barbara to keep us fit and mobile, that is why they call me Super Gran. May I, on behalf of all the residents in Orchard Grove, thank all the staff and management for the care and attention we receive."

# S4:

## CAPITAL PROGRAMME BENEFITS

### 4.7 A LEARNING CITY

Phase Five of the Council's £250 million programme of improvement to 121 education establishments (known as the 4Rs), is well underway with works to the value of £133.2 million now completed and a further £13 million instructed and ongoing. Completion of this programme will result in the provision of a high quality learning infrastructure and improved learning environments for the City's young people. The works include refurbishment, extensions and new builds.

The positive impact of the investment to date is evident from the improvements in the condition ratings of the 121 schools within the programme:

Condition Rating	Pre-4Rs	Mid - 4Rs
Total Establishments in C or D Condition:	100	23
Total Establishments in B Condition:	21	86
Total Establishments Relocated or Being Rebuilt:	0	12

While years one and two of the programme (April 2013 to March 2015) concentrated almost exclusively on refurbishment works, 2015/16 has seen the commencement of new-build and extension projects, all of which have individual project budgets over £2 million, meaning they are included within the Capital Programme Board's programme.

#### School Refurbishments

During 2015/16, major refurbishments (£2 million plus) were undertaken to ten education establishments (Ashcraig Secondary (now Ashton Secondary), Caledonia Primary School (PS), Sandwood PS, St Anne's PS, St Brigid's PS, St Monica's PS, St Patrick's PS, Thorntree PS, Toryglen PS and the former Gadburn PS (which has now become Gadburn Family Learning Centre)) which, although they were in poor condition, were not beyond their design life or economical repair cost.



# S4:

## CAPITAL PROGRAMME BENEFITS

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### Key benefits:

- The installation of new uPVC double glazing means all schools are more energy efficient. St Patrick's Primary also benefitted from the installation of a new, energy efficient, gas-fired heating system. Feedback from schools has confirmed that comfort levels within schools have been significantly improved and heating systems have been able to be turned down as a result. The Council's Energy Management Unit is working to quantify the reduction in energy consumption and carbon emissions resulting from the investment.
- New decoration and new floor coverings and fully upgraded toilet facilities provide a more pleasant and comfortable environment for the staff and children, making the environment more conducive to learning.
- Safety has been improved with the installation of new fire detection systems.

- Following refurbishment, Ashcraig Secondary was merged with Milton Secondary and re-named Ashton Secondary. The combining of the two establishments has been welcomed by the entire school community. The Council has also been able to make savings through the rationalisation of schools.
- Upon completion of the programme, the improvements will see the original list of 121 reclassified from either C or D Condition to B-Condition, which aligns with the Council's strategic asset plan for educational facilities.

### New Build Schools and Extensions

During 2015/16, a number of new builds (Garrowhill Primary, the Dance School accommodation and Crookston Castle Primary and nursery) and a new-build extension (Merrylee Primary) were completed, all of which incorporates the accumulated good practice which has been developed over 12-years of new school design and construction within Glasgow.

# S4:

## CAPITAL PROGRAMME BENEFITS

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### Key benefits:

- Merrylee Primary extension sees the addition of four classrooms which exactly replicate the existing school spec and layout, meaning the extension merges seamlessly with the existing school. The extension has allowed the school to accommodate the rising roll within the catchment area and has provided some additional room for general purpose teaching, allowing for a more varied and richer curriculum. The capacity of the school before the extension was 315 and it is now 462.
- The new 'A' condition Garrowhill Primary School replaces the former 'C/D' condition building which was deemed beyond its life expectancy and economical repair cost. The new school, which also incorporates nursery provision, contains state of the art ICT provisions and environmental controls, providing an improved environment for learning and teaching. The incorporation of energy efficient construction techniques and new heating and ventilation systems means reduced running costs for the Council (see case study below).
- Crookston Castle Primary was a two-phase project which saw the construction of a stand-alone new-build nursery school followed by the re-purposing of the area formerly occupied by the nursery as additional classrooms for the school. The nursery school benefits from all of the advantages of other new builds such as Garrowhill. The additional classrooms gained by the primary school have provided space for the rising roll and some additional general purpose space.
- The Dance School's new-build 'A' condition 90 bedroom accommodation block provides high quality, modern, energy-efficient accommodation for children attending the Dance School on a residential basis. The new accommodation is located within the Knightswood campus alongside the dance studios, performance areas and gymnasias, making the whole residential experience for the young people more convenient and enjoyable.

## CASE STUDY: GARROWHILL PRIMARY SCHOOL



© Evening Times

The old Garrowhill Primary School, which was in poor condition, has been replaced with a state-of-the-art new building. Mr Stewart, a Senior Electrical Contracts Manager for City Building, who was involved in the project, and oversaw the electrical work in the school. His two daughters, Aimee and Nicole, are in primary two and primary five. Head teacher Linda Logue said: "We actually had quite a few parents involved in the building of our new school but Mr Stewart oversaw the electrical installations and works in the school."

Linda Logue said, "The way the school is designed, teachers can now work in a cluster. The old school had long, narrow corridors that were quite dark and drafty windows that allowed wind to blow in to the school. The way the school was laid out meant that it was difficult to get a sense of team working but that has changed immediately with our new building, you don't feel that anymore. As soon as you walk in you can get the sense that everyone is working together, the atmosphere is better and the pupils are happier. It is night and day compared to our old school. The design is great. The classrooms are in clusters of four and five with open areas where children can mingle and work together, spill out and play together and share things."

The 17 classrooms give Garrowhill Primary a capacity of 462 pupils, which the school believes it will reach in the coming years. At the moment, there are 422 youngsters in the new school, which is made up of library; assembly and drama room; gym hall; three large shared teaching spaces and three outdoor covered play areas. The Early

Years Centre has a nursery play space; toddlers play space; a social space away from the playrooms; an external play space and a covered external play space.

The design of the building is aimed to be as environmentally-friendly as possible with underfloor heating, a ventilation system that uses fresh air to cut down on traffic noise, and ground source heat pumps that extract heat from below the school grounds using boreholes. Rainwater is also collected and used in the school water system.

Pupils are encouraged to cycle to school and the building is designed to face a nearby park to maximise day-light in and allow children to feel connected to the outdoors. There is a woodland space for outdoor teaching. Garrowhill also has new outdoor facilities with an all-weather, floodlit 3G pitch now completed. The former primary school's outdoor classroom has also been incorporated within the grounds.

Linda Logue summed up the changes the new school has had: "The atmosphere is just delightful. I can't really explain it but there's a wonderful team spirit, the children are motivated and happy to be here and the teachers are happy to be at their work. The children's motivation has increased 10-fold. We also know that we are very lucky. The opportunities are tremendous. We are really aware that having this new school is a once in a lifetime opportunity and we are determined to make it the very best it can be."

# S4:

## CAPITAL PROGRAMME BENEFITS

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### 4.8 MAKING BEST USE OF OUR RESOURCES

A range of IT projects have been completed to ensure Council staff have access to the technology they require to undertake their roles in a flexible, more productive and secure manner. The initiatives and their benefits are outlined below.

- The **Mobile Working** project involved the provision of approximately 2,500 mobile hybrid touchscreen devices to Council staff across all departments, replacing old and out-of-support laptop and desktops. The project is the first phase in a multi-phase programme which will give staff the ability to carry out their core activities more efficiently and will enable the Council to implement property rationalisation.
- The **Home Working** project involved the provision of approximately 500 laptop devices to replace old and out-of-support laptops. The new laptops are equipped with the latest security technology, allowing for home working while ensuring that data/information security is not compromised. This technology is being utilised to support flexible working and enabling a better work life balance.
- The **Corporate Refresh** project involved the replacement of approximately 8,000 old and out-of-support desktop and laptops. A full upgrade of supporting infrastructure was undertaken, as well as work to ensure around 850 applications which were running on older operating systems could work on the newer operating systems which were installed. This programme enabled the Council's PC operating system and infrastructure to remain compliant with the Public Services' Network standards by being within vendor support and able to receive security updates. The change in operating system has enabled the Council to embrace newer technologies, providing greater operational efficiencies and service provision.



\$5:

**GOVERNANCE  
IMPROVEMENTS  
2015/16**



# S5:

## GOVERNANCE IMPROVEMENTS 2015/16

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### 5.1 CORPORATE GOVERNANCE COMPLIANCE TEAM

The Corporate Governance Team within the Chief Executive's Department is responsible for ensuring assets remain fit for purpose, are continuously improved and increasingly innovative ways are found to manage and maintain them.

Within Corporate Governance, the Compliance Team is responsible for, amongst other activities, monitoring, managing and reporting on the performance of the Capital Programme Board's Programme and the compliance with the Programme's agreed governance processes. This involves scrutinising the information submitted by each capital project as part of the four-weekly reporting cycle with this information then used to provide assurance to the Board. The Team also provides guidance and support to Council Services and ALEOs as they deliver projects.

Since its establishment in July 2013, the Compliance Team has sought to improve the governance and reporting arrangements for projects within the Programme and the operation of the Board through a number of activities including:

- co-ordinating and reporting on Lessons Learned exercises;
- introducing risk management arrangements for all capital projects;
- developing the Capital Project Toolkit which will provide a set of standardised tools and guidance to support staff engaged in the delivery of capital projects; and
- providing wider support and best practice for governance.

The remainder of the section provides more information on each of these activities.

# S5:

## GOVERNANCE IMPROVEMENTS 2015/16

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### 5.2 LESSONS LEARNED EXERCISES 2015/16

A key component of successful programme management is ensuring that lessons are learned and reacted upon accordingly. In March 2015, lessons learned workshops were held in relation to the Social Work Services Children's Residential Strategy and Older Persons Care Home Programmes. The workshops sought to identify the elements of the Programmes that had worked well and to identify where improvements could be made in subsequent programmes and projects. The resulting Social Work Services Lessons Learned Workshop report was considered by the Board in April 2015. This was followed in June 2015 by a report which set out the generic lessons from the exercise which should be considered across the entire Capital Programme.

The lessons fall broadly into seven key areas:

- 1. Governance:** ensuring roles and responsibilities are documented and understood; identifying and monitoring project risks; and ensuring oversight of the overarching programme is maintained.
- 2. Prudent programmes and budgets:** optimism bias must be applied to all programme durations and budgets.

- 3. Change control:** all requests for change must be made, and approved, through the appropriate channels; and change control processes should be appropriately resourced.
- 4. Contractor relationships:** improved working arrangements between client departments are required to ensure successful project delivery.
- 5. Use and management of consultants:** robust arrangements must be established to properly monitor and manage consultants' performance where they are used. Consultants may be better utilised as specialist resources rather than Contract Administrators.
- 6. Utilities:** To minimise the risk of project delays, there is a requirement to ensure early and on-going engagement with utilities companies.
- 7. Lessons learned:** Lessons learned exercises are key to ensuring good practice is shared with other projects.

Recommendations for the application of these lessons across all projects in the wider Programme were included within the report. An audit will be undertaken during 2016/17 to assess the extent to which the recommendations have been applied by Council Services and ALEOs.

# S5:

## GOVERNANCE IMPROVEMENTS 2015/16

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### 5.3 RISK MANAGEMENT FOR CAPITAL PROJECTS

Monitoring the risks at both a programme and project level reduces the likelihood and potential impact the risk may have on the programme or project. Risks are assessed in line with the Council's Risk Management Strategy with the severity of the impact and the probability of the risk occurring both being assessed and scored to derive an overall risk score.

Project and programme risk registers are monitored and reviewed on a regular basis by the project teams as part of the four-weekly reporting cycle, the top five risks are submitted to the Compliance Team for monitoring.

The Compliance Team reviews and maintains an overall Capital Programme risk register with the top risks reported to the Board on a four-weekly basis and the full risk register reported every six months.

### 5.4 THE CAPITAL PROJECT TOOLKIT

The Accounts Commission's '*Major Capital Investment in Councils*' *March 2013* report sets out how well councils managed their capital investment spending as a programme, and their performance in delivering major capital projects against time and cost targets. The report recommended actions councils should take to help them improve the management of their capital investment programmes and projects. Based on the report's findings, the Accounts Commission developed a good practice guide to help councils improve how they manage and scrutinise capital projects.

In response to the report's recommendations, the Council committed to develop a toolkit for capital projects, which would both address the areas for improvement identified within the report, and incorporate the examples of good practice outlined in the guide.

Throughout 2015/16 the Compliance Team developed the Capital Project Toolkit, providing a consistent methodology, guidance notes and a set of standardised tools and templates to assist with the successful delivery of capital project objectives, on time and on budget.

# S5:

## GOVERNANCE IMPROVEMENTS 2015/16

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The Toolkit introduces requirements for projects, such as the need to create a detailed business case and to ensure that the benefits set out in the business case are monitored, managed and reported. To ensure project managers are supported to deliver on these additional requirements, the Compliance Team has worked alongside colleagues in Organisational Development to design an online training course on GOLD and training workshops in preparation for the Toolkit's launch in Summer 2016.

In addition to improving project management, the roll out of the Toolkit will improve transparency and accountability of capital projects across the Council Family.

### 5.5 WIDER SUPPORT ROLE – GOVERNANCE BEST PRACTICE

In addition to monitoring and reporting on the Capital Programme, the Compliance Team continues to play a wider roll in encouraging and supporting best practice in both programme management and corporate governance. For example, during 2014/15, the Team worked with colleagues in Financial Services and Legal Services and

with the Glasgow City Region City Deal Programme Management Office (PMO) to develop the City Deal Assurance Framework. Since then, the Team has provided informal advice and support to the City Deal PMO on the implementation of the Assurance Framework and has provided support with the appraisal of business cases and the scoping of the first City Deal audit.

In November 2014, the Compliance Team arranged for the Council's insurer, Zurich, to deliver risk management training tailored to projects. The training session was entitled 'Successful Projects through Risk Management' and was attended by project managers and representatives from across the Council Family. Through presentation, discussion and the use of practical examples, the session covered common risks that can disrupt projects and programmes, how and when they may present throughout the typical lifecycle of a project, and the tools that can be successfully employed to identify, mitigate and manage these risks. The training was well received and will be followed up on as the Project Management Toolkit is formally rolled out.

# S5:

## GOVERNANCE IMPROVEMENTS 2015/16

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### 5.6 INTERNAL AUDIT ACTIVITY DURING 2015/16

During 2015/16, Internal Audit undertook audits of three capital projects: Hawthorn House Care Home; Future Cities; and Sighthill.

#### **The Hawthorn House Care Home Audit**

The Hawthorn House Care Home (also referred to as Bardowie Care Home) Audit sought to ensure that the project was authorised, procured and managed appropriately and in line with the Council's current governance arrangements for capital projects. The audit report to FASC (13 January 2016) noted that improvements to governance processes were identified relating to contingencies and the absence of a Scheme of Delegation for the change control process.

However, the report also noted that these findings have been incorporated in the findings from the lessons learned exercise (referred to above) resulting in the recommendation that SWS senior management, in collaboration with colleagues from DRS, City Building (Glasgow) LLP and ACCESS should ensure that the findings from the lessons learned exercise are implemented for the

remaining elements of the programme.

#### **The Future Cities Audit**

The Future Cities Audit sought to ensure sufficient and appropriate controls were in place for project procurement and budget monitoring, ensuring the grant award was spent in accordance with grant award terms and conditions and ensuring any lessons learned will be applied to major projects in future.

The audit report to FASC (9 March 2016) noted that key controls were in place, that the Council spent the full award of £24m and delivered the required wide range of project outcomes in conjunction with grant requirements.

In terms of improvements the audit found that there should have been a documented Scheme of Delegation for the Programme to clearly define who can authorise expenditure and at what levels, and that all project documentation should be consolidated in one location and retained for an appropriate timescale agreed with the grant funder.



# S5:

## GOVERNANCE IMPROVEMENTS 2015/16

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As the Programme has now concluded it was recommended that these improvements should be observed by programme management offices (PMOs) for major projects.

### **The Sighthill Audit**

The Sighthill Audit involved a review of the governance arrangements for the Sighthill Transformational Regeneration Area (TRA).

The scope of the audit was to ensure that the early stage infrastructure projects, such as ground remediation, are being authorised, procured and managed in line with both the Council's governance arrangements for capital projects and the Glasgow City Region City Deal requirements.

The audit found that the key controls are in place and generally operating effectively.

Areas for improvement include the completion of gateway reviews at key stages before progression to the next stage, the establishment of a dependencies register to improve visibility of

project dependencies across the governance structure and that monetary values should be included within the three levels of authorisation within the stated 'change control' process.

These audit reports have been shared with Board members and attendees to ensure wider learning and knowledge exchange.



\$6:

**CAPITAL  
PROGRAMME  
PRIORITIES FOR  
2016/17**



# S6

## CAPITAL PROGRAMME PRIORITIES FOR 2016/17

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### 6.1 PROGRESSING EXISTING PROJECTS

As outlined in Section 3, 82 projects were still being monitored by the Capital Programme Board at 31 March 2016. Among these projects are a number which are due to reach completion during 2016/17.

Key priorities and highlights for 2016/17 for the existing suite of Capital Programme projects includes:

- Completing the refurbishment of the Kelvin Hall by July 2016, delivering a combined museum facility with Glasgow University, the National Library of Scotland's national archive for moving images and a new Glasgow Club sports facility which will open to the public in August 2016. The official opening of the building is expected to take place in September 2016.
- Ensuring the smooth launch and operation of the Glasgow Recycling and Renewable Energy Centre (GRREC) at Polmadie from July 2016, with the facility expected to be fully operational by Autumn 2016 enabling the diversion of up to 90% of green bin residual waste from landfill.
- Completing six new build education establishments which are already underway (Gowanbank Primary, Broomhill Primary, Glendale Primary, Clyde Campus, Tower View Nursery and Dalmarnock Nursery) and progressing design work for Carntyne Primary, Blairdardie Primary, the new build Sighthill Campus and Dalmarnock Primary. The final phase of the 4R Programme, will also see the remaining 23 schools currently classified as C or D condition, refurbished, and lifted to B condition.
- Delivering the initial phase of Glasgow's £386 million City Deal projects including commencing infrastructure works in the City Centre, North Glasgow, Collegelands, Calton and Barras, Westend and Waterfront and Sighthill Transformational Regeneration Area.
- Progressing the refurbishment and redisplay of the Burrell Collection through the Burrell Renaissance project with the reopening of the Burrell Museum in 2020.

# S6:

## CAPITAL PROGRAMME PRIORITIES FOR 2016/17

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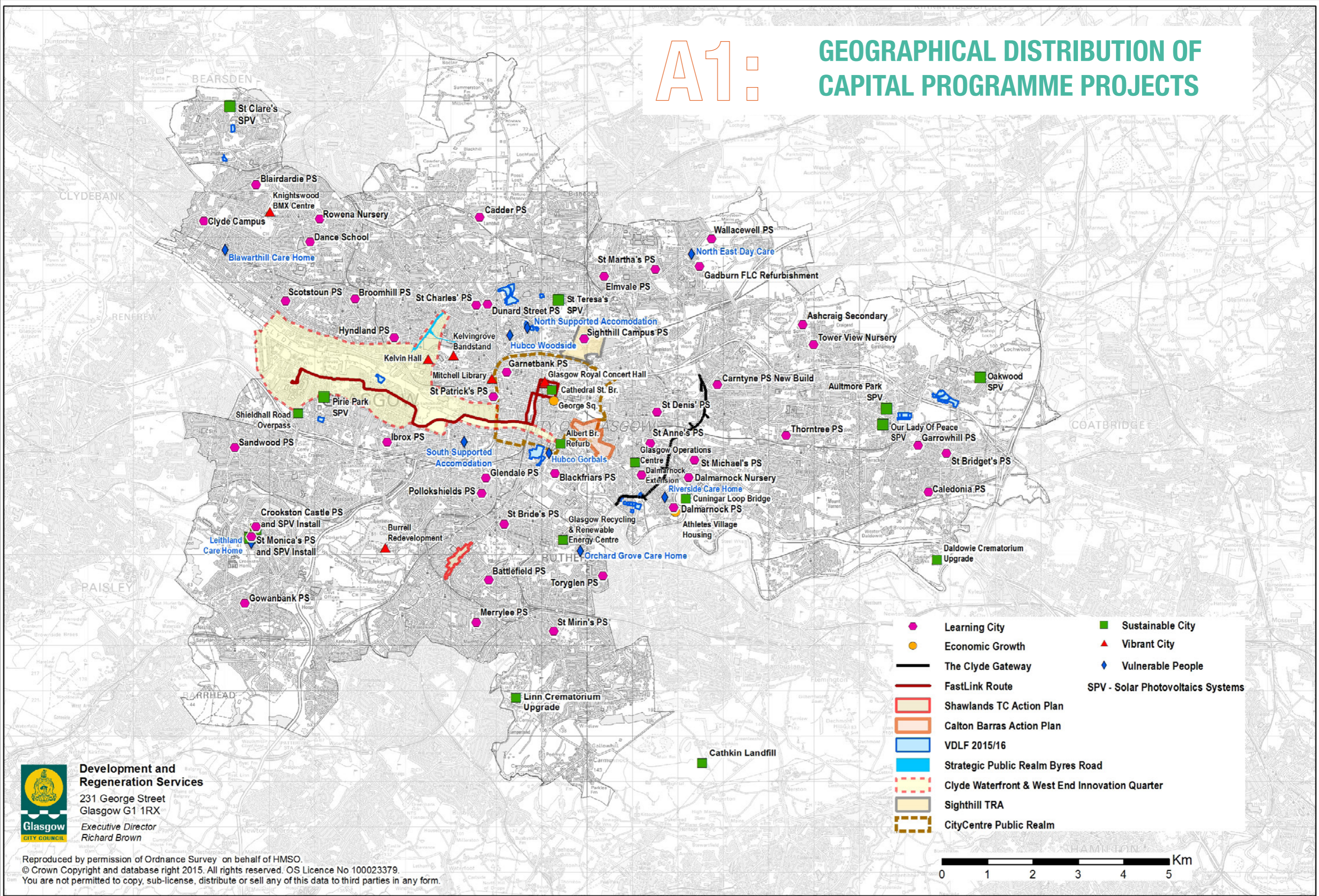
- Completing four new children's residential units (Maryhill, Lambhill, Toryglen, Merrylee), two supported accommodation units for homelessness services, completing the care home for the elderly at the Athletes' Village and a day care centre at Wallacewell Road. Construction will also commence at two further care homes at Blawarthill and Leithland. 2016/17 will also see the on-going development of social works offices in the Gorbals and a day care centre in Woodside in association with Hubco West.

### 6.2 POTENTIAL NEW PROJECTS

As in recent years, continued pressures on local authority budgets mean efficiencies must be found. Through the Transforming Glasgow Programme, the Council has committed to achieve £2.3 million of savings during 2016/17 and 2018/19 through the Property Rationalisation project, which may result in a number of new Capital Programme projects, as Council-owned properties are modified to improve capacity and accommodate changes in use.



# A1: GEOGRAPHICAL DISTRIBUTION OF CAPITAL PROGRAMME PROJECTS



- Learning City
- Economic Growth
- The Clyde Gateway
- FastLink Route
- Shawlands TC Action Plan
- Calton Barras Action Plan
- VDLF 2015/16
- Strategic Public Realm Byres Road
- Clyde Waterfront & West End Innovation Quarter
- Sighill TRA
- CityCentre Public Realm
- Sustainable City
- ▲ Vibrant City
- ◆ Vulnerable People
- SPV - Solar Photovoltaics Systems

**Development and Regeneration Services**  
 231 George Street  
 Glasgow G1 1RX  
 Executive Director  
 Richard Brown

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# A2:

## CAPITAL PROGRAMME BOARD PROJECT LIST 2015/16

### EDUCATION SERVICES

#### SCOTTISH FUTURES TRUST (SFT)

##### PROJECTS: Capital

SFT Clyde Campus (formerly St Brendan's)

SFT Garrowhill Primary

SFT Glendale Primary

#### SCOTTISH FUTURES TRUST (SFT)

##### PROJECTS: DBFM

Blairdardie Primary

Carntyne Primary

#### EDUCATION PROJECTS (Other):

Crookston Castle

Dance School

#### 4Rs NEW BUILDS AND EXTENSIONS

##### PROGRAMME:

Broomhill Primary School

Dalmarnock Extension

Dalmarnock Primary School

Dalmarnock Nursery

Gowanbank Campus

Merrylee Extension

Rowena Nursery

Sighthill Campus

Tower View Nursery

#### 4Rs REFURBISHMENT AND THEMED

(Projects over £2m):

Ashcraig Secondary

Battlefield Primary

Blackfriars Primary

Cadder Primary

Caledonia Primary

Dunard Primary

Gadburn Family Learning Centre

Garnetbank Primary

Hyndland Primary

Ibrox Primary

Pollokshields Primary

Sandwood Primary

Scotstoun Primary

St Anne's Primary

St Bride's Primary

St Brigid's Primary

St Charles' Primary

St Denis' Primary

St Martha's Primary

St Michael's Primary

St Monica's Primary

St Patrick's Primary

Toryglen Primary

Thorntree Primary

#### CORPORATE SERVICES /CED

SAP Infrastructure

Mobile Working

Home Working

Corporate Refresh

Customer First



## CAPITAL PROGRAMME BOARD PROJECT LIST 2015/16

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### **GLASGOW LIFE**

Kelvin Hall  
Kelvingrove Bandstand  
Mitchell Library  
Burrell Collection  
Knightswood BMX Centre  
Tollcross International Swimming Centre

### **SOCIAL WORK SERVICES**

#### **Children's Residential Strategy**

Wallacewell  
Easterhouse  
Kingarth  
Milncroft  
Toryglen  
Merrylee

#### **Additional Care Homes for Children**

Maryhill

### **Local Authority Care Homes**

South West - Leithland  
South East - Residential - Toryglen  
West - Blawarthill  
North East - Day Care  
Athletes' Village Care Home

### **Supported Accommodation**

City South  
City North (Rodney Street)

### **SWS Hub Projects**

Woodside  
Gorbals

### **LAND AND ENVIRONMENTAL SERVICES**

Road Infrastructure 2015/16  
Glasgow-wide Cycle Route Enhancement  
Residual Waste Treatment  
Fastlink  
City Centre Fastlink  
Cuningar Footbridge  
Street Lighting Project  
East End Regeneration Route Bereavement Services  
TIF - Cathedral Street Bridge Strengthening  
Shieldhall Overpass  
Albert Bridge Refurbishment  
Cathkin Landfill  
TSB Overall Programme  
Glasgow Operations Centre  
Solar Photo Voltaic Panels on Schools

# A2:

## CAPITAL PROGRAMME BOARD PROJECT LIST 2015/16

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### **DEVELOPMENT and REGENERATION SERVICES**

Athletes' Village Housing  
Vacant Derelict Land Fund – 2014/15  
Vacant Derelict Land Fund - 2015/16  
Glasgow Royal Concert Hall  
Sighthill TRA - Site Wide  
Sighthill TRA - Infrastructure  
Sighthill TRA - Cowlairs Bridge  
Sighthill TRA - M8 Pedestrian Bridge  
Strategic Public Realm  
Shawlands Town Centre Action Plan  
Calton Barras Action Plan  
George Square Development

### **CITY DEAL (GLASGOW PROJECTS)**

Metropolitan Glasgow Strategic Drainage Partnership  
City Centre Public Realm  
Canal and North Gateway  
Collegelands Calton Barras  
Clyde Waterfront & West End Innovation Quarter



Compliance Team  
Corporate Governance  
Chief Executive Department  
Glasgow City Council  
City Chambers East  
George Square  
Glasgow  
G2 1DU

Telephone: 0141 287 5369

Email: [CorporateGovernance@glasgow.gov.uk](mailto:CorporateGovernance@glasgow.gov.uk)