

DECISION-MAKER:	CABINET		
SUBJECT:	QE2 MILE PROGRAMME REPRIORITISATION		
DATE OF DECISION:	25 OCTOBER 2010		
REPORT OF:	LEADER OF THE COUNCIL		
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STATEMENT OF CONFIDENTIALITY

NOT APPLICABLE

SUMMARY

The purpose of this report is to seek authority to a reprioritised QE2 Mile programme, transfer of funds to the Guildhall Square (GHS) scheme and the transfer of funds to support the redevelopment of the former Tyrrell and Green department store for an arts complex and enabling development.

RECOMMENDATIONS:

- (i) Approve the reprioritised programme for the QE2 Mile as detailed in paragraph 12 and Appendix 1.
- (ii) Approve in accordance with financial procedure rules the transfer of £190,000 in 2010/11 from the QE2 Mile Programme to the Guildhall Square scheme within the Leaders Capital Programme to provide for additional costs which have been incurred.
- (iii) Approve in accordance with financial procedure rules the transfer of £420,000 in 2012/13 from the QE2 Mile Programme to the scheme to redevelop the former Tyrrell and Green site for an arts complex and enabling development within the Leaders Capital Programme.
- (vi) Delegate authority to the Head of City Development following consultation with the Leader of the Council to approve future projects within existing financial rescues that complement the QE2 Mile Programme, in line with the Financial Procedure Rules.

REASONS FOR REPORT RECOMMENDATIONS

1. The re-prioritised programme will allow other projects to be progressed such as the installation of the QE2 anchor and the delivery of Bargate Square.
2. There have been variations to the work in order to facilitate the working interfaces of a number of other neighbouring projects. These variations relate to some redesign, abortive work and the cost of delay to the contractor. These additional costs can be contained by reprioritising the QE2 Mile programme.

3. Cabinet approved a report in September 2009 relating to the redevelopment of the Tyrrell and Green department store. The confidential appendix to the report set out an indicative cash flow as to how this project could be funded. The reprioritised QE2 Mile programme will enable the transfer of capital funds to this project.
4. Future projects that are identified which complement the QE2 Mile can be approved under delegated authority in line with the Financial Procedure Rules.

CONSULTATION

5. Internal officer consultations have been undertaken with officers from Neighbourhoods, Highways, Legal and Finance; comments have been incorporated / considered in this report.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

6. To do nothing will result in a shortfall of funding for GHS and redevelopment of the Tyrrell and Green department store for an arts complex and enabling development. In addition a scheme design and cost estimate for Bargate Square will not be produced.

DETAIL

7. Cabinet approved a programme of works, QE2 Mile and adjacent areas, on 17 March 2008. Most schemes along the QE2 Mile have either been delivered or are being implemented, the only area around the Bargate remains.
8. The current approved programme has delivered a distinctive, high quality public realm by improving and upgrading paving, street furniture, lighting and landscape.
9. The reprioritised programme proposes to defer five schemes; North Guild, New Road, St Michaels Street and St Michaels Square and Queen's Terrace to enable the QE2 Mile to be completed. These projects are either lower priority than other projects along the QE2 Mile or have other dependencies, e.g. Queens Terrace, and future highway improvements to Platform Road and Terminus Terrace.
10. The approved funding against the five schemes highlighted in paragraph 9 that are proposed to be deferred as part of the QE2 Mile reprioritised programme will enable the transfer of funds to GHS and the redevelopment of the Tyrrell and Green department store for an arts complex and enabling development. These deferred schemes will be delivered as and when further funding opportunities come forward. The reprioritised programme will also allow the installation of the QE2 anchor on the QE2 Mile and Bargate Square feasibility to be progressed which will produce a scheme design and cost estimate of delivery within existing resources.

FINANCIAL/RESOURCE IMPLICATIONS

Capital

11. The revised QE2 Mile programme detailed in Appendix 1 will result in the following financial profile of expenditure:

12.

	2010/11	2011/12	2012/13	Later Years	TOTAL
	£000's	£000's	£000's	£000's	£000's
Current QE2 Mile Programme	1,065	-	-	1,707	2,772
Changes to the projects within QE2 Mile Programme.	122	50	925	(1,097)	0
Transfer to fund additional works to GHS.		-	-	(190)	(190)
Transfer of funds for the Redevelopment of former Tyrrell and Green department store and enabling development.	-	-	-	(420)	(420)
Revised QE2 Mile Programme	1,187	50	925	0	2,162

13. The revised programme and the transfer of funds to GHS and the redevelopment of the former Tyrrell and Green site for an arts complex and enabling development is within the originally approved budget for the QE2 Mile and changes to the phasing can be managed within the overall General Fund Capital Programme.

Revenue

14. This report primarily deals with capital but the revenue implications of any borrowing costs associated with changes to the phasing of the above programme can be managed within the overall General Fund Revenue budget.

15. Any future changes to the programme that are made under delegated authority will need to take into account the revenue implications and any impact will need to be absorbed within existing revenue budgets.

Property

16. Arts and Heritage have already assumed title to the QE2 anchor and have

formally accepted it from Cunard.

Other

17. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

18. Capital schemes will be delivered in accordance with a variety of Highways and Environmental legislation, including the Highways Act 1980, Road Traffic Regulation Act 1984, Traffic Management Act 2004, and s.2 Local Government Act 2000.

Other Legal Implications:

19. Procurement of schemes will be carried out in accordance with the Council's Procurement Strategy, using existing proposed procurement contracts and in accordance with National and European procurement legislation and directives. Design and implementation of schemes will take into account the provisions of s.17 Crime & Disorder Act 1998 and the impact of schemes on individuals and communities will be assessed against Human Rights Act 1998 and Equalities legislation provisions.

POLICY FRAMEWORK IMPLICATIONS

20. The changes to the programme have no impact on the North/South Spine Strategy SPG as those projects to be cancelled could be delivered in future years with adequate resources identified. The revisions to the programme meet the Council's priorities in respect of highways and transportation, as set out in the City of Southampton Local Transport Plan 2006 - 2011 (LTP2).

SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	QE2 Mile Reprioritised Future Programme
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Documents In Members' Rooms

1.	None
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Background Documents

Title of Background Paper(s) Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
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Background documents available for inspection at:

KEY DECISION?

YES

WARDS/COMMUNITIES AFFECTED:	BARGATE
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