

Item: 9

Policy and Resources Committee: 30 November 2023.

Weyland Bay Coastal Path.

Stage 2 Capital Project Appraisal.

Report by Corporate Director for Education, Leisure and Housing.

1. Purpose of Report

To consider a Stage 2 Capital Project Appraisal in respect of a new walking and cycling path at Weyland Bay.

2. Recommendations

The Committee is invited to note:

2.1.

That, on 15 November 2023, when considering a Stage 1 Capital Project appraisal in respect of the provision of a new walking and cycling path at Weyland Bay, the Education, Leisure and Housing Committee recommended:

- That, as an exception to the Capital Project Appraisal process, in order to maximise time limited external funding, the Corporate Director for Education, Leisure and Housing, should submit, to the Policy and Resources Committee, a Stage 2 Capital Project Appraisal in respect of the proposed development of a walking and cycling path through the Weyland Bay green space.

2.2.

That an application will be submitted to Transport Scotland's Active Travel Transformation Fund in respect of the proposed walking and cycling path through the Weyland Bay green space.

It is recommended:

2.3.

That, subject to the successful outcome of the grant funding application to Transport Scotland's Active Travel Transformation Fund, the Stage 2 Capital Project Appraisal in respect of the proposed walking and cycling path at Weyland Bay, attached as Appendix 1 to this report, be approved.

2.4.

That, as an exception to the Capital Project Appraisal process, , in order to maximise time limited external funding, the proposed walking and cycling path at Weyland Bay be added to the capital programme for 2023/24 onwards, at an estimated gross capital cost of £285,000, funding as follows:

- Transport Scotland's Active Travel Transformation Fund – £200,000.
- Footpaths, Core Paths and Cycleway Improvements Fund – £85,000.

3. Background

3.1.

On 15 November 2023, when considering the Stage 1 Capital Project Appraisal for the proposed development of a walking and cycling path through the Weyland Bay green space, the Education, Leisure and Housing Committee recommended:

- That, as an exception to the Capital Project Appraisal process, in order to maximise time limited external funding, the Corporate Director for Education, Leisure and Housing, should submit, to the Policy and Resources Committee, a Stage 2 Capital Project Appraisal in respect of the proposed development of a walking and cycling path through the Weyland Bay green space.

3.2.

The project forms part of the Council's approved 'Footpaths, Core Path and Cycleway Improvements' Project List and represents the first project to be taken forwards towards construction, subject to the award of external grant funding.

3.3.

It is intended that an application will be made to Transport Scotland's Active Travel Transformation Fund to deliver the project in 2024/25.

4. Proposed New Walking and Cycling Path

4.1.

The project as detailed in the Stage 2 Capital Project Appraisal attached as Appendix 1 to this report has been designed to result in the creation of a section of off-road active travel infrastructure and connections to the wider network to improve safety for pedestrians and cyclists travelling along Carness road.

4.2.

The proposed scheme is to construct a 318m long asphalt paved 2.5m wide cycle path within the green space running roughly parallel to Carness Road in a north/south orientation. The cycle path widens to 3.5m and meets the road at an oblique angle at the entrance points, the northern entrance being located at Craigiefield Road and the southern entrance at Enzie Road, where a footway provides onwards access towards town. A number of short connections will also be

made from the cycle path to existing layby areas. A layout drawing of the proposed scheme is included in Annex 1. This option will retain most of the existing mown grass area but add areas of native shrubs and wildflower where they can help provide shelter to the cycle path.

4.3.

Two 12m long, 1m high, stone-faced masonry feature walls will be constructed at various locations. Three new benches and associated plinths will be added to the green space along with an interpretation panel and other related small signage. Cycle path lighting will be constructed and will consist of column light fixtures along the length of the path with illuminated bollards at the entrances.

4.4.

The estimated cost of this option is £285,000 including fees and contingency (20%).

5. Corporate Governance

Whilst this report relates to the Council complying with its financial processes and procedures, the project itself supports and contributes to improved outcomes for communities as outlined in the Council Plan strategic priority theme of Developing our Infrastructure, and specifically Priority I3 to Integrate our transport networks to improve operational connectivity and reduce vulnerabilities, of the Council Delivery Plan.

6. Financial Implications

6.1.

A Stage 2 Capital Project Appraisal is attached at Appendix 1 to this report with an overview of estimated costs to complete the project.

6.2.

The estimated cost to build the proposed scheme is £285,000. Members should consider whether this scheme represents best value to the Council, in the use of its, and government, funding.

6.3.

Subject to the successful outcome of the grant funding application, the project would be funded by £200,000 from Transport Scotland's Active Travel Transformation Fund and £85,000 the Council's Footpaths, Core Paths and Cycleway Improvements Fund.

6.4.

The Council's Footpaths, Core Path and Cycleway Improvements Fund was established in December 2021 as part of an allocation of one-off funding towards a series of projects considered to provide excellent recovery prospects from the COVID-19 pandemic. It was initially set aside at £500,000 but was subsequently reduced to £400,000 as part of the budget setting process for financial year 2023/24.

6.5.

A commitment of £155,000 has already been made against the £400,000 set aside for Footpaths, Core Paths and Cycleways, however, this does leave sufficient headroom within this allocation to allow the Weyland Bay Coastal Path project, subject to a successful funding application to the Active Travel Transformation Fund.

6.6.

The Stage 2 Capital Project Appraisal states that additional revenue costs will result in the development of this path. This will have to be met from commensurate savings elsewhere within the service, either within Ground Maintenance budget already identified, or reallocation of resource from other cost headings. It should be further noted that the Ground Maintenance budget is already under significant pressure, as a result of inflationary pressures, which will have to be met from client services.

7. Legal Aspects

7.1.

In terms of Section 20 of the Local Government in Scotland Act 2003, the Council has the power to do anything that it considers is likely to promote or improve the wellbeing of its area and persons within that area, or either of those. This power includes power to incur expenditure.

7.2.

In terms of Section 95 of the Local Government (Scotland) Act 1973, the Council has a duty to make arrangements for the proper administration of its financial affairs. As part of that, the Council is expected to have regard to economy, efficiency and effectiveness in its use of resources.

7.3.

In terms of Section 35 of the Local Government in Scotland Act 2003, the Council must determine and keep under review the maximum amount which it can afford to allocate to capital expenditure. In so doing, the Council must comply with regulations made by Scottish Ministers.

8. Contact Officers

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9. Appendix

Appendix 1: Stage 2 Capital Project Appraisal – Proposed Weyland Bay Coastal Path.

Stage 2 Capital Project Appraisal

Capital Programme: General Fund

Client Service: Education, Leisure and Housing

Project Name: Weyland Bay Coastal Path Project

1. Background

The Weyland Bay coastal path project is part of one of the projects in the 'Your Kirkwall Place Plan', a vision originating from the community, through an extensive programme of engagement in 2018. This part of the path will form part of a longer-term ambition for a route that will ultimately stretch from Hatston in the west, to Carness in the east, creating a continuous and accessible route.

The project area green space extends from just north of the Weyland Bay/Carness Road junction to the south, to the Cragiefield/Carness Road junction in the north; and from Carness Road to the east, and the shoreline to the west. The aim is to design and implement an active travel route linking Carness to Kirkwall town centre along the coast but should also seek to improve the space in terms of access and ecology.

2. Proposed Scheme

Construct within the green space a 318m long asphalt paved 2.5m wide cycle path. Areas of native shrubs and wildflower will also be added as well as two stone-faced masonry feature walls, three new benches, signage and lighting. A layout drawing for the proposed scheme is included as Annex 1.

The service requirements are to provide a cycle path to the standard of Cycling by Design (2021) published by Transport Scotland. This standard provides minimum requirements for the various cycle path design criteria including layout, width etc. as well as level of service indicators to help identify the strengths and weaknesses of any given design.

3. Land Purchase Requirement

The proposed scheme does not require the purchase of additional land.

4. Project Appraisal

	Criteria	Response
1.	Protects Existing Statutory Provision	The project will ensure that the Council is able to continue to improve active travel and in particular those that promote safer walking and cycling routes to schools.
2.	Meets Corporate Governance	The project supports and contributes to improved outcomes for communities as outlined in the Council Plan strategic priority theme of Developing our infrastructure
3.	Protects Existing Assets	N/A

	Criteria	Response
4.	Minimises Capital Cost	The project will be procured via a competitive tender process to ensure that the most economical construction costs can be attained.
5.	Maximises Investment from External Sources	The project is being developed with the intention to submit it to Transport Scotland's Active Travel Transformation Fund (ATTF). It is anticipated that the fund will open in December 2023.
6.	Beneficial Impact on Revenue Expenditure	The project, through the use of standard OIC specifications/details for foot/cycleway construction which have been proven to be robust, will minimise future maintenance costs.
7.	Linked to Other Council Provision	
(a)	Enhances Statutory Provision	There is no direct link to other statutory provisions.
(b)	Protects or Enhances Discretionary Provision	There is no direct link to other discretionary provisions.
8.	Re-use of Derelict Land or Building	This project will not reuse derelict land or buildings; however, it will bring added amenity value to an underutilised green space area.
9.	Promote or Enhance Orkney's Environment	The project will have no adverse impact on the Environment. The green space environment will be enhanced through the planting of native shrubs and wildflower.
10.	Promote or Enhance Orkney's Heritage	The project will not directly promote or enhance Orkney's Heritage.
11.	Economic Prosperity or Sustainable Communities	The project will likely be constructed by one of the local contractors which would have a direct employment benefit. Additionally, through the contractor the construction work will result in financial benefits for local businesses in the supply chain and the wider local economy.
12.	Enhances Council operations or Improves Health and Safety	The project will move pedestrians and cyclists from an unlit section of road subject to national speed limit to a dedicated cycleway improving safety for both user groups. By providing an active travel route it is anticipated that this will encourage walking and cycling for nearby residents and the associated health benefits.

5. Financial Implications

A summary of the financial implications is attached as Annex 2, which details the capital and revenue implications associated with the project. The total estimated capital cost of the project is £285,000, with £14k required in FY23/24 for design and contract preparation and then £266k in FY24/25 and a further £5k for retention release in FY25/26.

Although there is estimated to be an annual increase in grounds maintenance costs as a result of additional planting, that will be balanced off by an annual reduction of £500 in grass cutting.

6. Risk Assessment

The main risk in relation to the project progressing is that the project is being developed with the intention to submit it to Transport Scotland's Active Travel Transformation Fund (ATTF). It is anticipated that the fund will open in December 2023. The fund is for construction ready projects and ATTF funding would be on basis of delivery during FY 24/25, without a successful funding application the project will not be able to progress. A landscape design will be required to consider suitability of planting types in a coastal environment.

The main risk in relation to the project not progressing is that Cyclists and pedestrians using the Weyland and Carness route are required to continue using the Carness Road which currently does not have continuous footpath provision and therefore are required to share space with motor vehicles on an unlit section of road subject to national speed limit. Additionally, the Council fails to deliver one of key projects from 'Your Kirkwall Place Plan' 2018 and active travel routes are not enhanced or developed resulting in the potential loss of confidence from partners and funders including Transport Scotland, Sustrans and Hitrans.

7. Conclusion

The Weyland Bay Coastal Path Project is required to provide an active travel route linking Carness to Kirkwall town centre along the coast, it will also improve the existing green space in terms of access and ecology. This part of the path is an integral part of a longer-term ambition for a route that will ultimately stretch from Hatston to Carness.

8. Recommendations

It is recommended that the proposed Weyland Bay Coastal Path Project is added to the capital programme, at a cost of £285,000 incl. fees, subject to successful outcome from an application to the Transport Scotland's Active Travel Transformation Fund in December 2023 providing 70% of this cost. The Council's contribution then being £85,500 from the Footpaths, Core Path and Cycleway Improvements Fund.

9. Accountable Officers

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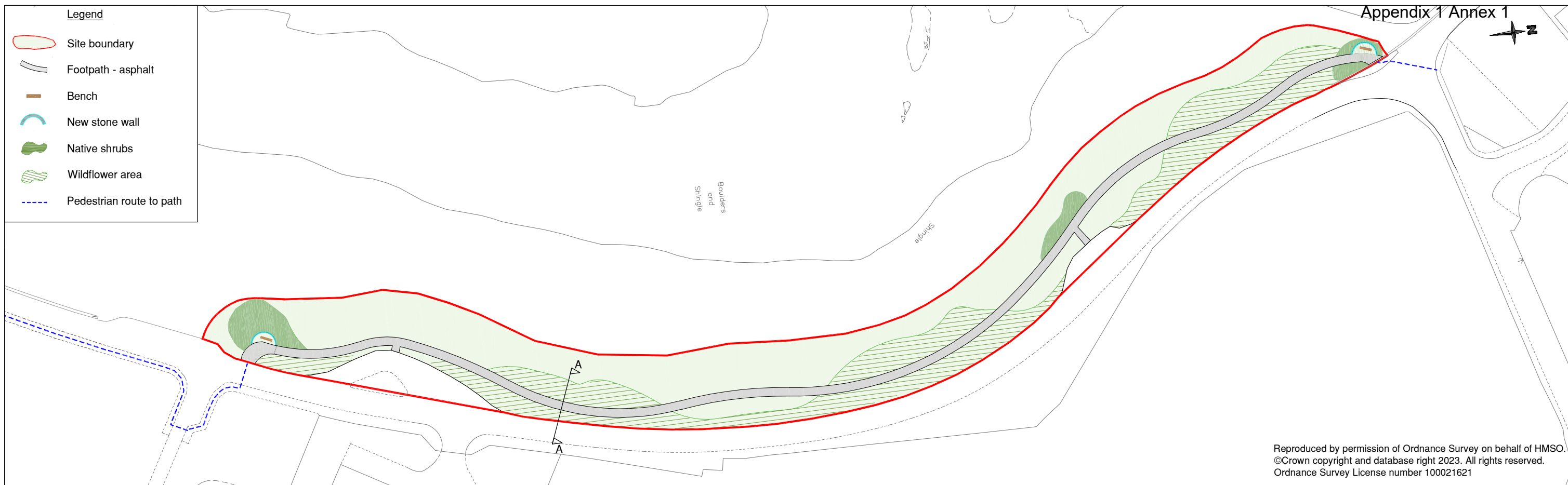
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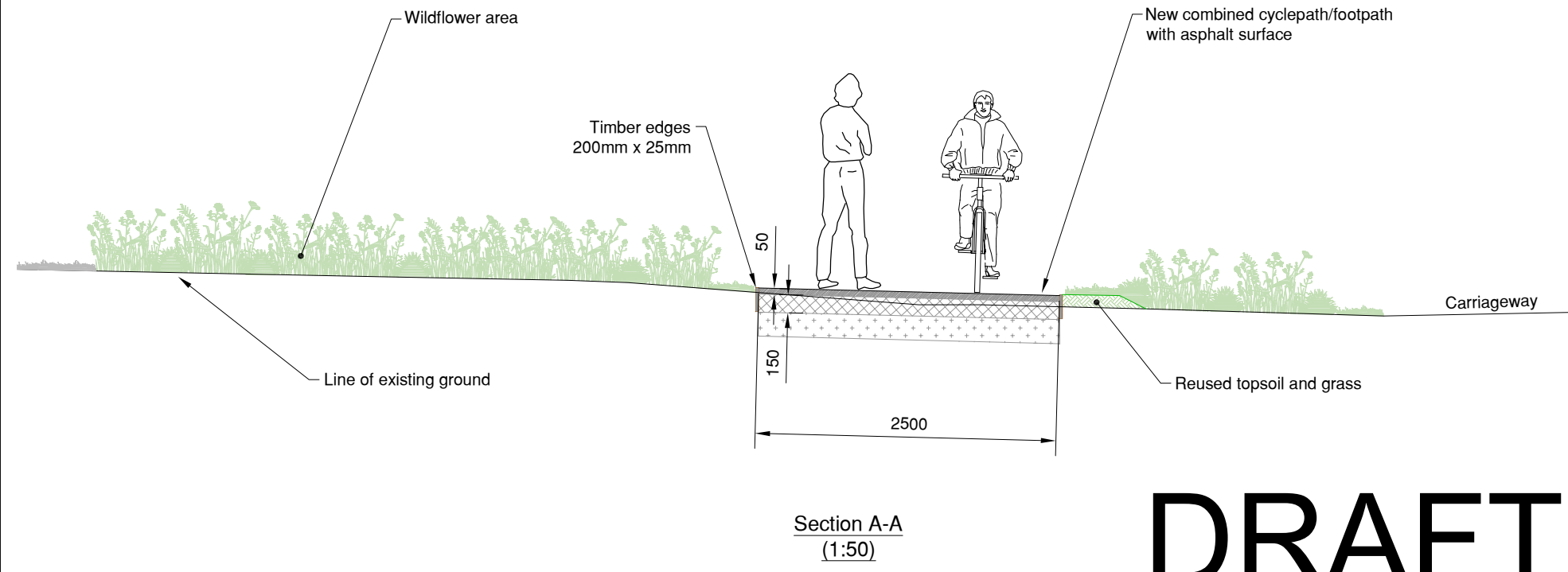
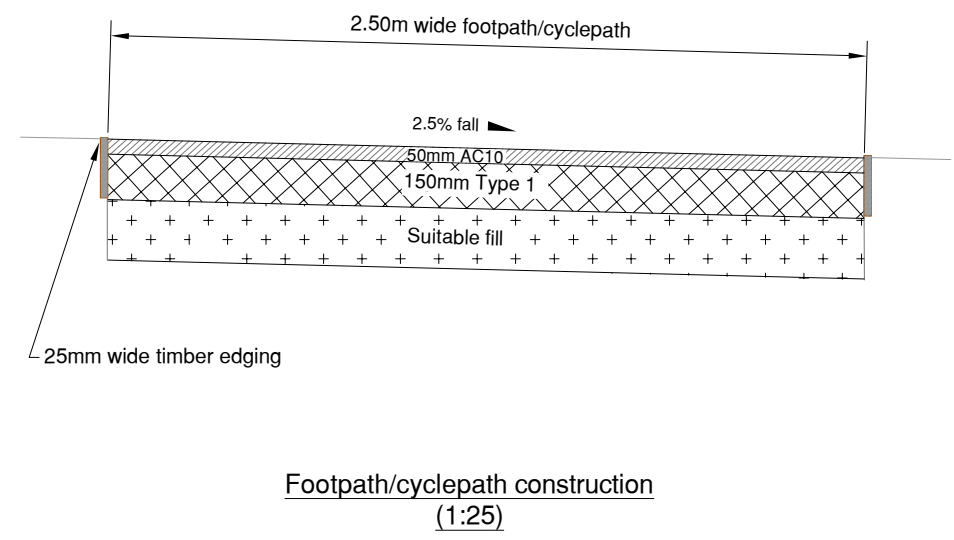
10. Annexes

Annex 1 – Layout Drawing.

Annex 2 – Financial Assessment of Associated Capital and Revenue Expenditure Implications.



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DRAFT

1	Appendix to document - Draft for comment	26/10/23	SG	MH	DC
Rev	Desc	Date	By	Chk	App

File Ref. 1000760		Drawing No. 02	
Revision	1		
Drawn SG	Checked MH	Approved DC	
Date 24/10/23	Scale 1:1000, 1:50, 1:25	Original drawing size 420mm x 297mm (A3)	

Weyland Bay Coastal Path

Proposed Scheme
Overview and Sections

ENGINEERING

NEIGHBOURHOOD SERVICES AND
INFRASTRUCTURE

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STAGE 2 - CAPITAL PROJECT APPRAISAL
FINANCIAL ASSESSMENT OF ASSOCIATED CAPITAL EXPENDITURE IMPLICATIONS

Capital Programme: **General Fund**

Client Service: **Education, Leisure and Housing**

Project Name: **Weyland Bay Coastal Path**

		1	2	3	4	5		
CAPITAL COSTS	Total £ 000	2023/24 £ 000	2024/25 £ 000	2025/26 £ 000	2026/27 £ 000	2027/28 £ 000	Onwards £ 000	Notes
1. Initial Costs (at inflated prices)								
Land or Property Purchase	-	-	-	-	-	-	-	
Other Site Costs (including Fees)	-	-	-	-	-	-	-	
Construction or Improvements	245.0	-	240.0	5.0	-	-	-	
Information Technology Costs	-	-	-	-	-	-	-	
Plant, Vehicles & Equipment	-	-	-	-	-	-	-	
Professional Fees - Consultancy	20.0	7.0	13.0	-	-	-	-	
- In-house	20.0	7.0	13.0	-	-	-	-	
Gross Capital Expenditure	285.0	14.0	266.0	5.0	-	-	-	
2. Initial Funding (at inflated prices)								
Government Grants	-	-	-	-	-	-	-	
Other Grants	285.0	14.0	266.0	5.0	-	-	-	1
Other Financial Assistance	-	-	-	-	-	-	-	
Total Grants Receivable, etc.	285.0	14.0	266.0	5.0	-	-	-	
Net Capital Cost of Project	-	-	-	-	-	-	-	
Net Present Value	-	-	-	-	-	-	-	
Cost of Capital		5%	5%	5%	5%	5%	5%	
Year		0	1	2	3	4	5	

Notes - Additional narrative on main assumptions and support working papers

1 - The project is being developed with the intention to submit it to Transport Scotland's Active Travel Transformation Fund (ATTF)

It is anticipated that the fund will open in December 2023. OIC contribution from the from the Footpaths, Core Path and Cycleway Improvements Fund assumed to be 30% eg. 70% grant funding available.

STAGE 2 - CAPITAL PROJECT APPRAISAL
FINANCIAL ASSESSMENT OF ASSOCIATED REVENUE BUDGET IMPLICATIONS

Capital Programme:	General Fund
Client Service:	Education, Leisure and Housing
Project Name:	Weyland Bay Coastal Path

		1	2	3	4	5	Onwards	Notes
REVENUE COSTS / (SAVINGS)	Total £ 000	2023/24 £ 000	2024/25 £ 000	2025/26 £ 000	2026/27 £ 000	2027/28 £ 000	£ 000	
1. Operating Costs (at inflated prices)								
Staff Costs	-	-	-	-	-	-	-	
Other Staff Costs (incl. recruitment, etc.)	-	-	-	-	-	-	-	
Property Costs	4	-	-	1	1	1	1	1
Supplies and Services	-	-	-	-	-	-	-	
Transport, Vessel and Plant Costs	-	-	-	-	-	-	-	
Administration Costs	-	-	-	-	-	-	-	
Apportioned Costs	-	-	-	-	-	-	-	
Third Party Payments	-	-	-	-	-	-	-	
Finance and Loan Charges	-	-	-	-	-	-	-	
Miscellaneous Expenditure	-	-	-	-	-	-	-	
Gross Revenue Expenditure/(Saving)		-	-					
2. Operating Income (at inflated prices)								
Government Grants	-	-	-	-	-	-	-	
Other Grants	-	-	-	-	-	-	-	
Rents and Lettings	-	-	-	-	-	-	-	
Sales	-	-	-	-	-	-	-	
Fees and Charges	-	-	-	-	-	-	-	
Miscellaneous Income	-	-	-	-	-	-	-	
Gross Revenue Income	-	-	-	-	-	-	-	
Net Expenditure/(Saving) of Project	-	-	-	-	-	-	-	
Net Present Value	-	-	-	-	-	-	-	
Cost of Revenue								
Year		0	1	2	3	4	5	

Notes

1 Net increase in revenue cost required to maintain planting areas.