

(AA) REPORT NO 47_17

Meeting of the Board of Directors of ANGUSalve

Thursday 24 August 2017

Report by Chief Executive Kirsty Hunter

This report requests the Board of Directors approve the proposed use of the Renewal and Repair (R&R) fund in 2017/18.

1 RECOMMENDATIONS

It is recommended the Board:

- i note and approve the proposed use of the Recreation Renewal and Repair (R&R) Fund in the current and future years

2 BACKGROUND INFORMATION

2.1 The Recreation R&R Fund is held by Angus Council for the renewal / refreshment of equipment within leisure and cultural facilities. The equipment utilised by ANGUSalve has remained in the ownership of Angus Council, therefore the renewal / refreshment of such assets will be procured by Angus Council on the basis of ANGUSalve's requirements.

2.2 Historically, contributions into the Recreation R&R Fund have been made where sufficient underspends have arisen within the former Angus Council's Communities Directorate. ANGUSalve may opt to invest a proportion of generated surpluses to supplement any contributions from Angus Council to the R&R Fund to ensure resources are available for future investment in equipment replacement.

2.3 The uncommitted balance in the R&R Fund as at 01 April 2017 is £570,738 as follows:

£	
Opening balance at 1 April 2016	325,615
Contribution to Fund (2015/16 Communities Directorate / ANGUSalve underspend)	250,000
2016/17 interest	1,283
Drawdowns from Fund to fund 2016/17 capital expenditure:	
Leisure Equipment Replacement Programme 2015/16	(2,271)
Cultural / Digital IT Equipment Upgrade	(7,830)
Montrose Town Hall – Steinway Piano Restoration	(12,050)
Leisure / Cultural Equipment Replacement Programme 2016/17	(234,009)
Closing balance at 31 March 2017	320,738
Contribution to Fund (2016/17 ANGUSalve surplus, in lieu of management fee)	250,000

Closing balance at 31 March 2017 after 2016/17 contribution	570,738
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2.4 The utilisation of these resources in 2017/18 and beyond will require to be considered by ANGUSalive and will thereafter be built into Angus Council's capital programme at its next update (in August 2017).

3 PROPOSALS

3.1 The proposed breakdown of the £250,000 spend in 2017/18 is detailed in the following table:

Facility	Estimated Expenditure
Arbroath Sports Centre	£10,610
Brechin Community Campus	£2,100
Carnoustie Leisure Centre	£11,979
Forfar Community Campus	£3,555
Montrose Sports Centre	£133,050
Saltire Sports Centre	£7,049
Webster's Sports Centre	£29,549
Arbroath Community Centre	£4,000
Webster Memorial Theatre	£9,054
Monikie Country Park	£1,000
Outdoor Education	£1,405
Libraries	£1,900
Museums and Galleries	£8,385
OneLan System	£25,000
Contingency	£1,364
Total	£250,000

3.2 It should be noted that a large proportion of the proposed expenditure will be used to purchase essential fitness suite equipment for Montrose Sports Centre. This was carried forward to 2017/18 following the decision to prioritise installation of new fitness equipment at Forfar Community Campus when it opened in 2016/17, with previous equipment from Lochside Leisure Centre, Forfar transferring to Montrose Sports Centre.

4 FINANCIAL IMPLICATIONS

4.1 The estimated total cost of the 2017/18 replacement programme is £250,000 and includes the replacement of equipment at Libraries, Customer & Culture locations, as well as the Sports & Leisure facilities. It will be the responsibility of Angus Council to procure the equipment on the basis of the requirements specified by ANGUSalive.

4.2 The uncommitted balance available on the R&R Fund as at 01 April 2017 was £570,738. The 2017/18 programmed expenditure will reduce this balance to £320,738.

4.3 The implementation of the future years planned programme of investment is subject to the availability of funding in those years and funding details will be confirmed in the appropriate future years.

Kirsty Hunter

Chief Executive