

Item: 6

Asset Management Sub-committee: 26 January 2021.

Corporate Asset Improvement Programmes.

Expenditure Monitoring.

Report by Head of Finance.

1. Purpose of Report

To advise on the capital position as at 31 December 2020 in respect of corporate asset improvement programmes, the IT capital improvement programme and the Plant and Vehicle replacement programme

2. Recommendations

The Sub-committee is invited to note:

2.1.

The summary position of expenditure incurred, as at 31 December 2020, against the approved corporate asset capital improvement and replacement programmes for 2020/21, as detailed in section 4.1 of this report.

The Sub-committee is invited to scrutinise:

2.2.

The detailed analysis of expenditure figures and project updates, attached as Appendix 1 to this report, in order to obtain assurance with regard to significant budget variances and progress made with delivery of the approved corporate asset capital improvement and replacement programmes for 2020/21.

3. Background

3.1.

The Corporate Asset Management Plan 2019 to 2023 takes account of guidance produced by the Chartered Institute of Public Finance and Accountancy and has streamlined the suggested framework to incorporate and complement the existing Capital Project Appraisal system.

3.2.

The Corporate Asset Management Plan summarises the Council's aims and objectives for its assets to ensure that they are used in an effective and efficient manner. This has been further supplemented by the Property Asset Management Plan approved on 10 December 2019.

3.3.

The purpose of this report is to present an overview or summary of the spend to date against the approved programmes to allow Members the opportunity to scrutinise spending levels against approved budgets and gauge the extent to which the Council's assets are routinely being maintained and replaced.

4. Budget Monitoring

4.1.

The undernoted table shows the position of expenditure incurred for the period 1 April to 31 December 2020, against approved programmes for 2020/21:

Description.	Expenditure as at 31 December 2020	Budget 2020 to 2021.	Probable Out-turn 2020 to 2021.	Overspend/ (Underspend)
General Fund – Capital Improvement Programme.	£1,017,461.	£3,068,200.	£1,744,143.	(£1,324,057).
Strategic Reserve Fund – Capital Improvement Programme.	£0.	£118,600.	£3,000.	(£115,600).
General Fund - Plant, Equipment and Vehicle Replacement Programme.	£178,195.	£1,210,868.	£913,777	(£297,091).
Trading Services - Plant, Equipment and Vehicle Replacement Programme.	£33,781.	£144,750.	£181,774.	£37,024.
IT Replacement Programme.	£224,106.	£461,688.	£441,688.	(£20,000).
Total.	£1,453,543.	£5,004,106.	£3,284,382.	(£1,719,724).

4.2.

Appendix 1, attached to this report, provides a detailed analysis of the expenditure figures shown above, including comments from budget holders.

4.3.

Appendix 1 also provides details of the probable outturn reported on 3 November 2020 which can be compared directly with the current probable outturn to show the increase or decrease in the estimated expenditure on each project for financial year 2020/21.

5. General Fund – Capital Improvement Programme

5.1.

Actual spend on the General Fund Capital Improvement Programme as at 31 December 2020 is £1,017,461.

5.2.

It is anticipated that the budget will be underspent by £1,324,057 by 31 March 2021, with a probable out-turn of £1,744,143. The underspend can be split between the Early Learning and Childcare projects and General Fund projects, with approximately £1,150,000 attributed to the Early Learning and Childcare projects.

5.3.

On 30 June 2020, the Council exceptionally agreed a budget virement of £100,225 away from the General Fund capital improvement programme for financial year 2020/21 in order to meet the additional funding requirements for another project.

5.4.

The reduction in the original budget shown at section 5.3 above was offset by an increase of £1,817,000 in the year to give a revised gross expenditure budget for 2020/21 of £3,068,200, as follows:

- £1,251,200 in respect of the General Fund annual improvement programme.
- £75,000 in respect of works to 4th Barrier Public Convenience, to be funded through an insurance settlement.
- £637,000 in respect of Early Learning and Childcare development for 2020/21.
- £1,105,000 approved slippage in respect of delivery of 2019/20 Early Learning Childcare capital works.

5.5.

The majority of the underspend is associated with the Glaitness School Nursery project, with delays incurred during development of the design. The design is now finalised, and work is progressing on the contract documents. Progress has also been affected by resource issues within Development and Infrastructure over the current financial year. The resource issue has also affected delivery of the remaining General Fund capital projects. This has been raised with Senior Management Team and part of the capital programme development discussions, and it has been agreed that the resource levels in the property team will be reviewed to ensure delivery of the capital programme.

5.6.

Where possible cancellations or delays on the commencement of planned works are replaced with alternative planned projects from within the indicative programmes previously approved for delivery in future years.

6. Strategic Reserve Fund – Capital Improvement Programme

6.1.

There is currently no spend on the Strategic Reserve Fund Capital Improvement Programme.

6.2.

It is anticipated that the budget will be underspent by £115,600 by 31 March 2021, with a probable out-turn of £3,000.

7. Plant, Equipment and Vehicle Replacement Programme

7.1.

At its meeting on 1 September 2020, the Asset Management Sub-committee noted that, although the proposed plant and vehicle replacement programme for 2020/21 exceeded the approved budget of £1,200,000 by £71,782, actual spend at the end of the financial year would be contained within the overall approved budget.

7.2.

The Council has successfully applied for Switched on Fleet funding in 2020/21. This contribution towards the purchase of electric vehicles will reduce the overall cost to the Council by £10,868, with the approved budget increased accordingly.

7.3.

Actual spend on the Plant, Equipment and Vehicle Replacement Programme as at 31 December 2020 is £178,195, with further committed spend of £557,216 in respect of orders placed but not yet received, giving a projected spend to date of £735,411.

7.4.

With a probable full year out-turn forecast at £913,777, it is currently projected that the budget may be underspent by £297,091 as at 31 March 2021 (or £368,873 underspent relative to the original approved replacement programme). Suppliers cite delays caused by COVID-19 and Brexit as the reason for revised delivery dates.

7.5.

In addition to the General Fund expenditure of £178,195, as shown at section 4.1 above, a further purchase totalling £33,781 was made on behalf of, and fully funded by, the Quarries trading service.

8. IT Replacement Programme

8.1.

Actual spend in respect of the IT Replacement Programme as at 31 December 2020 is £224,106.

8.2.

Project budgets are based on estimated equipment costs, with procurement processes still to be completed. Actual costs vary through the year as a result of several factors, including poor exchange rates.

8.3.

The IT Replacement Programme annual budget has been increased during the year to £461,688 in respect of a Digital Devices and Connectivity grant award from the Scottish Government, linked to the COVID-19 crisis. Expenditure on the purchase of additional devices to allow children to work from home, and remove digital disadvantage as far as possible, will be fully funded up to £121,688. It is anticipated that the grant will be fully expended during financial year 2020/21.

8.4.

It is anticipated that the budget will be underspent by £20,000 by 31 March 2021, with a probable out-turn of £441,688.

9. Corporate Governance

This report relates to the Council complying with its governance and financial processes and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

10. Financial Implications

10.1.

The Financial Regulations state that service directors are able to incur expenditure within approved revenue and capital budgets. Such expenditure must be in accordance with the Council's policies and objectives and subject to compliance with the Financial Regulations and approved schemes of delegation.

10.2.

It is a requirement of the Capital Project Appraisal process that all planned capital improvement works in excess of £150,000 per project, and including works to be delivered over multiple phases, be developed into individual Capital Project Appraisal business cases for formal review and approval as may be considered appropriate going forward.

10.3.

The development of a corporate approach to asset management planning should lead to efficiencies in the use of fixed assets, together with the potential for rationalisation of the Council's property estate going forward.

10.4.

More detailed monitoring of expenditure on the corporate asset capital improvement programmes will result in improved accountability in relation to the deliverance of the approved programmes of work and ensure members are kept informed of progress.

11. Legal Aspects

Regularly monitoring expenditure on the approved corporate asset capital improvement programmes helps the Council meet its statutory obligation to secure best value.

12. Contact Officers

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Colin Kemp, Corporate Finance Senior Manager, Email colin.kemp@orkney.gov.uk.

13. Appendix

Appendix 1: Corporate Property Asset Improvement Programmes 2020/21.

General Fund Capital Improvements	Actual Spend as at 31/12/2020	Budget 2020/21	Revised Budget 2020/21	Probable Out-turn 2020/21	Overspend/ (Underspend)	Previously Reported Probable Out-turn 2020/21	Increase/ (Decrease) in Reported Probable
General Fund Programme: Approved Programme	£525,035	£1,426,400	£1,306,200	£1,114,143	(£192,057)	£1,184,143	(£70,000)
General Fund Programme: Projects Added During Year	£14,825	£0	£20,000	£45,000	£25,000	£20,000	£25,000
Early Learning & Childcare Grant Funded Nursery Projects	£477,601	£637,000	£1,742,000	£585,000	(£1,157,000)	£80,000	£505,000
Total General Fund Capital Improvement Programme	£1,017,461	£2,063,400	£3,068,200	£1,744,143	(£1,324,057)	£1,284,143	£460,000

Asset Name	Description							
1	Glaitness School	£0	£140,000	£0	£0	£0	£0	£0
Alterations to Primary Areas - Special needs accommodation alterations to meet user requirements.								
Update: Project initially planned for 2020/21, but likely to be delayed due to resourcing issues. £140k expenditure re-scheduled from 2020/21 to 2021/22, with surplus budget to be utilised by other projects within the programme.								
2	H88 - OIC Depot	£0	£89,000	£89,000	£0	(£89,000)	£0	£0
75m2 new build extension to accommodate Roads Team.								
Update: Project on hold due to COVID restrictions. Works to be reprogrammed in 2021/22 taking account of staff consultation issues.								
3	Kirkwall Town Hall	£3,618	£20,000	£20,000	£10,000	(£10,000)	£20,000	(£10,000)
High level survey and scheme design- Identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan.								
Update: Tender accepted June 2020. Survey works initially planned for August, but delayed due to poor weather and were eventually done in September. Awaiting survey reports which will be developed into a scheme of works over the coming months. Design works will be concluded 2020/21 as planned, and anticipate that budget allocation for current period will be utilised.								
4	St Margaret's Hope Primary School	£0	£20,000	£20,000	£10,000	(£10,000)	£10,000	£0
Improve thermal performance of building - Overhangs all round, cloaked verge to gables with small overhang, flashings probably required on gables only. Install new high performance doors and windows. Replace fascia's, soffits, gutters and downpipes. Boiler and flue improvement works to include new high efficiency oil boiler, pressurisation unit and expansion vessel.								
Update: External wall insulation - Design works commenced Autumn 2020, and planned to be on site 2021/22, having slipped by 1 year. Boiler installation - design work is substantially complete, but other commitments have resulted in this project slipping to 2022/23. Anticipated out-turn of £10k, with underspend to be utilised by other current year projects. Delayed expenditure to be profiled to 2021/22.								
5	Orphir Primary school	£0	£20,000	£20,000	£0	(£20,000)	£10,000	(£10,000)
External wall insulation, no overhang on roof, window / door replacement, flashing system required at roof junction. Boiler and flue improvement and upgrading works, comprising new high efficiency oil boiler and balanced flue.								
Update: Replacement Oil Boiler initially due to be undertaken during 2019/20, but resourcing issues delayed the project. Project rolled forward and co-ordinated with external wall insulation works. External wall insulation - project delayed due to resource issues. No expenditure to occur this financial year, underspend utilised by other current year projects and planned expenditure to be rolled forwards. Works initially planned for 2021/22, but to be re-scheduled for 2022/23.								

	General Fund Capital Improvements	Actual Spend as at 31/12/2020	Budget 2020/21	Revised Budget 2020/21	Probable Out-turn 2020/21	Overspend/ (Underspend)	Previously Reported Probable Out-turn 2020/21	Increase/ (Decrease) in Reported Probable
6	Pickaquooy Centre & Playing Fields Replace internal lighting and car park lighting with new LED fittings. Update: Project was initially delayed when the overall General Fund budget was exceptionally reduced by £100k to facilitate budget virement within the Council's approved Capital Programme (August 2020), but with delays to other projects, efforts are being made to maintain momentum to allow a start to be made during 2020/21. Tender documents have been issued with a return date 20 January 2021. It is anticipated that there will be some expenditure this financial year.	£7,713	£187,000	£86,800	£50,000	(£36,800)	£50,000	£0
7	Sanday Junior High School & Swimming Pool Replace ground source heat pumps Update: Works complete on site with new installation operational, final snagging items to be completed. Project to be fully expended this financial year.	£141,466	£61,100	£92,900	£190,000	£97,100	£190,000	£0
8	Smiddybrae Groundworks for connecting boreholes to heat pumps, borehole installation and replacement heat pumps to allow the building to be run 100% off the ground array system. Update: Borehole works completed May 2019. Interconnecting groundworks complete. Plantroom and heat pump installation - contractor on site however completion was delayed by COVID 19 restrictions. Works are substantially complete on site with final commissioning the outstanding works. Commissioning engineers are not locally based, so ongoing discussions to ensure COVID 19 travel restrictions are adhered to. Overall, an underspend on boreholes and interconnection will be offset by a small overspend on heat pump installation and associated building and infrastructure, resulting in a project out-turn £98k below approved budget.	£168,101	£107,500	£199,700	£200,000	£300	£200,000	£0
9 & 10	Stromness Academy Ph3 & Ph4 Phase 3 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property. Update: Project is currently on budget and programme, and likely to be delivered during 2020/21 assuming there are no further COVID 19 restrictions.	£70,703	£441,000	£441,000	£421,000	(£20,000)	£441,000	(£20,000)
11	Stronsay Junior High School & Swimming Pool Upgrade hot and cold water distribution system Inc. cold water storage tanks, and install either trace heating** or pumped return to hot water circuit to improve circulation. Trace heating found to have failed somewhere over its length. Hot water pipework to be replaced with a 2 pipe system which will need to be designed. Scheme involves the use of local point of use water heaters to the hard to reach areas. Additionally a review of the cold water system identified that booster pumps were required **Trace heating: electrical cable wrapped around the copper pipe, which provides heat to keep water in the pipe at a set temperature for legionella control. Update: Project complete and final account to be prepared. Over commitment to be funded from savings elsewhere within this programme. Overall project is anticipated to be £40k over initial project budget.	£75,406	£103,000	£103,000	£135,000	£32,000	£135,000	£0
12	The Orkney Library & Archive Reduce heat loss through roof. Inset lights that penetrate top floor ceiling to be replaced with surface mounted fittings, re-plaster boarding the ceiling and fitting new LED fittings and fitting additional loft insulation. This will minimise air infiltration through the perforated plasterboard , and through insulation. Update: Lighting - Works have been delayed by COVID 19 restrictions, and other competing projects within the organisation. Given the COVID 19 social distancing constraints, the programme will be reviewed with the clients to establish a realistic programme. Due to resource limitations no expenditure due this financial year. Project spend profile to be re-scheduled over a longer period to permit building users time to re-locate.	£0	£122,400	£98,400	£0	(£98,400)	£30,000	(£30,000)
13	4th Barrier Public Convenience Demolition and re-build following impact damage - Facility closed May 2019 and made secure. Loss adjuster visited site August 2019, and approval to proceed given late January 2020. Update: Project complete and facility open 21 December 2020. Snagging works to be completed.	£39,643	£77,000	£77,000	£77,000	£0	£77,000	£0
14	Contingency	£0	£38,400	£38,400	£0	(£38,400)	£0	£0

General Fund Capital Improvements		Actual Spend as at 31/12/2020	Budget 2020/21	Revised Budget 2020/21	Probable Out-turn 2020/21	Overspend/ (Underspend)	Previously Reported Probable Out- turn 2020/21	Increase/ (Decrease) in Reported Probable
Retention Due During Coming Year								
15	Stromness Academy Ph2	£18,385	£0	£20,000	£21,143	£1,143	£21,143	£0
Phase 2 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property.								
Update: Project complete within budget - retention release delayed by 1 year (budgeted for 2019/20) until making good defects were concluded, with 2020/21 budget revised upwards to reflect this delay.								
Projects Added During Year								
16	Orkney Museum	£3,513	£0	£20,000	£20,000	£0	£20,000	£0
High level survey and scheme design - High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan								
Update: Project accelerated from 2024/25 - although outwith the flexibility built into the multi-year planning approach, the works were prioritised over years 2 and 3 of the indicative programme as other properties were being surveyed and there was the opportunity to fully utilise a specialist Architectural practice to provide specialist conservation advice. Commission comprises the initial survey leading to detailed schemes which will be utilised to procure contractors to undertake the remedial works. Tender accepted June 2020. Survey works initially planned for August, but poor weather delayed the works which were eventually done in September. Awaiting survey reports which will be developed into a scheme of works over the coming months. Underspends elsewhere in the programme will fund these works.								
17	Stromness Town Hall	£3,670	£0	£0	£10,000	£10,000	£0	£10,000
High level survey and scheme design - High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan								
Update: Project accelerated from 2021/22 - As other properties were being surveyed, opportunity to fully utilise a specialist Architectural practice to provide specialist conservation advice was taken. High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan - Commission comprises the initial survey leading to detailed schemes which will be utilised to procure contractors to undertake the remedial works. Tender accepted June 2020. Survey works initially planned for August, but poor weather delayed the works which were eventually done in September. Awaiting survey reports which will be developed into a scheme of works over the coming months. Underspends elsewhere in the programme will fund this works.								
18	Council Offices	£7,642	£0	£0	£15,000	£15,000	£0	£15,000
High level survey and scheme design - High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan								
Update: Project accelerated from 2022/23 - As other properties were being surveyed, opportunity to fully utilise a specialist Architectural practice to provide specialist conservation advice was taken. High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan - Commission comprises the initial survey leading to detailed schemes which will be utilised to procure contractors to undertake the remedial works. Tender accepted June 2020. Survey works initially planned for August, but poor weather delayed the works which was eventually done in September. Awaiting survey reports which will be developed into a scheme of works over the coming months. Underspends elsewhere in the programme will fund this works.								
19	Pickaquooy Centre and Playing Fields	£0	£0	£0	£2,000	£2,000	£0	£2,000
Running track re-coating and line painting - Initial feedback from staff and users suggest that the track may require extensive works, possibly replacement.								
Update: Initial design and survey works for this project accelerated from 2021/22. The works are due to be tendered in 2021/22 as part of the lifecycle upgrade for the athletic track, however this now will be reviewed in light of the change to Island games to ensure track quality will be suitable for the International Island Games in 2025. Awaiting survey reports which will be developed into a scheme once received. Underspends elsewhere in the programme will fund these works.								

General Fund Capital Improvements		Actual Spend as at 31/12/2020	Budget 2020/21	Revised Budget 2020/21	Probable Out-turn 2020/21	Overspend/ (Underspend)	Previously Reported Probable Out- turn 2020/21	Increase/ (Decrease) in Reported Probable	
Nursery projects									
20	Early Learning & Childcare	Works ongoing at various locations. Projects are complete at Burray, Papa Westray and Westray Nurseries. Larger projects being developed for Dounby, Glaitness and Papdale nurseries with minor alterations to be undertaken at Eday, Shapinsay and Stromness nurseries. Current priorities are to have Dounby on site January 2020, Papdale on site March 2020 with Glaitness on site April / May 2020.	£477,601	£637,000	£1,742,000	£585,000	(£1,157,000)	£80,000	£505,000
21	Dounby School	Nursery extension	£133,822	£10,000	£10,000	£160,000	£150,000	£20,000	£140,000
Project complete and facility operational. Final account likely to be £210k, with the client funding £15k. The remaining deficit to be funded from re-profiling the nursery programme.									
22	Glaitness Primary School	Phase 2 - Extension and internal upgrade	£41,076	£575,300	£575,300	£75,000	(£500,300)	£20,000	£55,000
Consultant Architect appointed, commissioned, and design works substantially complete. Planning Department feedback relating to flooding and car parking has been addressed. Tender documentation preparation has commenced, but other commitments are delaying tender issue. Project has been delayed from 19/20, where £826k budget allocation was not utilised, and will be rolled forwards and programme re-profiled. During 20/21 underspend of £500k likely due to delays in procuring the works due to internal resourceing issues. Revised spend profile for the following years.									
23	Papdale Primary School	Phase 2 - Extension and internal upgrade	£302,703	£51,700	£51,700	£350,000	£298,300	£20,000	£330,000
COVID-19 restrictions have resulted in delays in starting the works however project now complete and operational. Final snagging works are being completed. Final account to be prepared, however project £298k over the original budget, with commitment funded from elsewhere in the programme.									
24	2019/20 Unallocated Slippage	2019/20 Approved slippage - Discussion ongoing regarding planned programme of works due to delays in this programme, especially Glaitness Primary School.	£0	£0	£1,105,000	£0	(£1,105,000)	£20,000	(£20,000)
Contact Officer- Ian Rushbrook, Extension 2713			£1,017,461	£2,063,400	£3,068,200	£1,744,143	(£1,324,057)	£1,284,143	£460,000

Strategic Reserve Fund Capital Improvements		Actual Spend as at 31/12/2020	Budget 2020/21	Probable Outturn 2020/21	Overspend/ (Underspend)	Previously Reported Probable Out- turn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Asset Name	Description						
Buoy Store, NLB Pier	Re-cladding and provision of toileting facilities	£0	£3,000	£3,000	£0	£3,000	£0
Re-cladding and provision of toileting facilities - Re-cladding postponed following a review by D & I - Roofing element (cladding) slipped into 2023/24. Toilet design - Project complete, Final Account being prepared to complete the project							
Contingency		£0	£115,600	£0	(£115,600)	£0	£0
Contact Officer- Ian Rushbrook, Extension 2713		£0	£118,600	£3,000	(£115,600)	£3,000	£0

Plant & Vehicle Replacement Programme	Actual Spend as at 31/12/2020	Committed Spend as at 31/12/2020	Capital Budget 2020/21	Probable Outturn 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Planned purchases as approved at AM Sub 1 September 2020								
Welfare Unit/Site Hut Rousay	£23,225	£0	£24,885	£23,225	(£1,660)	WP8965 ordered on 10/07/19 the units did not meet our required specifications on arrival in Orkney. We have retained these as an interim solution while the company are building 3 replacements as per original specifications after which the original 3 units will be returned - replacements are due to be delivered to us w/c January 18/01/21.	£24,885	(£1,660)
Welfare Unit/Small Container Shapinsay	£23,225	£0	£24,885	£23,225	(£1,660)		£24,885	(£1,660)
Welfare Unit/Small Container Stronsay	£23,225	£0	£24,885	£23,225	(£1,660)		£24,885	(£1,660)
Forklift Toyota 1.5t elec.	£0	£37,361	£18,000	£37,361	£19,361	Ordered on 14/10/21 WP9489 Linde - Increased costs due to additional access platform and manbasket attachment rather than purchase a separate Mobile Elevating Works Platform which would be more expensive. Additional costs were authorised by Executive Director. Updated delivery date is now 18/02/21.	£37,361	£0
Brake Tester	£0	£45,545	£46,300	£45,454	(£846)	Ordered on 21/09/20 from Steril UK Ltd . Vehicle Ramp ordered in place of brake tester. Delivery date is now scheduled for w/c 22/02/21.	£45,454	£0
Towerwagon - Iveco 50C50 Aerial Platform	£0	£71,475	£65,000	£71,475	£6,475	Ordered on 19/08/20 from A M Phillip. Delivery is now anticipated at the end of March but there is a risk that it may slip into April. The supplier has advised us that this is primarily due to the impact of increased consumer demand on chassis relating to the concerns about COVID-19 lockdown and Brexit.	£71,475	£0
Roller - Bomag BW120AD-3	£18,500	£0	£18,500	£18,500	£0	Ordered on 15/07/20 from Scot JCB Ltd - Delivered on 27/10/20.	£18,500	£0
Roller - Hamm HD8 Tandem	£18,500	£0	£18,500	£18,500	£0	Ordered on 15/07/20 from Scot JCB Ltd - Delivered on 27/10/20.	£18,500	£0
Roller - Hamm HD12 3 tonne Vibrating Plate	£18,500	£0	£18,500	£18,500	£0	Ordered on 15/07/20 from Scot JCB Ltd - Delivered on 27/10/20.	£18,500	£0
Compressor CH C20P 71cfm	£0	£0	£10,000	£0	(£10,000)	Not to be replaced (Excess to requirements of service now).	£8,500	(£8,500)
Compressor - Compare C20	£6,195	£0	£6,440	£6,195	(£245)	This arrived from Balgownie Ltd 24/08/20 reference (P160018).	£6,195	£0
SEP 1700 Pedestrian Sweeper x 2 + Blade	£19,610	£0	£17,000	£19,610	£2,610	This arrived from Lift Safe Ltd on 15/10/20.	£19,610	£0
Wideford Generator	£0	£0	£20,000	£0	(£20,000)	Unlikely to be replaced 2020/21 . Awaiting confirmation of need for replacement in future years.	£0	£0
Demount Gritter - Epoke 4m3 fitted to SV12 BZE	£0	£0	£22,000	£0	(£22,000)	Original Tender withdrawn following operational review.	£0	£0
Gritter - Iveco Dedicated 18 tonne	£0	£0	£100,000	£0	(£100,000)	Original Tender withdrawn following operational review - the replacement of this vehicle is surplus to the operational requirements of the service and will be dropped from the programme going forward into future years.	£90,000	(£90,000)
Gritter Mercedes 1824 Axor/Epoke Sirius	£0	£0	£132,000	£0	(£132,000)	Original tender was withdrawn due to outcomes of operational review and second tender was withdrawn due to issue with supplier changing their commitment on price and delivery times. This is now programmed to be retendered as combined truck and body for 2021/22.	£90,000	(£90,000)
Gritter Mercedes 1823 Axor/Epoke	£0	£0	£132,000	£0	(£132,000)	The original tender was withdrawn due to the outcomes of an operational review and the second tender was withdrawn due to issue with supplier changing their commitment on price and delivery times. Programmed to be retendered as combined truck and body for 2021/22.	£0	£0
Econ Demount Gritter fitted to SP65 YFB	£0	£0	£18,000	£0	(£18,000)	Original Tender withdrawn following operational review.	£0	£0
Excavator	£0	£80,775	£80,775	£80,775	£0	Ordered on 15/07/20 from Scot JCB Ltd. The excavator is now at the JCB Muir of Ord factory undergoing a pre delivery inspection and registration. Delivery to us is now scheduled for the w.c 01/02/21 unless there are further restrictions on movement due to COVID-19 lockdowns. We should receive the machine by this date.	£80,775	£0

Plant & Vehicle Replacement Programme	Actual Spend as at 31/12/2020	Committed Spend as at 31/12/2020	Capital Budget 2020/21	Probable Outturn 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Recycler Lorry	£0	£0	£175,000	£0	(£175,000)	Initial tender for a top loader recycling vehicle was withdrawn after an operational review. A subsequent re tender was issued for a Splitback RCV (Refuse Collection Vehicle) which was ordered on 29/10/20 from Farid Hillend Motors on order number WP9508. The supplier has advised us on 11/01/21 that the production has slipped due to COVID-19 lockdowns earlier in 2020 and that the anticipated delivery date is now rescheduled for April 2021.	£185,000	(£185,000)
Open Skip	£4,600	£0	£4,000	£4,660	£660	This skip has been substituted with a 20 foot skeletal Hooklift container frame as per instructions from Environmental Services Facilities Manager. This was ordered on 29/09/20 from Skip Units Ltd and delivered on 3/12/20 reference (W114314).	£4,660	£0
HL20 CLOSED SKIP FULL HEIGHT	£4,600	£0	£4,000	£4,660	£660	This skip has been substituted with a 20 foot skeletal Hooklift container frame as per instructions from Environmental Services Facilities Manager. This was ordered on 29/09/20 from Skip Units Ltd and delivered on 3/12/2020 reference (W114315).	£4,660	£0
HL5 PAPERBANK	£4,660	£0	£4,000	£4,660	£660	This skip has been substituted with a 20 foot skeletal Hooklift container frame as per instructions from Environmental Services Facilities Manager. This was ordered on 29/07/20 from Skip Units Ltd on the reference (W114311) and delivered on 06/10/20.	£4,660	£0
HL5 Recycling Skip 3 Compartment	£4,660	£0	£5,000	£4,660	(£340)	This skip has been substituted with a 20 foot skeletal Hooklift container frame as per instructions from Environmental Services Facilities Manager. This was ordered on 29/07/20 from Skip Units Ltd on the reference (W114312) and delivered on 06/10/20.	£4,660	£0
Pickup - Mercedes-Benz	£0	£37,080	£28,000	£37,080	£9,080	This was ordered on 07/09/20 from A M Phillip. The supplier has advised that this should still be delivered to us by the end of March but there is a risk that it may slip into April if there are further restrictions due to COVID-19 lockdowns.	£37,080	£0
Scarab Euro 4 Minor Road Sweeper	£0	£0	£85,000	£0	(£85,000)	Ordered on 13/08/20 from Bucher Municipal Ltd. Delivery was due at the end of March but supplier has advised that due to Brexit and COVID-19 related delays this has now slipped into an April delivery. We are pushing them to make the delivery in March but we feel that this is unlikely now.	£80,657	(£80,657)
Forklift - Electric 2 tonne 4 Wheel	£0	£33,890	£25,000	£33,890	£8,890	Ordered on 08/10/20 from Balgownie Equipment. Delivery now due w/c 22/03/21.	£33,890	£0
COMPRESSOR COMPARE C20	£0	£0	£10,000	£0	(£10,000)	Not to be replaced. (Excess to requirements of the service now.)	£0	£0
Van Ford Transit	£0	£16,332	£18,000	£16,332	(£1,668)	Ordered on 10/09/20 from Renault UK Ltd. Delivery is now due w/c 01/02/21.	£16,332	£0
Van - Ford Transit	£0	£28,112	£28,112	£28,112	£0	Ordered on 15/07/20 from Renault UK Ltd .Delivery is now due w/c 01/02/21.	£28,112	£0
Ford Transit (Leisure Services)	£0	£16,332	£18,000	£16,332	(£1,668)	Ordered on 10/09/20 from Renault UK Ltd - Delivery is now due w/c 01/02/21.	£16,332	£0
Van - Volkswagen Caddy (Education, Leisure & Housing Services)	£0	£20,723	£15,000	£20,723	£5,723	Ordered on 12/11/20 from Marshall Motor Group order number WP9527. This has been replaced with an electric Nissan vehicle. The grant funded cost differential in this case between the supply of a similar diesel vehicle and an electric vehicle is £3326.53. Therefore £3326.53 of this overspend will be covered by Grant funding from Switched on Fleets reducing the total overspend to £2397. Delivery is now scheduled for w/c 25/02/21.	£15,000	£5,723
Van - Ford Transit (Occupational Therapy)	£0	£0	£20,000	£0	(£20,000)	These replacements have had to be carried forward into 2021/22 programme, this is due to delayed response from service on requirements and specification.	£20,000	(£20,000)
Renault Master Minibus (OHAC)	£0	£0	£35,000	£0	(£35,000)	These replacements have had to be carried forward into 2021/22 programme, this is due to delayed response from service on requirements / specification.	£20,000	(£20,000)
Contingency	£0	£0	(£71,782)	£0	£71,782	Savings target per original approved programme. There was no contingency spend originally pr	£0	£0

Plant & Vehicle Replacement Programme	Actual Spend as at 31/12/2020	Committed Spend as at 31/12/2020	Capital Budget 2020/21	Probable Outturn 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Additional Purchases in 2020/21								
Waste - 2nd Hand Split back dustcart	£0	£43,556	£0	£43,556	£43,556	Additional item required due to COVID-19 implications on waste operations. The vehicle was initially hired to trial on the service with view to purchase if successful. This approach was approved by Head of Infrastructure and Strategic Projects. The trial of the vehicle was successful so the invoice for purchase of the vehicle will be processed in January 2021. The vehicle is currently in service and working on our waste collection routes.	£43,556	£0
Trommel Screener	£0	£77,800	£0	£77,800	£77,800	The current asset was becoming unservicable and beyond economic repair, Request for replacement made by Environmental Services Facilities Manager. This was ordered on 26/11/20 from Molson Young Plant Sales. The supplier has advised and updated that it will be delivered by w/c 01.03.21.	£65,000	£12,800
VW Caddy (Catering Services)	£0	£20,723	£0	£20,723	£20,723	This was added to programme to enable grant funding qualification for electric vehicles. We are grant funded on the difference between the cost of a replacement diesel vehicle and a new electric vehicle which are more expensive. In this case the grant funded cost differential is £3326.53 . Ordered 12/11/20 from Marshall Motor Group - Delivery Scheduled for 25/02/21.	£22,000	(£1,277)
Dennis Eagle 12t RCV (Roads and Waste Services)	£0	£0	£0	£106,000	£106,000	To be passed as direct award to Dennis Eagle who have the vehicle in stock 07/01/21. Delivery is scheduled for March 2021. This will replace a currently leased 12 tonne Refuse Collection vehicle with costs of £36,000.00 per annum. These lease costs will therefore be saved. Purchase was authorised after discussion with Head of Finance and Roads and Environmental Services Manager.	£0	£106,000
Tractor	£0	£0	£0	£72,000	£72,000	Specification has been passed to Procurement 07/01/21 to be issued for tender w/c 11/01/21. With the anticipated delivery date of March 2021 for the vehicle. This purchase has been accelerated from the 21/22 schedule to cover verge cutting and gritting services next year. This was authorised after discussion with Head of Finance and Roads and Environmental Services Manager.	£0	£72,000
Self Loading Gritter	£8,695	£0	£0	£8,695	£8,695	Ordered from Agritrend Ltd 17/11/20 following a review of winter operations and delivered to us on 04/12/20. This was authorised by Roads and Environmental Services Manager. It was purchased as additional equipment to support gritting operations in Flotta and the outer isles. The invoice was processed for payment on 07/12/20.	£0	£8,695
Kerston Path Renovator	£0	£5,850	£0	£5,850	£5,850	Ordered on 18/11/20. Purchased as additional equipment to support maintenance of Church Yard pathways and authorised by Roads and Environmental Service Operational Manager. Delivery is now due w/c 25/01/21.	£0	£5,850
VW Caddy (Roads and Waste Services)	£0	£21,663	£0	£22,000	£22,000	This was added to programme to enable grant funding qualification for electric vehicles. We are grant funded on the difference between the cost of a replacement diesel vehicle and a new electric vehicle which is more expensive. In this case the grant funded cost differential is £4216.53. The vehicle was ordered on 12/11/20 from Marshall Motor Group. Delivery is scheduled for 25/02/21.	£22,000	£0
VW Caddy (Roads and Waste Services)	£0	£0	£0	£0	£0	This was withdrawn from additional purchases as a leased vehicle using Switched on Fleet grant funding is to be used instead.	£22,000	(£22,000)
Switched on Fleet Grant	£0	£0	£10,868	£0	(£10,868)	Grant funding linked to the purchase of three electric vehicles above.	£0	£0
GENERAL FUND	£178,195	£557,216	£1,210,868	£913,777	(£297,091)		£1,225,124	(£311,346)

Plant & Vehicle Replacement Programme	Actual Spend as at 31/12/2020	Committed Spend as at 31/12/2020	Capital Budget 2020/21	Probable Outturn 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Trading Service Purchases - funded by the Service								
Quarries - JCB Load all 541-70	£0	£86,750	£86,750	£86,750	£0	Ordered on 15/07/20 Scot JCB. Delivery expected by 25/01/2021. Authorised by Quarry Manager.	£86,750	£0
Education-College - Ford Ranger 4X4 Pickup	£0	£22,415	£25,000	£22,415	(£2,585)	Ordered on 26/08/20 Ford Motor Co. Delivery due w/c 22/02/2021. Authorised by Principle/ Technician (Agronomy Institute), Orkney College.	£22,415	£0
Marine Services - Nissan E-nv200 Elec Van	£0	£17,448	£15,000	£17,448	£2,448	Ordered on 16/12/20 from Renault. Delivery due here 01/03/21. Authorised by Assistant Technical Superintendent/Deputy Harbour Master (Strategy & Support), Marine Services.	£0	(£17,448)
Marine Services - Peugeot Boxer Van	£0	£21,154	£18,000	£21,154	£3,154	Ordered on 16/12/20 from Renault. Delivery due here 01/03/21. Authorised by Assistant Technical Superintendent/Deputy Harbour Master (Strategy & Support), Marine Services.	£0	(£21,154)
Additional Purchases in 2020/21								£0
Quarries - Boretrak and Profiler	£33,781	£0	£0	£34,008	£34,008	Ordered on 22/09/20 from Carlson Emea - The old piece of equipment was unserviceable and beyond repair - this is an essential piece of equipment for the continuing operations of quarry requested by Quarry Manager-and approved by Head of Infrastructure and Strategic Projects. Quarry Manager advised that equipment was delivered in October 2020 and payment processed date but date not confirmed when payment processed through Integra.	£34,008	£0
NON-GENERAL FUND	£33,781	£147,766	£144,750	£181,774	£37,024		£143,173	(£38,601)
Contact Officer - Darren Richardson, Extens	£211,976	£704,982	£1,355,618	£1,095,552	(£260,066)		£1,368,297	(£349,948)

INFORMATION TECHNOLOGY CAPITAL REPLACEMENT PROGRAMME 2020/2021

Project Name	Actual Spend as at 31/12/2020	Capital Budget 2020/2021	Provisional Outturn 2020/2021	Overspend (Underspend)	Previously Reported Probable Outturn 2020-2021	Increase/ (Decrease) in Reported Probable Outturn
Desktop Replacement						
<i>Desktop Replacement</i>	£74,136	£80,000	£120,000	£40,000	£80,000	£40,000
PC Replacements are currently being deployed into Schools and OIC offices, with the aim of accelerating £40k of expenditure.						
Datacentre Replacements						
<i>SAN & Data Storage</i>	£0	£80,000	£65,000	(£15,000)	£80,000	(£15,000)
Project is out for tender with responses due. This project is now forecast to complete in June 2021, but infrastructure may be delivered before end of financial year. There is a risk that supply chain disruption due to COVID-19 and post Brexit import arrangements may add further delay and disruption.						
Server Replacements						
<i>Replacement of Virtual and Physical Servers.</i>	£0	£45,000	£10,000	(£35,000)	£45,000	(£35,000)
Project is out for tender with responses due. This project is now forecast to complete in June 2021, but infrastructure may be delivered before end of financial year. There is a risk that supply chain disruption due to COVID-19 and post Brexit import arrangements may add further delay and disruption.						
<i>Failures and Emergency Replacements of Capital Equipment</i>	£0	£50,000	£40,000	(£10,000)	£40,000	£0
Emergency replacement works have been required, but costs have not yet been invoiced.						
Local Area Network Replacements						
<i>Replacement of Wireless Access Controller and Redundant Network Switches.</i>	£64,201	£65,000	£65,000	£0	£65,000	£0
Equipment has been delivered and configured and is currently in deployment, project will complete on track and on time.						
Wide Area Network Replacements						
<i>Fibre to sites in Stromness from Maraquoy tower</i>	£0	£20,000	£20,000	£0	£20,000	£0
No progress at present.						
Additions to Approved Programme						
<i>Digital Devices & Connectivity Grant Expenditure</i>	£85,768	£121,688	£121,688	£0	£0	£121,688
Purchase of devices to allow children to work from home and remove digital disadvantage as far as possible. Expenditure up to £121,688 to be fully funded following the award of a Digital and Connectivity grant from the Scottish Government, linked to the COVID-19 crisis. All input devices have been purchased and distributed to pupils, and progress is being made on the connectivity devices with a view to purchasing these during the current financial year.						
Contact Officer - Kenny Macpherson, Extension 3007	£224,106	£461,688	£441,688	(£20,000)	£330,000	£111,688