

Item: 6

Asset Management Sub-committee: 3 November 2020.

Corporate Asset Improvement Programmes.

Expenditure Monitoring.

Report by Head of Finance.

1. Purpose of Report

To monitor expenditure incurred against the approved corporate asset capital improvement programmes, as at 30 September 2020.

2. Recommendations

The Sub-committee is invited to note:

2.1.

The summary position of expenditure incurred, as at 30 September 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 30 September 2020, against approved programmes for 2020/21:

Description.	Expenditure as at 30 September 2020	Budget 2020 to 2021.	Probable Out-turn 2020 to 2021.	Overspend/ (Underspend)
General Fund – Capital Improvement Programme.	£516,050.	£3,068,200.	£1,844,143.	(£1,224,057).
Strategic Reserve Fund – Capital Improvement Programme.	£0.	£118,600.	£3,000.	(£115,600).
General Fund - Plant, Equipment and Vehicle Replacement Programme.	£6,195.	£1,200,000.	£1,225,124.	£25,124.
Trading Services - Plant, Equipment and Vehicle Replacement Programme.	£0.	£144,750.	£143,173.	(£1,577).
IT Replacement Programme.	£47,847	£340,000.	£330,000.	(£10,000).
Total.	£570,902.	£4,871,550.	£3,545,440.	(£1,326,110).

4.2.

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

5. General Fund – Capital Improvement Programme

5.1.

Actual spend on the General Fund Capital Improvement Programme as at 30 September 2020 is £516,050.

5.2.

It is anticipated that the budget will be underspent by £1,224,057 by 31 March 2021, with a probable out-turn of £1,844,143. The underspend can be split between the Early Learning and Childcare projects and General Fund projects, with approximately £1,100,000 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.

This reduction in the original budget 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 the 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 detail and statutory approvals. 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.

Actual spend on the Plant, Equipment and Vehicle Replacement Programme as at 30 September 2020 is £6,195, with further committed spend of £592,964 in respect of orders placed but not yet received, giving a projected spend to date of £599,159.

7.3.

With a probable full year out-turn forecast at £1,225,124, it is currently projected that the budget may be overspent by £25,124 as at 31 March 2021, however work is ongoing to identify further savings in order to mitigate this position.

8. IT Replacement Programme

8.1.

Actual spend in respect of the IT Replacement Programme as at 30 September 2020 is £47,847.

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.

It is anticipated that the budget will be underspent by £10,000 by 31 March 2021, with a probable out-turn of £330,000.

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

Gareth Waterson, Head of Finance, Email gareth.waterson@orkney.gov.uk.

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 30/09/2020	Budget 2020/21	Revised Budget 2020/21	Probable Out-turn 2020/21	Overspend/ (Underspend)
General Fund Programme: Approved Programme	£256,570	£1,426,400	£1,306,200	£1,184,143	(£122,057)
General Fund Programme: Projects Added During Year	£0	£0	£20,000	£20,000	£0
Early Learning & Childcare Grant Funded Nursery Projects	£259,480	£637,000	£1,742,000	£640,000	(£1,102,000)
Total General Fund Capital Improvement Programme	£516,050	£2,063,400	£3,068,200	£1,844,143	(£1,224,057)

Asset Name	Description					
1	Glaitness School	£0	£140,000	£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)
75m2 new build extension to accommodate Roads Team.						
Update: Initially tendered as a portable building however second procurement process was for contractors design and build for a permanent structure with traditional construction under a flat roof. Tenders received August 2019 and found to provide a lower cost solution to a temporary building. This tender has now expired and will need to be re-procured should a decision to proceed be given. Project on hold pending staff consultation, but anticipate that a decision is made one way or another during the FY 2020/21. Planned for 2019/20, carried forward to 2020/21, but consultation likely to result in project being re-scheduled to 2021/22. Budget to be utilised by other projects.						
3	Kirkwall Town Hall	£0	£20,000	£20,000	£20,000	£0
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 full budget allocation for current period will be fully utilised.						
4	St Margaret's Hope Primary School	£0	£20,000	£20,000	£10,000	(£10,000)
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 fascias, 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.						

	General Fund Capital Improvements	Actual Spend as at 30/09/2020	Budget 2020/21	Revised Budget 2020/21	Probable Out- turn 2020/21	Overspend/ (Underspend)
5	Orphir Primary school	£0	£20,000	£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: Works 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 - design works commenced in 2019 and are to be completed during 2020. Anticipate fees to be £10k for 2020/21. £10k underspend to be 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.					
6	Pickaquooy Centre & Playing Fields	£0	£187,000	£86,800	£50,000	(£36,800)
	Replace internal lighting and car park lighting with new LED fittings.					
	Update: Mechanical and Electrical consultants have been commissioned, desktop design works has commenced, and attended site mid-August. Awaiting draft design. 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. As a result of this initial delay an underspend of £37k is expected during 2020/21, however it is anticipated that the overall project budget of £250k will be utilised over the following two years.					
7	Sanday Junior High School & Swimming Pool	£0	£61,100	£92,900	£190,000	£97,100
	Replace ground source heat pumps					
	Update: Electrolytic corrosion to pipework has been addressed. Controls issues with 2 heat pumps, and all 4 heat pumps to be replaced. The original project budget of £100k has been revised upwards, following conclusion of detailed design, to £180k. Due to resourcing issues, the design work was delayed, but was concluded during 2019/20. Tender accepted and contractor currently on site, anticipated to be complete by 31 October. Delays in prior year will mean additional spending requirement in excess of current year budget to allow project to be delivered during 2020/21, with this shortfall in budget to be funded by delaying other projects, and or utilising contingency/ savings on other projects.					
8	Smiddybrae	£102,612	£107,500	£199,700	£200,000	£300
	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: Results of thermal conductivity tests of the ground have directed the design, resulting in a large increase in the initial number of boreholes, from 15 to 42. This is in part due to poor ground thermal conductivity tests, but also because RHI cannot be claimed should the existing boreholes be utilised. On reviewing the entire heating system, whole life costs including RHI income potential, the decision was taken to replace the entire system, including bore hole array. The project will result in lower running costs, with payback of around 7-8 years should RHI be claimed and closer to 18 without RHI. Revised proposals were approved by Policy & Resources Committee on 27 November 2018. Borehole works completed May 2019. Interconnecting groundworks complete. Plantroom and heat pump installation - contractor on site however completion was delayed by COVID 19 restrictions. Anticipated to be complete by October 2020 with a view to being fully operational for winter 2020/21. Current year budget has been increased to take account of 2019/20 underspend 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.					
9 & 10	Stromness Academy Ph3 & Ph4	£20,524	£441,000	£441,000	£441,000	£0
	Phase 3 thermal upgrade comprising new roof cladding, gutters, fascias, soffits, downpipes, roof windows, doors and windows to enhance property.					
	Update: Works delayed to allow Phases 2 and 7 to be accelerated. Project has slipped due to other OIC commitments, however the design work has been concluded along with the procurement and a tender has been accepted at £372,573.54, against a total project cost of £476,000. Anticipate commencing on site late 2020 once Planning Permission has been approved. Future years budgets will be adjusted to reflect the revised spending profile. Phases 3 and 4 combined following review of extent of works and budgets. Project is currently on budget / programme and likely to be delivered during 2020/21.					

General Fund Capital Improvements		Actual Spend as at 30/09/2020	Budget 2020/21	Revised Budget 2020/21	Probable Out- turn 2020/21	Overspend/ (Underspend)
11	Stronsay Junior High School & Swimming Pool	£75,406	£103,000	£103,000	£135,000	£32,000
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: Design work complete, procurement concluded and tender accepted during 2019/20. COVID 19 delays and issues securing access delayed commencement of the 1st phase, however work commenced in July 2020 (4-5 week period). This was successfully achieved, and school returned to service in August. Second phase will occur over the October 2020 holidays, to conclude the works within the plant room. Delays incurred during 2019/20 will mean additional spending requirement against the current year budget. Over commitment to be funded from savings elsewhere within this programme. Overall project is anticipated to be £40k over initial project budget.						
12	The Orkney Library & Archive	£0	£122,400	£98,400	£30,000	(£68,400)
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 - Scheme has been prepared and signed off. Works to be phased and tied in with insulation works. Insulation works - Design works completed. Building Warrant application made and phasing plan agreed with users. Both projects to dovetail as they are related and focus on delivering energy efficiency savings. Liaison with library staff to ensure that the minimum disruption is caused while implementing the works. Project slipped from 2018/19 with budgeted spend profiles amended to reflect the revised timings. Due to phasing, disruption to the facility users, and decanting of the various spaces, works to be planned over 1- 2 years. Area between the garage and stores have been insulated during 2019/20, with areas within the facility to be developed as rooms are made available by the users. Works to some extent have been delayed by the 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. 2020/21 plan unlikely to be delivered at the required pace and budget revised downwards, however expenditure is anticipated to be £30k against the revised budget. Project spend profile to be reviewed with a view to re-scheduling over a longer period to permit building users time to re-locate.						
13	4th Barrier Public Convenience	£39,643	£77,000	£77,000	£77,000	£0
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: Tender accepted, with start on site made mid-February 2020 with completion anticipated 20 weeks thereafter. Due to the COVID-19 restrictions the project was delayed, with completion now anticipated October 2020. Project is anticipated to be contained within the approved budget.						
14	Contingency	£0	£38,400	£38,400	£0	(£38,400)
Retention Due During Coming Year						
15	Stromness Academy Ph2	£18,385	£0	£20,000	£21,143	£1,143
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	£0	£0	£20,000	£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 originally planned for 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 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 these works.						

General Fund Capital Improvements		Actual Spend as at 30/09/2020	Budget 2020/21	Revised Budget 2020/21	Probable Out- turn 2020/21	Overspend/ (Underspend)	
Nursery projects							
17	Early Learning & Childcare	Works ongoing at various locations. Projects are complete at Burray, Papa Westray and Westray Nurseries. Dounby and Papdale nurseries are due to be complete at the end of October Holidays 2020, and Glaitness is due on site February 2021.	£259,480	£637,000	£1,742,000	£640,000	(£1,102,000)
18	Dounby School	Nursery extension	£94,879	£10,000	£10,000	£140,000	£130,000
		Works commenced 20 January 2020, with completion initially anticipated by 25 May 2020, however due to COVID-19 restrictions the was site closed March 2020. This has also caused a delay in the delivery of materials (auto doors, weatherboarding and flat roof top coats). The existing section of nursery was handed back to the school for start of new August term. Outstanding materials have now been delivered and installation is progressing on site with completion due at the end of the October Holidays. Client requirements for additional flooring and re-decoration within the existing facility, and COVID-19 works for additional hand wash facilities at the vestibule, automated taps, and fact that main hydro cable crossed underneath the extension had to be re-located will increase costs. Final account estimated to be £210k, with the client funding £15k. The remaining deficit to be funded from re-profiling the nursery programme.					
19	Glaitness Primary School	Phase 2 - Extension and internal upgrade	£34,024	£575,300	£575,300	£200,000	(£375,300)
		Design works substantially complete. Planning Department feedback relating to flooding and car parking has been submitted and awaiting outcome. Tender documentation preparation has commenced, but other commitments within D&I are delaying tender issue. Project has slipped from 2019/20, with £826k underspend incurred during 2019/20 which will be rolled forward and programme re-profiled. Further delay in works, likley to result in an underspend of £375k during 2020/21, will require to be re-scheduled into the subsequent financial years.					
20	Papdale Primary School	Phase 2 - Extension and internal upgrade	£130,577	£51,700	£51,700	£300,000	£248,300
		Tender process completed April 2020. COVID-19 restrictions caused delays in starting the works which was eventually achieved in April 2020. Due to be completed at the end of October holidays 2020. Budget revised to take account of approved 2019/20 slippage. Estimated final account £310,000.					
21	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)
Contact Officer- Gwyn Evans, Extension 2723		£516,050	£2,063,400	£3,068,200	£1,844,143	(£1,224,057)	

General Fund Capital Improvements	Years 2-3 - Approved Provisional Programme				Years 4-5 - For Information Only		Total Project Summary		
	Budget 2022/23	Revised Budget 2022/23	Budget 2023/24	Revised Budget 2023/24	Budget 2024/25	Budget 2025/26	Spend to Date	Estimated Outturn	Project Budget

Asset Name	Description										
1	Glaitness School	Alterations to Primary Areas - Special needs accommodation alterations to meet user requirements.	£0	£140,000	£0	£0	£0	£0	£0	£140,000	£140,000
2	H88 - OIC Depot	75m2 new build extension to accommodate Roads Team.	£77,000	£77,000	£0	£0	£0	£0	£0	£166,000	£166,000
3	Kirkwall Town Hall	High level survey and scheme design- Identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan.	£343,000	£343,000	£87,000	£87,000	£0	£0	£0	£450,000	£450,000
4	St Margaret's Hope Primary School	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.	£303,000	£299,000	£137,400	£137,400	£20,000	£0	£6,600	£483,000	£483,000
5	Ophir Primary school	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.	£0	£0	£429,500	£429,500	£12,500	£0	£1,300	£462,000	£462,000
6	Pickaquooy Centre & Playing Fields	Replace internal lighting and car park lighting with new LED fittings.	£63,000	£163,200	£0	£0	£0	£0	£0	£250,000	£250,000
7	Sanday Junior High School & Swimming Pool	Replace ground source heat pumps	£0	£0	£0	£0	£0	£0	£8,200	£198,200	£180,000
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.	£13,000	£13,000	£0	£0	£0	£0	£593,319	£703,300	£801,300
9 & 10	Stromness Academy Ph3 & Ph4	Thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property.	£25,000	£25,000	£0	£0	£0	£0	£20,524	£466,000	£466,000
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.	£5,000	£0	£0	£0	£0	£0	£83,206	£142,800	£108,000
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 insulation.	£0	£24,000	£0	£0	£0	£0	£20,439	£122,400	£122,400
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.	£0	£0	£0	£0	£0	£0	£39,643	£77,000	£77,000

General Fund Capital Improvements			Years 2-3 - Approved Provisional Programme				Years 4-5 - For Information Only		Total Project Summary		
			Budget 2022/23	Revised Budget 2022/23	Budget 2023/24	Revised Budget 2023/24	Budget 2024/25	Budget 2025/26	Spend to Date	Estimated Outturn	Project Budget

Retention Due During Coming Year										
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15	Stromness Academy Ph2	Phase 2 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property.	£0	£0	£0	£0	£0	£0	£398,837	£401,000	£401,000
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Projects Added During Year										
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16	Orkney Museum	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	£0	£110,000	£0	£0	£0	£0	£0	£130,000	£130,000
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Nursery projects										
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17	Early Learning & Childcare	Works ongoing at various locations. Projects are complete at Burray, Papa Westray and Westray Nurseries. Dounby and Papdale nurseries are due to be complete at the end of October Holidays 2020, and Glaitness is due on site February 2021.	£27,900	£882,600	£0	£0	£0	£0	£527,662	£2,023,749	£1,876,200
18	Dounby School	Nursery extension	£0	£0	£0	£0	£0	£0	£210,728	£255,849	£191,000
19	Glaitness Primary School	Phase 2 - Extension and internal upgrade	£27,900	£882,600	£0	£0	£0	£0	£114,951	£1,457,900	£1,457,900
20	Papdale Primary School	Phase 2 - Extension and internal upgrade	£0	£0	£0	£0	£0	£0	£201,983	£310,000	£227,300

TOTALS	Contact Officer- Gwyn Evans, Extension 2723		£856,900	£2,076,800	£653,900	£653,900	£32,500	£0	£1,699,730	£6,215,449	£6,112,900
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Strategic Reserve Fund Capital Improvements					Total Project Summary			
					Actual Spend as at 30/09/2020	Budget 2020/21	Probable Outturn 2020/21	Overspend/ (Underspend)
Asset Name	Description							
Buoy Store, NLB Pier	Re-cladding and provision of toileting facilities	£0	£3,000	£3,000	£0	£39,981	£112,081	£110,000
<p>Re-cladding and provision of toileting facilities - Re-cladding postponed following a review by D & I - Roofing element (cladding) slipped into 2023/24, deferring £69k of expenditure. Toilet design - Procurement complete and tender accepted December 2018. Delays encountered due to Scottish Water , Business Stream sewer connection application process. Project slipped from 2018/19 into 2019/20, and budgeted spend profile adjusted to reflect the delays. Works completed by Christmas break 2019. Complications with drainage connection resulted in £3,000 cost for fees & road closure notices and £5,000 of additional works, taking the project from its initial estimate of £25,845 to £28,500 (original estimate contained an element of contingencies). Final account to be agreed for toilet facilities and balancing payment to be release in 2020/21. Initial estimate for outstanding payment revised from £1k to £3k which will result in a £2k overspend on the toilet facilities. Plan to curtail spending on roofing element of project when it is reviewed to bring total project in on budget.</p>								
Contingency		£0	£115,600	£0	(£115,600)	n/a	n/a	n/a
Contact Officer- Gwyn Evans, Extension 2723		£0	£118,600	£3,000	(£115,600)	£39,981	£112,081	£110,000

Plant & Vehicle Replacement Programme	Actual Spend as at 30/09/2020	Committed Spend as at 30/09/2020	Capital Budget 2019/20	Probable Outturn 2020.21	Overspend/ (Underspend)	Purchase Status/Update
Planned purchases as approved at AM Sub 9 November 2017						
Welfare Unit/Site Hut Rousay	£0	£24,885	£24,885	£24,885	£0	WP8965 ordered 10/07/19 did not meet specifications when arrived. Company building 3 replacements as per original specifications - due to be delivered Dec 2020.
Welfare Unit/Small Container Shapinsay	£0	£24,885	£24,885	£24,885	£0	
Welfare Unit/Small Container Stronsay	£0	£24,885	£24,885	£24,885	£0	
Forklift Toyota 1.5t elec.	£0	£0	£18,000	£37,361	£19,361	Due to be ordered October 2020 - increased costs due to additional access platform/manbasket, rather than purchase a separate Mobile Elevating Works Platform which would be more expensive. Additional costs authorised by Gavin Barr.
Brake Tester	£0	£45,545	£46,300	£45,454	(£846)	Ordered 21/09/20 Steril UK Ltd - Vehcile Ramp ordered in place of brake tester. Delivery and installation due January 2021.
Towerwagon - Iveco 50C50 Aerial Platform	£0	£71,475	£65,000	£71,475	£6,475	Ordered 19/08/20 A M Phillip - Delivery due March 2021.
Roller - Bomag BW120AD-3	£0	£18,500	£18,500	£18,500	£0	Ordered 15/07/20 Scot JCB Ltd - Delivery due October 2020.
Roller - Hamm HD8 Tandem	£0	£18,500	£18,500	£18,500	£0	Ordered 15/07/20 Scot JCB Ltd - Delivery due October 2020.
Roller - Hamm HD12 3 tonne Vibrating Plate	£0	£18,500	£18,500	£18,500	£0	Ordered 15/07/20 Scot JCB Ltd - Delivery due October 2020.
Compressor CH C20P 71cfm	£0	£0	£10,000	£8,500	(£1,500)	Tender still to be issued.
Compressor - Compare C20	£6,195	£6,195	£6,440	£6,195	(£245)	Arrived 24/08/20 from Balgownie Ltd
SEP 1700 Pedestrian Sweeper x 2 + Blade	£0	£19,610	£17,000	£19,610	£2,610	Ordered 26/08/20 from Lift Safe Ltd - Delivery due Oct 2020. (2 for 1 offer).
Wideford Generator	£0	£0	£20,000	£0	(£20,000)	Awaiting confirmation of ownership - correspondence in progress.
Demount Gritter - Epoke 4m3 fitted to SV12 BZE	£0	£0	£22,000	£0	(£22,000)	Original Tender withdrawn following operational review -tender for chassis only to be progressed.
Gritter - Iveco Dedicated 18 tonne	£0	£0	£100,000	£90,000	(£10,000)	Original Tender withdrawn following operational review -tender for chassis only to be progressed.
Gritter Mercedes 1824 Axor/Epoke Sirius	£0	£0	£132,000	£90,000	(£42,000)	Original Tender withdrawn following operational review -tender for chassis only to be progressed.
Gritter Mercedes 1823 Axor/Epoke	£0	£0	£132,000	£0	(£132,000)	Original Tender withdrawn following operational review -tender for chassis only to be progressed - Purchase delayed to 2021/22 programme.
Econ Demount Gritter fitted to SP65 YFB	£0	£0	£18,000	£0	(£18,000)	Original Tender withdrawn following operational review -tender for chassis only to be progressed.
Excavator	£0	£80,775	£80,775	£80,775	£0	Ordered 15/07/20 from Scot JCB Ltd
Recycler Lorry	£0	£0	£175,000	£185,000	£10,000	Original Tender for top loader recycler withdrawn following operational review - Revised tender issued for splitback. Tenders currently being assessed.
Open Skip	£0	£4,285	£4,000	£4,660	£660	Ordered 29/09/20 from Skip Units Ltd - Delivery due December 2020.
HL20 CLOSED SKIP FULL HEIGHT	£0	£4,285	£4,000	£4,660	£660	Ordered 29/09/20 from Skip Units Ltd - Delivery due December 2020.
HL5 PAPERBANK	£0	£4,285	£4,000	£4,660	£660	Ordered 29/07/20 Skip Units Ltd - Delivery due October 2020
HL5 Recycling Skip 3 Compartment	£0	£4,285	£5,000	£4,660	(£340)	Ordered 29/07/20 from Skip Units Ltd - Delivery due October 2020
Pickup - Mercedes-Benz	£0	£37,080	£28,000	£37,080	£9,080	Ordered 07/09/20 from A M Phillip - Delivery due February 2021.
Scarab Euro 4 Minor Road Sweeper	£0	£80,657	£85,000	£80,657	(£4,343)	Ordered 13/08/20 from Johnston Sweeper Ltd - Delivery due Febuary 2021.

Plant & Vehicle Replacement Programme	Actual Spend as at 30/09/2020	Committed Spend as at 30/09/2020	Capital Budget 2019/20	Probable Outturn 2020.21	Overspend/ (Underspend)	Purchase Status/Update
Forklift - Electric 2 tonne 4 Wheel	£0	£0	£25,000	£33,890	£8,890	Tenders currently being assessed - Will progress to order in October 2020.
COMPRESSOR COMPARE C20	£0	£0	£10,000	£0	(£10,000)	To be progressed - Tenders still to be issued.
Van Ford Transit	£0	£16,332	£18,000	£16,332	(£1,668)	Ordered 10/09/20 from Renault UK Ltd - Delivery due January 2021.
Van - Ford Transit	£0	£28,112	£28,112	£28,112	£0	Ordered 15/07/20 from Renault UK Ltd - Delivery due November 2020.
Ford Transit (Leisure Services)	£0	£16,332	£18,000	£16,332	(£1,668)	Ordered 10/09/20 from Renault UK Ltd - Delivery due January 2021.
Van - Volkswagen Caddy (Education, Leisure & Housing Services)	£0	£0	£15,000	£15,000	£0	To be progressed - Tenders still to be issued.
Van - Ford Transit (Occupational Therapy)	£0	£0	£20,000	£20,000	£0	To be progressed - Tenders still to be issued.
Renault Master Minibus (OHAC)	£0	£0	£35,000	£20,000	(£15,000)	To be progressed - Awaiting additional information/confirmation from service.
Contingency	£0	£0	£0	£0	£0	
Additional Purchases in 2019/20						
Waste - 2nd Hand Split back dustcart	£0	£43,556	£0	£43,556	£43,556	Additional item required due to COVID-19 implications on operations - Ordered from Dennis Eagle Ltd.
Trommel Screener	£0	£0	£0	£65,000	£65,000	Current asset becoming unservicable - requested by J Walters environmental services.
VW Caddy (Catering Services)	£0	£0	£0	£22,000	£22,000	Added to programme to enable grant funding qualification for electric vehicles. Tender issued with responses due back on 29/10/2020.
VW Caddy (Roads and Waste Services)	£0	£0	£0	£22,000	£22,000	Added to programme to enable grant funding qualification for electric vehicles. Tender issued with responses due back on 29/10/2020.
VW Caddy (Roads and Waste Services)	£0	£0	£0	£22,000	£22,000	Added to programme to enable grant funding qualification for electric vehicles. Tender issued with responses due back on 29/10/2020.
GENERAL FUND	£6,195	£592,964	£1,271,782	£1,225,124	(£46,658)	
Trading Service Purchases - funded by the Service						
Quarries - JCB Load all 541-70	£0	£86,750	£86,750	£86,750	£0	WP9365 ordered 15/07/20 Scot JCB
Education-College - Ford Ranger 4X4 Pickup	£0	£22,415	£25,000	£22,415	(£2,585)	WP9425 ordered 26/08/20 Ford Motor Co.
Marine Services - Nissan E-nv200 Elec Van	£0	£0	£15,000	£0	(£15,000)	Awaiting confirmation - Possibility that Harbours will be running their own procurement process.
Marine Services - Peugeot Boxer Van	£0	£0	£18,000	£0	(£18,000)	Awaiting confirmation - Possibility that Harbours will be running their own procurement process.
Additional Purchases in 2020/21						
Quarries - Boretrak and Profiler	£0	£34,008	£0	£34,008	£34,008	Ordered 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 S Killeen and approved by D Richardson.
NON-GENERAL FUND	£0	£143,173	£144,750	£143,173	(£1,577)	
Contact Officer - Darren Richardson, Extension 2320	£6,195	£736,137	£1,416,532	£1,368,297	(£48,235)	

INFORMATION TECHNOLOGY CAPITAL REPLACEMENT PROGRAMME 2020/2021

Project Name	Actual Spend as at 30/09/2020	Capital Budget 2020/2021	Provisional Out- turn 2020/2021	Overspend (Underspend)
Desktop Replacement				
<i>Desktop Replacement</i>	£40,842	£80,000	£80,000	£0
Due to the COVID-19 lockdown, the 2020/21 PC purchases have been prioritised to provide staff with laptops for remote working. Once the position settles we will be able to assess whether these will be used in Desktop Replacement or Journalled as direct costs of COVID-19 contingency work.				
Datacentre Replacements				
<i>SAN & Data Storage</i>	£0	£80,000	£80,000	£0
Technology options for the replacement of the Storage Area Network infrastructure have been reviewed and assessed, with particular focus on Converged Infrastructure which has been identified as best suited to address this requirement, the requirement for Virtual Server replacement and the requirement of a related Capital project for Disaster Recovery. The convergence of these three workstreams via a converged solution will simplify the IT implementation process and align the operation with current server technology while directly meeting the individual and discrete requirements of each stream. The project is moving towards a vendor procurement position with a view to implementation in December.				
Server Replacements				
<i>Replacement of Virtual and Physical Servers.</i>	£0	£45,000	£45,000	£0
Technology options for the replacement of the virtualisation server infrastructure has therefore also identified a solution in the technology space of Converged Infrastructure as described above.				
<i>Failures and Emergency Replacements of Capital Equipment</i>	£0	£50,000	£40,000	(£10,000)
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>	£7,005	£65,000	£65,000	£0
The replacement of the WiFi Infrastructure has been scheduled for implementation in October 2020. An order for equipment related to this project has been placed some of which has still to be paid. Project is on track.				
Wide Area Network Replacements				
<i>Fibre to sites in Stromness from Maraquoy tower</i>	£0	£20,000	£20,000	£0
No progress at present.				
Contact Officer - Kenny Macpherson, Extension 3007	£47,847	£340,000	£330,000	(£10,000)