

# **Item: 4**

**Policy and Resources Committee: 1 March 2022.**

**Capital Expenditure Monitoring.**

**Report by Head of Finance.**

## **1. Purpose of Report**

To advise of progress, as at 31 December 2021, of projects within the approved capital programmes.

## **2. Recommendations**

The Committee is invited to note:

### **2.1.**

The summary financial position, as at 31 December 2021, in respect of the approved General Fund and Non-General Fund capital programmes, as detailed in section 3.1 of this report, indicating actual expenditure incurred as at 31 December 2021 of £8,876,000.

### **2.2.**

That the Head of Finance has reprofiled the capital programme for 2021/22, taking slippage and current timescales for completion of individual capital projects into consideration, in order to reflect the estimated outturn position for the current financial year.

The Committee is invited to scrutinise:

### **2.3.**

The detailed analysis of capital expenditure, together with project updates in respect of the General Fund and the Non-General Fund capital programmes, attached as Appendix 1 to this report, in order to obtain assurance on progress being made with delivery of the approved capital programmes.

**It is recommended:**

### **2.4.**

That the sum of £4,885,000 be carried forward from 2021/22 to 2022/23 and onwards in respect of slippage on projects contained within the General Fund capital programme.

## 2.5.

That the sum of £7,918,000 be carried forward from 2021/22 to 2022/23 and onwards in respect of slippage on projects contained within the Non-General Fund capital programme.

## 3. Financial Summary

### 3.1.

The tables below provide a summary of the position as at 31 December 2021, across both General Fund and Non-General Fund capital programmes in respect of the actual expenditure incurred against both the original and revised budgets for financial year 2021/22.

<b>General Fund</b>	<b>Actual Spend £000</b>	<b>Original Annual Budget £000</b>	<b>Revised Annual Budget £000</b>
<b>Service Committee</b>			
Orkney Health and Care	26.	589.	150.
Education, Leisure and Housing	2,606.	7,274.	4,610.
Development and Infrastructure	1,124.	3,074.	2,607.
Policy and Resources	2,126.	4,560.	3,245.
<b>Expenditure Totals</b>	<b>5,882.</b>	<b>15,497.</b>	<b>10,612</b>

<b>Non-General Fund</b>	<b>Actual Spend £000</b>	<b>Original Annual Budget £000</b>	<b>Revised Annual Budget £000</b>
<b>Service Committee</b>			
Education, Leisure and Housing	1,748.	6,956.	2,693.
Development and Infrastructure	601.	5,440.	1,785.
Policy and Resources	645.	119.	119.
<b>Expenditure Totals</b>	<b>2,994.</b>	<b>12,515.</b>	<b>4,597.</b>

<b>Total Capital Programme</b>	<b>8,876.</b>	<b>28,012.</b>	<b>15,209.</b>
--------------------------------	---------------	----------------	----------------

### **3.2.**

Appendix 1 advises of progress on each project. The accompanying notes, which have been prepared jointly with Service project leads and indicate the current status of the projects, are intended to highlight whether there are any budget or timescale issues with the projects.

### **3.3.**

The existing capital programme, in respect of both the General Fund and Non-General Fund, have been re-profiled in order to reflect slippage and current timescales for completion of individual projects. This exercise has resulted in £12,803,000 being re-profiled from financial year 2021/22 to the following financial year and onwards. Appendix 1 shows the project updates from the Services, the original annual budget for financial year 2021/22 of £28,012,000 and the revised budget for financial year 2021/22 of £15,209,000. A summary of individual projects that have been subject to reprofiling is attached as Appendix 2.

### **3.4.**

It is notable that steps have been taken to improve delivery of the capital programme, including programme oversight, development of a project management approach and an updated Capital Project Appraisal process, implemented in January 2018, which sits in front of the capital programme. Work to improve monitoring and reporting procedures also remains ongoing.

#### **3.4.1.**

It is however recognised that the steady stream of exception Capital Project Appraisals that are being fast tracked through the process at present appears to be having an adverse impact in terms of increasing the workload of the delivery teams whilst at the same time preventing improvements in working practices and process from becoming embedded. Although the Capital Project Appraisals coming forward have improved, in some cases these exceptions, which have become the new “norm”, are now actually contributing to the level of recurring slippage within the capital programme.

### **3.5.**

It should be noted that delivery of the capital programme for 2021/22 has been impacted by material shortages and delays with delivery. Contractors will endeavour to bring projects back in-line with target deadlines over the remainder of the financial year, but it should be recognised that further slippage could be realised at 31 March 2022.

## **4. Corporate Governance**

This report relates to the Council complying with scrutiny and its 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.

## **5. Financial Implications**

The Council's Financial Regulations in respect of capital expenditure state the following:

- Approval by the Council of the capital programme constitutes approval of the individual projects or provisions contained therein.
- Any requests to incur expenditure outwith the provisions included in the approved capital programme shall be reported to the Policy and Resources Committee for approval, prior to any commitment being made.
- The Chief Executive and Executive Directors cannot exercise virements within the capital programme, except in exceptional circumstances and only after consultation with the Head of Finance. The action taken and reasons for such virement must be reported to the next meeting of the Policy and Resources Committee.
- Where no contractual commitment exists or will be made in the current or previous financial years for an approved capital project, the relevant programme provision(s) may be redeployed by the Policy and Resources Committee.
- If the cost is likely to exceed the approved capital programme the shortfall must be reported to the next meeting of the appropriate Service Committee before the project is reconsidered by the Policy and Resources Committee, where additional budget can be allocated or the existing provision redeployed.

## **6. Legal Aspects**

Financial monitoring and reporting help the Council meet its statutory obligation to secure best value.

## **7. Contact Officers**

Colin Kemp, Interim Head of Finance, extension 2103, Email [colin.kemp@orkney.gov.uk](mailto:colin.kemp@orkney.gov.uk).

Shonagh Merriman, Interim Corporate Finance Senior Manager, extension 2106, Email [shonagh.merriman@orkney.gov.uk](mailto:shonagh.merriman@orkney.gov.uk).

## **8. Appendices**

Appendix 1: Capital Expenditure Monitoring as at 31 December 2021.

Appendix 2: Summary of Reprofiting.

Approved Capital Programme	Project Lead	Financial Year 2021/22			Future Years		Total Project Summary			
		Full year spend £000's	Approved Budget £000's	Revised Budget £000's	Revised Budget 2022/23 £000's	Revised Budget 2023/24 £000's	Spend to Date £000's	Project Budget £000's	Estimated Out-turn £000's	Over/(Under) Spend £000's
<b>Planning</b>										
Stones of Stenness Car Park	Roddy Mackay	4	0	0	0	0	324	291	324	33
Works complete and car park handed over in February 2021. Lining of parking and bus layby placed on hold at request of Historic Environment Scotland, who wish to review options to ensure proposals are in keeping with World Heritage Site. Project is slightly overspent on completion.										
Arcadia Park	Roddy Mackay	0	18	18	0	0	322	340	340	0
Project is complete and has been transferred to Voluntary Action Orkney who will be establishing a group/charity to run the park. The final claim for outstanding grant funding (£16K) was submitted to Sustrans in July 2021.										
Town Centre Fund	Roddy Mackay	10	218	218	0	0	10	272	272	0
The total funding of £272K was committed to a range of town centre projects in Kirkwall and Stromness as follows: Orkney Research and Innovation Campus outdoor seating area; Kirkwall Travel Centre enhancements; E-bikes for cycle hub in Stromness, Stromness festive lighting; Tankerness House Gardens enhancement; Stromness Information Display Board and windows upgrade work at Orkney Research and Innovation Campus (Charles Clouston Building). All projects were completed by the end of September 2021 required deadline. Across the projects there has been an underspend of £9,300 which the Scottish Government has confirmed can be used for any other project that meets the grant funding objectives of the Town Centre Fund. A further £5,500 has now been committed to the Kirkwall BID Winter Wonderland Weekend and business signage for Victoria Street, Kirkwall, leaving a balance of £3,800.										
<b>Total Planning</b>		<b>14</b>	<b>236</b>	<b>236</b>	<b>0</b>	<b>0</b>	<b>656</b>	<b>903</b>	<b>936</b>	<b>33</b>
<b>Operational Environmental Services</b>										
Burial Grounds - Mainland Extensions	Lorna Richardson	132	396	140	256	0	653	917	917	0
Three Mainland extensions are now complete. The programme was slightly delayed as a result of the COVID-19 pandemic and the consequent hold on construction projects. However, work is progressing well with the fourth extension and the final one has now been awarded. However, due to constrained resource within the construction sector it is now likely that the work will not complete until Summer 2022.□										
Burial Grounds - Mainland Major Improvements	Lorna Richardson	4	60	6	54	0	94	150	150	0
The list of Major Improvements is substantially complete. Additional works which have arisen during the life of the programme, as identified by Community Councils or other organisations, have been added to the list and means that spend will carry over into the next financial year, as agreed with Finance. Any underspend may be required for the Mainland Extensions programme, due to increases in the costs of materials										
Burial Grounds - Island Extensions	Lorna Richardson	7	79	7	72	0	428	500	500	0
Although all island extensions are now complete, there may be a requirement for the remaining budget to be added to the Island Major Improvements Programme, to ensure that the appropriate level of work can be carried out.										
Burial Grounds - Island Major Improvements	Lorna Richardson	0	85	0	85	0	15	100	100	0
Many of the work items identified in this programme have now been addressed but there remain a number which have yet to be finalised due to issues around contractor capacity.										
<b>Total Operational Environmental Services</b>		<b>143</b>	<b>620</b>	<b>153</b>	<b>467</b>	<b>0</b>	<b>1,190</b>	<b>1,667</b>	<b>1,667</b>	<b>0</b>

Approved Capital Programme	Project Lead	Financial Year 2021/22			Future Years		Total Project Summary			
		Full year spend £000's	Approved Budget £000's	Revised Budget £000's	Revised Budget 2022/23 £000's	Revised Budget 2023/24 £000's	Spend to Date £000's	Project Budget £000's	Estimated Out-turn £000's	Over/(Under) Spend £000's
<b>Roads</b>										
Cycling, Walking & Safer Routes / 20 mph scheme	Lorna Richardson	48	147	147	0	0	Annual Programme			
Programme of works approved and monitored by Development and Infrastructure Committee.										
Road Asset Replacement Programme	Lorna Richardson	632	1,448	1,448	1,186	950	Annual Programme			
Programme of works approved and monitored by Development and Infrastructure Committee.										
Kirkwall Places and Spaces	Lorna Richardson	7	132	132	0	0	1,096	1,221	1,221	0
Works complete and handed over February 2020. Installation of bench seating, and street furniture including cycle stands, and recycling bins funded by Sustrans completed between January and May 2021.										
Car Park Ticket Machines	Lorna Richardson	0	90	90	0	0	0	90	90	0
This is in procurement - an award letter was issued in early October and it is expected that the new machines will be paid for by year-end.										
Cursiter Quarry Expansion	Lorna Richardson	0	0	0	1,832	350	0	3,732	3,732	0
Project is for the enabling works associated with the expansion of Cursiter Quarry. Invitation to tender notices issued January 2022 - no spend expected this financial year.										
<b>Total Roads</b>		<b>687</b>	<b>1,817</b>	<b>1,817</b>	<b>3,018</b>	<b>1,300</b>	<b>1,096</b>	<b>5,043</b>	<b>5,043</b>	<b>0</b>
<b>Transportation</b>										
Electric vehicle charging infrastructure	Jim Buck	7	171	171	0	0	589	753	753	0
2019/20 grant project complete. 2020/21 grant offer of £50,000 accrued into financial year 2021/22, with charger installation works to be completed in this financial year. Discussions are ongoing with Transport Scotland for further grant of £50,000 for 2021/22, with award letter expected by end of summer. Works are fully grant funded.										
Golden Mariana Replacement	Jim Buck	273	230	230	0	0	1,578	1,535	1,578	43
The replacement vessel has now been certificated and upgraded as required to meet the needs of the route.										
<b>Total Transportation</b>		<b>280</b>	<b>401</b>	<b>401</b>	<b>0</b>	<b>0</b>	<b>2,167</b>	<b>2,288</b>	<b>2,331</b>	<b>43</b>

Approved Capital Programme	Project Lead	Financial Year 2021/22			Future Years		Total Project Summary			
		Full year spend £000's	Approved Budget £000's	Revised Budget £000's	Revised Budget 2022/23 £000's	Revised Budget 2023/24 £000's	Spend to Date £000's	Project Budget £000's	Estimated Out-turn £000's	Over/(Under) Spend £000's
<b>Scapa Flow Oil Port</b>										
Replacement Tugs	Jim Buck	353	632	632	0	0	12,846	13,125	13,125	0
Both vessels delivered and accepted in September 2020. Both in service. All defects are being managed in conjunction with the Yard and suppliers. Retention paid, awaiting final closure but project 99% completed.										
Minor Improvements	Jim Buck	0	85	85	150	150	Annual Programme			
Programme of works approved and monitored by Harbour Authority Sub-committee.										
Replacement Tug No 3	Jim Buck	0	3,335	15	7,375	175	0	7,565	7,565	0
Consultancy contract placed and outline design specification finalised. Unlikely to incur any contract spend in 2021/22.										
<b>Total Scapa Flow Oil Port</b>		<b>353</b>	<b>4,052</b>	<b>732</b>	<b>7,525</b>	<b>325</b>	<b>12,846</b>	<b>20,690</b>	<b>20,690</b>	<b>0</b>
<b>Miscellaneous Piers</b>										
Minor Improvements	Jim Buck	41	620	620	300	300	Annual Programme			
Programme of works approved and monitored by Harbour Authority Sub-committee.										
Low Carbon Transport and Active Travel Hub	Jim Buck	54	119	119	0	0	961	1,026	1,026	0
Project originally delayed due to changes required to original outline design. Installation works for shore power and cycle hub delayed due to COVID-19 and resulting restrictions on travel. Cost growth on the project is associated with the shore power connection for the MV Hamnavoe. Design changes to this element were required after the budget was set as a result of issues discovered in the detailed design stage and as a result of a change in the relevant regulations. Revised grant award received for project budget of £1,026,000.										
Hatston Pier Road Reconstruction	Jim Buck	0	295	25	270	0	65	360	360	0
The road resurfacing element of the project was completed in financial year 2019/20 with design of remaining flood lighting scheme and traffic management alterations to marshalling area completed. Planning requirements should be resolved by January 2022 and at that point we will go out to tender for works etc.										
Hatston Terminal Passenger Walkway	Jim Buck	153	195	195	0	0	450	492	492	0
Works completed in May 2021, waiting for a defect period to be completed before final signing off project. All working well.										
Stromness Terminal Passenger Walkway	Jim Buck	0	44	44	0	0	448	492	492	0
Works completed in January 2021, waiting for defect period to be completed before final signing off project. All working well.										
Kirkwall Pier Water Break Tank System	Jim Buck	0	0	0	170	30	0	200	200	0
Initial work commenced, majority of expenditure forecast for 2022/23.										
Reclamation at Hatston Pier - Phase 1	Jim Buck	0	115	50	2,140	4,917	0	7,793	7,793	0
Invitation to Tender for project technical advisors to be issued February 2022, will incur some expenditure in 2021/22.										
<b>Total Miscellaneous Piers</b>		<b>248</b>	<b>1,388</b>	<b>1,053</b>	<b>2,880</b>	<b>5,247</b>	<b>1,924</b>	<b>10,363</b>	<b>10,363</b>	<b>0</b>

Approved Capital Programme	Project Lead	Financial Year 2021/22			Future Years		Total Project Summary			
		Full year spend £000's	Approved Budget £000's	Revised Budget £000's	Revised Budget 2022/23 £000's	Revised Budget 2023/24 £000's	Spend to Date £000's	Project Budget £000's	Estimated Out-turn £000's	Over/(Under) Spend £000's
<b>Other Housing</b>										
Housing Loans	Frances Troup	237	500	500	500	500	Annual Programme			
Due to the nature of the programme, spend against the annual programme will be solely dependent on the number of loan requests received and subsequently approved or not.										
<b>Total Other Housing</b>		<b>237</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>				
<b>Housing Revenue Account</b>										
Carness	Frances Troup	760	961	961	0	0	4,535	4,736	4,765	29
Project has reached practical completion in November 2021 and handed over to Housing for allocation to tenants. Final landscaping works are due to be completed in late February with the planting of trees and bushes. Final grass seeding will take place in early spring. Defects period due to be completed in November 2022.										
Moar Road	Frances Troup	33	598	0	598	0	37	602	602	0
Project to be retendered. It is likely that a revised budget will be required for this project.										
Repeater Road	Frances Troup	200	256	256	0	0	308	364	315	(49)
The project was completed in July 2021 and is within budget. The defect period is due to be completed in July 2022.										
McDonald Park	Frances Troup	30	154	154	0	0	194	318	235	(83)
The project was completed in May 2021 and was within budget. The defect period is due to be completed in May 2022.										
Coplands Road, Garson	Frances Troup	725	980	980	0	0	845	1,100	1,050	(50)
Works are currently on site with a revised completion date of December 2021 due to issues with ground works.										
Design and Build	Frances Troup	0	3,395	0	3,395	0	5	3,400	3,400	0
Unfortunately, the tenders expired in October/November 2020 and funding models are being investigated. These approvals are outstanding, and the delays have arisen due to post-tender dialogues with the Scottish Government over the overall funding package being below the level required to enable building to be affordable for the Housing Revenue Account. Discussions with Development and Infrastructure have commenced on re-issuing new tender documents. It is likely that a revised budget will be required for this project.										
Heating Upgrade	Frances Troup	0	322	322	0	0	0	322	241	(81)
Design work is progressing, however the number of available and suitable properties is less than originally identified therefore it is unlikely that all expenditure will be incurred.										
Carness Phase 2	Frances Troup	0	290	20	1,688	656	0	2,364	2,364	0
Design work is well underway however contract documents have not been completed due to lack of resource. It is programmed for tenders to be issued in spring 2022, with works commencing on site in the summer of 2022.										
<b>Total Housing Revenue Account</b>		<b>1,748</b>	<b>6,956</b>	<b>2,693</b>	<b>5,681</b>	<b>656</b>	<b>5,924</b>	<b>13,206</b>	<b>12,972</b>	<b>(234)</b>
<b>Education</b>										
Extension to St Andrew's School	Peter Diamond	1,197	3,025	1,600	2,200	78	1,643	4,324	4,324	0
Revised Stage 2 Capital Project Appraisal approved at Special General Meeting of Council held on 14 January 2021, revising the project budget to £4.324M. Contractor acceptance issued in January 2021, with start on site on 15 March 2021. Works are continuing, with the hall extension now wind and weather tight and works on internal finishes and services progressing, however delays have been incurred with the supply and delivery of materials which is delaying the construction of the nursery wing. The materials were finally supplied between late December and January and this has allowed the erection of the kit walls to commence, however, the gales over the last few weeks have delayed progress further. Mitigation will be put in place where at all possible, however, completion of the project will be delayed due to the length of supply chain lead times to date. The project is phased with final completion now expected in late Autumn 2022. Expenditure in this financial year has also been affected by this delay. Overall the project is within budget.										
		<b>1,197</b>	<b>3,025</b>	<b>1,600</b>	<b>2,200</b>	<b>78</b>	<b>1,643</b>	<b>4,324</b>	<b>4,324</b>	<b>0</b>
<b>Leisure &amp; Cultural</b>										
Refurb. improve Scapa Flow Visitor Centre and Museum	Frances Troup	979	2,424	1,572	1,013	0	2,799	4,405	4,345	(60)

Approved Capital Programme	Project Lead	Financial Year 2021/22			Future Years		Total Project Summary			
		Full year spend £000's	Approved Budget £000's	Revised Budget £000's	Revised Budget 2022/23 £000's	Revised Budget 2023/24 £000's	Spend to Date £000's	Project Budget £000's	Estimated Out-turn £000's	Over/(Under) Spend £000's
Works are virtually complete on site, however as a result of additional client and external funder required works completion has not yet been reached. Completion of construction works is due in late February 2022. Following completion of the construction element of project, this will then be followed by the production and fit-out installation of the museum exhibition interpretation which is expected to be completed in June 2022, prior to formal opening to the general public. Key stakeholder site visits and communications are currently being developed and facilitated.										
St Magnus Cathedral Doors	Frances Troup	182	232	232	0	0	206	256	224	(32)
Works to the vestibule were completed in November 2021, except for the ceiling glazing. Unfortunately the supply of the ceiling glazing was delayed and is not expected until February 2022. Design works continue on the external access with engagement ongoing with the statutory authorities to enable an alternative solution to be developed to allow level access to the West Door. Once a solution has been developed this will be provided for consultation with all relevant parties.										
Papdale East Play Park	Frances Troup	0	749	573	176	0	0	749	749	0
Works have commenced on site with the contractor making good progress. Expenditure will not be fully committed by the end of the financial year. The contractor will be complete by May 2022.										
Ness Campsite	Frances Troup	11	344	133	224	0	11	357	357	0
Discussions with VisitScotland have taken place regarding waste management. Works are progressing on site with the contractor doing the alterations to the building. Design work ongoing with the work to the connection to the public sewer. This has been discussed with the funding body VisitScotland who have confirmed that there will be no impact on the funding award, just an extension of the project completion deadline.										
<b>Total Leisure &amp; Cultural</b>		<b>1,172</b>	<b>3,749</b>	<b>2,510</b>	<b>1,413</b>	<b>0</b>	<b>3,016</b>	<b>5,767</b>	<b>5,675</b>	<b>(92)</b>

Approved Capital Programme	Project Lead	Financial Year 2021/22			Future Years		Total Project Summary			
		Full year spend £000's	Approved Budget £000's	Revised Budget £000's	Revised Budget 2022/23 £000's	Revised Budget 2023/24 £000's	Spend to Date £000's	Project Budget £000's	Estimated Out-turn £000's	Over/(Under) Spend £000's
<b>Social Care</b>										
Replacement facilities St Peter's House Project complete.	Stephen Brown	(46)	0	0	0	0	8,171	9,100	8,600	(500)
New Care Facility, Kirkwall Tenders were received in January 2022, however the costs are in excess of the budget. A savings exercise is underway which is the subject of a separate report to Policy and Resources Committee on 1 March 2022.	Stephen Brown	72	589	150	6,150	6,539	683	13,450	13,450	0
<b>Total Social Care</b>		<b>26</b>	<b>589</b>	<b>150</b>	<b>6,150</b>	<b>6,539</b>	<b>8,854</b>	<b>22,550</b>	<b>22,050</b>	<b>(500)</b>

Approved Capital Programme	Project Lead	Financial Year 2021/22			Future Years		Total Project Summary			
		Full year spend £000's	Approved Budget £000's	Revised Budget £000's	Revised Budget 2022/23 £000's	Revised Budget 2023/24 £000's	Spend to Date £000's	Project Budget £000's	Estimated Out-turn £000's	Over/(Under) Spend £000's
<b>Central Administration and Asset Replacement</b>										
IT replacement programme	Kenny Macpherson	231	394	394	420	420	Annual Programme			
Programme of works approved and monitored by Asset Management Sub-committee.										
Plant & Vehicle Replacement	Lorna Richardson	699	1,746	1,146	1,800	1,200	Annual Programme			
Programme of works approved and monitored by Asset Management Sub-committee.										
Alterations to Garden House	Kenny Macpherson	(5)	100	100	437	0	113	980	1,080	100
Contract documents nearing completion, however, tender documents will not be released until the issues around the stopping up of Scapa Crescent are completed. The report on the consultation to the stopping up order will be considered by Development and Infrastructure Committee on 15 February 2022. There have been objections so it is not possible to assume the outcome of this deliberation. If the order is agreed then there is an appeals process which, if triggered, may delay the start of the work into mid 2022/23, and then only if the appeal is not upheld. Tender documents are ready for issue as soon as we have clearance to proceed. It is likely that construction costs will increase due to increased cost of materials and issues with the supply chain. A report will be submitted to the Policy and Resources Committee regarding the additional costs.										
Disaster recovery and business continuity suite	Kenny Macpherson	257	260	260	0	0	257	260	257	(3)
The new Disaster Recovery & Business Continuity infrastructure that can be deployed across 2 x sites and operate from either venue has been delivered, configured and is in operation with Council IT systems now running on this equipment. Following an internal review the original secondary site has been dropped due to logistical and contractual challenges and a new secondary site has been identified and is in the initial stages of preparation. While the original approach was to gain access to 2x venues and install solution into both of these locations simultaneously, this was not possible, so both parts of the solution are installed and configured on the main Council premises once access to the revised recovery site is ready, components will be shut down and moved to this location, fully configured, to establish the disaster recovery capability of this project. It is still anticipated that the final costs will be in the region of a small underspend.										
Replacement audio-casting equipment	Karen Greaves	0	15	0	15	0	16	31	31	0
The replacement audio-casting equipment is in place and working well. Before the project can be marked as complete, further equipment has been identified to maximise the use of the system within the Chamber, including for remote attendance. The procurement process is well underway to progress this project.										
Replacement telephone system	Kenny Macpherson	227	240	240	0	0	227	240	237	(3)
The new telephone system has been delivered, installed and tested, with server equipment and new SIP trunk phone lines installed in the School Place Comms Room and the Orkney Library. Further local equipment has been installed and configured at Marine Services and Orkney Ferries. The system and switchboard have been configured by Customer Services and IT and handsets have been deployed across all users and sites who used the previous Nortel system. The Avaya Workplace soft phone app has been deployed on all PCs and has been rolled out to almost all OIC Smart phones. Teams Integration Features are awaiting release by the Manufacturer and will be assessed and considered for implementation in 2022 as a further enhancement. Current estimate is that a further £10K will be spent on this project, with overall spend within budget.										
<b>Total Central Administration and Asset Replacement</b>		<b>1,409</b>	<b>2,755</b>	<b>2,140</b>	<b>2,672</b>	<b>1,620</b>	<b>613</b>	<b>1,511</b>	<b>1,605</b>	<b>94</b>
<b>Corporate Property Improvements</b>										
Corporate Improvement Programme	Kenny Macpherson	717	1,805	1,105	1,757	1,351	Annual Programme			
Programme of works approved and monitored by Asset Management Sub-committee.										
SRF Property Maintenance	Kenny Macpherson	0	119	119	119	119	Annual Programme			
Programme of works approved and monitored by Asset Management Sub-committee.										
Investment Properties Buy/Sell	Colin Kemp	645	0	0	0	0	645	0	645	645
Strategic land purchase funded by the Strategic Reserve Fund										
<b>Total Corporate Property Improvements</b>		<b>1,362</b>	<b>1,924</b>	<b>1,224</b>	<b>1,876</b>	<b>1,470</b>	<b>645</b>	<b>0</b>	<b>645</b>	<b>645</b>

<i>Approved Capital Programme Service Summary</i>	<i>Financial Year 2021/22</i>				<i>Future Years</i>		<i>Total Project Summary</i>			
	<i>Actual Spend £000's</i>	<i>Annual Budget £000's</i>	<i>Revised Budget £000's</i>	<i>Over/(Under) Spend £000's</i>	<i>Revised Budget 2022/23 £000's</i>	<i>Revised Budget 2023/24 £000's</i>	<i>Spend to Date £000's</i>	<i>Project Total £000's</i>	<i>Estimated Out-turn £000's</i>	<i>Over/(Under) Spend £000's</i>
	<b>General Fund Summary</b>									
Other Housing	237	500	500	(263)	500	500		Annual Programme		
Social Care	26	589	150	(124)	6,150	6,539	8,854	22,550	22,050	(500)
Education	1,197	3,025	1,600	(403)	2,200	78	1,643	4,324	4,324	0
Leisure and Cultural	1,172	3,749	2,510	(1,338)	1,413	0	3,016	5,767	5,675	(92)
Roads	687	1,817	1,817	(1,130)	3,018	1,300	1,096	5,043	5,043	0
Transportation	280	401	401	(121)	0	0	2,167	2,288	2,331	43
Operational Environmental Services	143	620	153	(10)	467	0	1,190	1,667	1,667	0
Central Administration and Asset Replacement	1,409	2,755	2,140	(731)	2,672	1,620	613	1,511	1,605	94
Corporate Property Improvements	717	1,805	1,105	(388)	1,757	1,351		Annual Programme		
Planning	14	236	236	(222)	0	0	656	903	936	33
	<b>5,882</b>	<b>15,497</b>	<b>10,612</b>	<b>(4,730)</b>	<b>18,177</b>	<b>11,388</b>	<b>19,235</b>	<b>44,053</b>	<b>43,631</b>	<b>(422)</b>
<b>Non-General Fund Summary</b>										
Housing Revenue Account	1,748	6,956	2,693	(945)	5,681	656	5,924	13,206	12,972	(234)
Scapa Flow Oil Port	353	4,052	732	(379)	7,525	325	12,846	20,690	20,690	0
Miscellaneous Piers	248	1,388	1,053	(805)	2,880	5,247	1,924	10,363	10,363	0
Strategic Reserve Fund	645	119	119	526	119	119		Annual Programme		
	<b>2,994</b>	<b>12,515</b>	<b>4,597</b>	<b>(1,603)</b>	<b>16,205</b>	<b>6,347</b>	<b>20,694</b>	<b>44,259</b>	<b>44,025</b>	<b>(234)</b>
<b>Total Capital Programme</b>	<b>8,876</b>	<b>28,012</b>	<b>15,209</b>	<b>(6,333)</b>	<b>34,382</b>	<b>17,735</b>	<b>39,929</b>	<b>88,312</b>	<b>87,656</b>	<b>(656)</b>

**Capital Reprofiting Exercise - February 2022**

	2021/22 £'000	2022/23 £'000	2023/24 £'000
<b>Current Budget</b>			
General Fund	15,497	13,586	11,094
Non-General Fund	12,515	8,862	5,772
	<b>28,012</b>	<b>22,448</b>	<b>16,866</b>
<b>Reprofilng Exercise -</b>			
<b>General Fund</b>			
Burial Grounds - Mainland Extensions	-256	256	
Burial Grounds - Major improvements	-54	54	
Burial Grounds - Island Extensions	-72	72	
Burial Grounds - Island Major Extensions	-85	85	
St Andrews School Extension	-1,425	1,420	5
Scapa Flow Visitor Centre	-852	852	
Papdale East Play Park	-176	176	
Ness Campsite	-211	211	
Kirkwall Care Facility	-439	150	289
Plant and Vehicle Replacement Programme	-600	600	
Corporate Improvement Programme - ELC enhancement	-700	700	
Replacement Audio Casting	-15	15	
<b>Non- General Fund</b>			
Hatston Pier Road Extension	-270	270	
Reclamation at Hatston Pier - Phase 1	-65	65	
Replacement Tug no 3	-3,320	3,320	
Moar Road	-598	598	
Design and Build	-3,395	3,395	
Carness Phase 2	-270	-305	575
<b>Total Budget Movement</b>	<b>-12,803</b>	<b>11,934</b>	<b>869</b>
<b>Revised Budgets</b>			
General Fund	10,612	18,177	11,388
Non-General Fund	4,597	16,205	6,347
	<b>15,209</b>	<b>34,382</b>	<b>17,735</b>