

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning & Infrastructure
DATE	31 January 2012
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Capital Monitoring – EP&I Projects
REPORT NUMBER:	EPI/12/024

1. PURPOSE OF REPORT

To advise the Committee of the capital spend to date for the Enterprise, Planning & Infrastructure projects included within the Non-Housing Capital Programme.

2. RECOMMENDATION(S)

The Committee note the current position.

3. FINANCIAL IMPLICATIONS

The monies required to fund these projects are achieved through external borrowing, capital receipts and grant income. These projects are all accommodated within the Non-Housing Capital Programme. Any under spend, carry forward or overspend will have implications for the programme. There are no issues at present that would result in such implications.

4. OTHER IMPLICATIONS

There are no other implications at this time but as projects progress or indeed fail to progress then other implications may arise and will be reported at an appropriate Committee.

5. BACKGROUND/MAIN ISSUES

As reported at the Finance & Resources Committee in December 2011 the overall responsibility for the monitoring/management of the Capital Programme lies with the Head of Asset Management & Operations. The Planning & Monitoring Officer within Asset Management & Operations is in regular contact with the Service Representative and the Capital Accountant, reporting in the first instance to the Corporate Asset Group. This ensures that the spend figures are always up to date and accurate.

Enterprise Planning & Infrastructure has a total of £27,831 million allocated to it from the Non-Housing Capital Programme. The projects included in the programme are:-

- 1) Corp Property Condition & Suitability Programme
- 2) Cycling Walking Safer Streets Grant
- 3) Access From the North
- 4) Western Peripheral Route
- 5) Corporate Office Accommodation
- 6) Corporate Asset Management
- 7) Nestrans - Capital Grant
- 8) 3R's Furniture, Fittings & Equipment and Other Works
- 9) Biomass Heating - Duthie Park Winter Gardens
- 10) Vehicle Replacement
- 11) AECC Pavilion for Offshore Europe Conference
- 12) Planned Renewal & Replacement of Road Infrastructure
- 13) Land Acquisition - Contingency

Spend to date for all projects to date is £14,289 million, 51% of the total budget. Discussions so far have not identified some under spend predictions. Variances in monthly spend compared to predicted spend have been identified in some cases, which has resulted in spend profiles being amended.

Appendix A provides a detailed breakdown of this spend to date.

Item 717 - Regional Sports Centre - 50m Pool has been removed from the Capital Plan for this year and all actual spend in addition to the projected spend has been removed. The method of funding has been investigated by Finance, effectively making the expenditure on this project a loan to Aberdeen Sports Village. The anticipated £1 million spend will go back into the Capital Budget.

An update on the Capital position will be reported to this Committee on 31 May 2012.

6. IMPACT

Corporate - The capital programme encompasses projects which link to the Community Plan, Single Outcome Agreement, Corporate and Individual Service Plans and Vibrant, Dynamic & Forward Looking.

Public - This report will be of interest to the public as it outlines the Council's capital spending to date on Housing & Environment Projects.

7. BACKGROUND PAPERS

Non-Housing Capital Programme 2011/12 – Monitoring Report approved at Finance & Resources Committee on 6 December 2011

8. REPORT AUTHOR DETAILS

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Appendix A:

Non Housing Capital: Enterprise, Planning & Infrastructure Spend to Period 8 (November)

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Corporate Office Accommodation	12,067	7,481	7,069	18
Condition & Suitability Programme	6,245	5,121	3,227	143
Renewal & Replacement of Road Infrastructure	3,693	3,733	1,618	230
Nestrans - Capital Grant	1,411	1,411	706	0
AECC Pavilion for Offshore Europe Conference	1,065	1,145	1,042	44
Western Peripheral Route	1,050	950	176	35
Land Acquisition - Contingency	700	700	1	0
Biomass Heating - Duthie Park	450	450	275	0
Cycling Walking Safer Streets Grant	307	308	26	19
Frederick Street Relocations - Crombie Road	220	220	39	39
Vehicle Replacement	173	28	28	0
Access From the North	150	130	0	0
3R's Furniture, Fittings & Equipment	150	150	67	0
Frederick Street Relocations - Archibald Simpson House	120	120	1	1
Corporate Asset Management	30	30	15	2
Totals	27,831	21,976	14,289	531

Enterprise, Planning & Infrastructure: By Project

Capital Item 663: Corporate Office Accommodation

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Corporate Office Accommodation	12,067	7,481	7,069	18

- Project has been reprofiled to be underspent this financial year by £4.586 million, a further £2.5 million saving from the previous profile.
- £100,000 profiled for resolving unforeseen issues at Marischal College building including redesign of car park, door relocations etc.

Capital Item 294: Condition & Suitability Programme

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Condition & Suitability Programme	6,245	5,121	3,227	143

- A total of 26 projects have now been completed this financial year.
- Discussions are taking place with Asset Management to potentially spend the remainder of this year's budget by bringing forward some reserve works. A list of potential works is currently being considered and will be discussed with Corporate Asset Group prior to consulting the Finance & Resources Convener and Vice Convener.

Capital Item 789: Renewal & Replacement of Road Infrastructure

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Renewal & Replacement of Road Infrastructure	3,693	3,733	1,618	230

- Actual ledger spend and completed works currently differ by approximately £1 million. Budget holder awaiting invoices for completed works and is proactively working to resolve the situation.

Capital Item 765: Nestrans - Capital Grant

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Nestrans - Capital Grant	1,411	1,411	706	0

- Remaining £705,000 of NESTRANS recharges profiled for February.

Capital Item 788: AECC Pavilion for Offshore Europe Conference

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
AECC Pavilion for Offshore Europe Conference	1,065	1,145	1,042	44

- Project will be overspent by approximately £80,000 in order to complete the project. Overspend will not exceed the Head of Asset Management and Operations delegated authority of 10% overspend.

Capital Item 627: Western Peripheral Route

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Western Peripheral Route	1,050	950	141	0

- The Project Team have reviewed the remaining stages of the project for this financial year to ensure they are in a position to proceed as efficiently and quickly as possible assuming a favourable outcome to the forthcoming appeal. The appeal is to be heard in December 2011.
- Budget holder has profiled £100,000 underspent. This reduction was subject to the appeal proceeding, the appeal dates are 13 - 16 Dec. and is strongly expected to go ahead.
- A significant and large proportion of the monies (circa £650k) still to be spent are linked to VAT payments. Discussions are currently ongoing with Transport Scotland seeking clarification of each funding partner's obligation with regard to this.

Capital Item 791: Land Acquisition – Contingency

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Land Acquisition - Contingency	700	700	1	0

- Budget holder still awaiting decision regarding the acquisition of land at South College Street. The cost of this has been adjusted to £699,000

Capital Item 782: Biomass Heating - Duthie Park

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Biomass Heating - Duthie Park	450	450	275	61

- Payments from this financial year totaling £213,000 require to be offset by CEEF funding. The total estimated CEEF contribution for this year is £350,000.
- The net Capital budget for this project will remain at £25,000.

Capital Item 551: Cycling Walking Safer Streets Grant

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Cycling Walking Safer Streets Grant	307	308	26	19

- Expenditure has commenced in earnest now payments to contractor have commenced.

Capital Item 793A: Frederick Street Relocations – Crombie Road

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	November Spend £'000
Frederick Street Relocations - Crombie Rd	220	220	39	39

- Works now underway to facilitate the Capital Receipt sale of site at Frederick Street to NHS Grampian.

Capital Item 784: Vehicle Replacement

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	Legally Committed £'000	November Spend £'000
Vehicle Replacement	173	173	28	0	0

- Vehicle sales have not yet reached the target of £9,000 of additional sales. The situation will be monitored to ensure the additional expenditure on this item is fully offset.

Capital Item 778: 3R's Furniture, Fittings & Equipment

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	Legally Committed £'000	November Spend £'000
3R's Furniture, Fittings & Equipment	150	150	67	79	0

- Budget holder awaiting decision on asbestos removal at a number of schools and additional furniture items at Cults and Bucksburn Academies.

Capital Item 587: Access From the North

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	Legally Committed £'000	November Spend £'000
Access From the North	150	70	0	0	0

- The NESTRANS spend currently stands at £140,000 of the £250,000 awarded. Only when this portion of the budget has been spent will the £150,000 Capital spend begin.
- Budget holder has reprofiled to show an underspend of £80,000.

Capital Item 793B: Frederick Street Relocations - Archibald Simpson House

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	Legally Committed £'000	November Spend £'000
Frederick Street Relocations - Archibald Simpson House	120	120	1	120	1

- Works now underway to facilitate the Capital Receipt sale of site at Frederick Street to NHS Grampian.

Capital Item 666: Corporate Asset Management

	Budget 10/11 £'000	Year Projection £'000	Total Spend £'000	Legally Committed £'000	November Spend £'000
Corporate Asset Management	30	30	15	14	2

- Remainder of spend profiled for training on Asset Management's CONFIRM system and travel costs involved