

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning & Infrastructure
DATE	11 September 2012
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Capital Monitoring – Enterprise, Planning & Infrastructure Projects
REPORT NUMBER:	EPI/12/175

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 underspend, 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 13 projects, totaling £22.688 million allocated to it from the Non-Housing Capital Programme. The projects and total budget committed to each project included in the programme are:-

- 1) Corp Property Condition & Suitability Programme
£7.71 million
- 2) Cycling Walking Safer Streets Grant
£252,000
- 3) Access From the North
£430,000

- 4) Western Peripheral Route
£4.1 million
- 5) Corporate Office Accommodation
£1 million
- 6) NESTRANS - Capital Grant
£960,000
- 7) 3R's Furniture, Fittings & Equipment and Other Works
£50,000
- 8) Planned Renewal & Replacement of Road Infrastructure
£3.748 million
- 9) Land Acquisition – Contingency
£650,000
- 10) Frederick Street Relocations - Crombie Road
£43,000
- 11) Frederick Street Multi Storey Car Park
£2.345 million
- 12) Hydrogen Buses
£400,000
- 13) City Broadband
£1 million

Spend for all projects to the end of July is £1.389 million, 6% of the total budget. Expenditure on two capital items, Planned Renewal & Replacement of Road Infrastructure and Frederick Street Multi Storey Car Park, have been coded to the incorrect budgets. These issues are currently being resolved as detailed in Appendix A. Discussions so far have identified the Corporate Office Accommodation project as a potential for underspend, . Variances in monthly spend compared to predicted spend have been identified in some cases, which has resulted in spend profiles being amended. It should be noted that ongoing monitoring has shown that expenditure over the summer months has significantly increased. This is to be expected due to the nature of much of the work being undertaken.

Appendix A provides a breakdown of spend to date and relevant supporting information as necessary.

An update on the capital position will be reported to this Committee on 6 November 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 Enterprise, Planning & Infrastructure projects.

7. BACKGROUND PAPERS

Non-Housing Capital Programme 2012/13 – Capital Monitoring Report approved at Finance & Resources Committee on 19 June 2012

8. REPORT AUTHOR DETAILS

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Appendix A: Spend to date

Project Description	Budget Holder	Total Budget 12/13	Budget 13/14	Budget 14/15	Spend to July
Corp Property Condition & Suitability Programme	Neil Esslemont	7,710	7,400	7,400	926
Cycling Walking Safer Streets Grant	Doug Ritchie	252	232	341	3
Access From the North	Tom Rogers	430	7,010	6,400	39
Western Peripheral Route	John Wilson	4,100	1,000	600	0
Corporate Office Accommodation	Hugh Murdoch	1,000	0	0	3
NESTRANS - Capital Grant	Joanna Murray	960	882	1,295	0
3R's Furniture, Fittings & Equipment and Other Works	Graeme Craig	50	0	0	15
Planned Renewal & Replacement of Road Infrastructure	Mike Cheyne	3,748	3,768	3,659	10
Land Acquisition - Contingency	Stephen Booth	650	0	0	1
Frederick Street Relocations - Crombie Road	Jim Forbes	43	0	0	245
Frederick Street Multi Storey Car Park	Ian Taylor	2,345	0	0	147
Hydrogen Buses	Jan Falconer	400	400	400	0
City Broadband	Jan Falconer	1,000	1,000	0	0
Totals		22,688	21,692	20,095	1,389

- The termination of the Roads Trading account and extension of the Consilium costing system across the Roads service has resulted in delays in transferring further costs of approximately £1.3 million to non-housing capital. Officers will continue to transfer funds from revenue to capital in order to rectify this situation.
- As above, the Frederick Street Multi Storey Car Park expenditure has encountered delays in transfer of funds from revenue to capital. Spend will increase to approximately £650,000 in September.
- The Council remains engaged in a legal challenge with objectors to the AWPR. Expenditure profiles will continue to be updated depending on the results of the legal process. Judgment may not be received before October 2012.
- The Corporate Office Accommodation budget has been split into 5 sub headings:
 - Marischal College Improvements
 - Town House: Replacement Sound System
 - Town House: Refurbishment & Upgraded Security
 - Frederick Street: Ground Floor & External Envelope Repairs
 - Upgrading Offices

Due to the complexity and nature of the projects defined it is likely that some of this budget will slip to 2013 / 14. However, it is intended to have all contracts legally committed this financial year.

- The Frederick Street Relocations – Crombie Road project involved the relocation of the Education, Culture & Sport Reserve Collection to vacant Council owned industrial units at Crombie Road. Much of the required refurbishment to this unit was from the dilapidations budget, paid for by the outgoing tenant. This “transfer” is still to be processed and will help bring the total expenditure back into line.
- The full Hydrogen buses capital project budget of £2 million has now been legally committed. In addition, the Scottish Executive and Scottish Government have committed £3.4 million to this project. Due to the uncertainty of timings of these grants the project profile requires revision.