

## ABERDEEN CITY COUNCIL

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COMMITTEE	Finance & Resources
DATE	6 December 2012
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Capital Monitoring – Non Housing Capital Programme 12/13
REPORT NUMBER:	EPI/12/213

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### 1. PURPOSE OF REPORT

To advise the Committee of the capital spend to date for all projects included within the Non-Housing Capital Programme.

### 2. RECOMMENDATION

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.

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.

As part of the Council's three year Business Plan, Capital expenditure is now monitored within a three year timescale where appropriate. This has given budget holders the ability to profile within a three year period.

Some projects are now profiled for little or indeed no expenditure in the current financial year. In these instances, budget holders have profiled the intended expenditure in the appropriate financial year. Budget holders who are profiling slippage on a legally committed project into the next financial year(s) are also profiling this into the appropriate year. Additionally, the rolling programmes included in the Capital programme (Police - Capital Grant, Corp Property Condition & Suitability Programme and Planned Renewal & Replacement of Road

Infrastructure) are now profiled and monitored on a three year basis. Any overspend this financial year will be deducted from the following year's budget. Equally, underspend can be picked up in the following year.

#### 4. 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.

The Capital Programme has a total of 29 projects, totalling £38.482 million allocated to it from the Non-Housing Capital Programme in 2012/13.

The projects and total budget committed to each project included in the programme are:-

- 1) Data Centre Move  
£175,000
- 2) Police - Capital Grant  
£1.705 million
- 3) Information Communication Technology Connectivity  
£34,000
- 4) Replacement Education Management Information System  
£167,000
- 5) School Estate Strategy - Bucksburn / Newhills  
£522,000
- 6) School Estate Strategy - Riverbank  
£172,000
- 7) Provision for Children with Complex Needs  
£771,000
- 8) Tullos Pool Refurbishment  
£871,000
- 9) Corp Property Condition & Suitability Programme  
£7.710 million

- 10) Cycling Walking Safer Streets Grant  
£252,000
- 11) Access From the North  
£430,000
- 12) Western Peripheral Route  
£4.1 million
- 13) Corporate Office Accommodation  
£1 million
- 14) NESTRANS - Capital Grant  
£960,000
- 15) 3R's Furniture, Fittings & Equipment and Other Works  
£50,000
- 16) Planned Renewal & Replacement of Road Infrastructure  
£3.748 million
- 17) Land Acquisition - Contingency  
£650,000
- 18) Frederick Street Relocations - Crombie Road  
£43,000
- 19) Frederick Street Multi Storey Car Park  
£2.345 million
- 20) Hydrogen Buses  
£400,000
- 21) City Broadband  
£1 million
- 22) Duthie Park & Winter Gardens - Cost Net of HLF  
£2.815 million
- 23) Ness Landfill Restoration  
£4 million
- 24) Hill of Tramaud Landfill - Change of Law Costs  
£449,000
- 25) Private Sector Housing Grant  
£921,000
- 26) Duthie Park & Winter Gardens Replacement Greenhouses  
£4,000

27) Victoria House  
£1.271 million

28) Integrated Drugs Service  
£650,000

29) Marchburn House  
£912,000

Spend for all projects to the end of October is £11.062 million. 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 breakdown of this spend to date and relevant supporting information as necessary.

An update on the capital position will be reported to this Committee on 21 February 2013.

## 5. IMPACT

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

Public - This report will be of interest to the public as it outlines the Council's capital spending to date on Education, Culture & Sport projects.

## 6. BACKGROUND PAPERS

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

## 7. REPORT AUTHOR DETAILS

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## Capital Monitoring – Non Housing Capital Programme 12/13

### *Expenditure to end of October 2012 – all services*

Total Funding £'000	Year Projection £'000	Total Spend £'000
38,482	33,414	11,062

### *Expenditure to end of October 2012 – by service*

	Total Budget £'000	Total Spend £'000	Year Projection £'000
Enterprise, Planning & Infrastructure	22,688	6,314	20,547
Housing & Environment	9,815	4,606	8,256
Education, Culture & Sport	2,537	68	1,432
Corporate Governance	1,880	15	1,548
Social Care & Wellbeing	1,562	59	1,631
Totals	38,482	11,062	33,414

Capital projects which are currently profiled to underspend this financial year will be carried forward to the 2013 /14 budget (and beyond where applicable), as part of the three year Capital plan.

### **Capital Funding**

	£'000
Capital Grant	16,085
Capital Fund (use of receipts)	7,000
Other Funding	15,397
Total	38,482

**Enterprise, Planning & Infrastructure: All Projects spend to end October**

Project Description	Budget Holder	Total Budget 12/13	Budget 13/14	Budget 14/15	Spend to end October
		£'000	£'000	£'000	£'000
Corp Property Condition & Suitability Programme	Neil Esslemont	7,710	7,400	7,400	2,328
Cycling Walking Safer Streets Grant	Doug Ritchie	252	232	341	47
Access From the North	Tom Rogers	430	7,010	6,400	100
Western Peripheral Route	John Wilson	4,100	1,000	600	0
Corporate Office Accommodation	Hugh Murdoch	1,000	0	0	53
NESTRANS - Capital Grant	Joanna Murray	960	882	1,295	480
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	1,750
Land Acquisition - Contingency	Stephen Booth	650	0	0	1
Frederick Street Relocations - Crombie Road	Jim Forbes	43	0	0	254
Frederick Street Multi Storey Car Park	Ian Taylor	2,345	0	0	1,261
Hydrogen Buses	Jan Falconer	400	400	400	0
City Broadband	Jan Falconer	1,000	1,000	0	25
<b>Totals</b>		<b>22,688</b>	<b>21,692</b>	<b>20,095</b>	<b>6,314</b>

**Enterprise, Planning & Infrastructure: By Project**

**Item 294: Corp Property Condition & Suitability Programme**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
7,710	7,710	2,328	30

- 17 projects have been practically completed from this year's Condition & Suitability programme to end of October.
- Over £3.675 million has been committed to this budget.
- Any underspend from this year's rolling programme will be carried forward to the 2013/14 budget.

**Item 551: Cycling Walking Safer Streets Grant**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
252	252	47	18

- Following the trend in 2011/12, the majority of this budget is profiled for expenditure in the last three months of the financial year when invoices will be settled.

**Item 587: Access From the North**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
430	430	51	12

- There is still uncertainty over whether or not the 3rd Don Crossing will be included as part of the Western Peripheral Route package of works.
- Officers continue to develop remodelling of proposals for presentation to elected members.
- Asset Management have requested scenario budgeting from the budget holder of this project. This will enable more robust future years profiling. The outcome of these profiles will be reported to this committee.

**Item 627: Western Peripheral Route**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
4,100	4,100	0	0

- Following the successful UK Supreme Court decision to proceed with this project, no revised spend profile has been produced as yet. This will be made available as soon as possible.

**Item 663: Corporate Office Accommodation**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
1,000	53	53	5

- Due to the complexity and nature of the projects defined, the majority of this budget will slip to 2013/14.
- Each individual element of this budget will be profiled once costs have been provided.

**Item 765: NESTRANS - Capital Grant**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
960	960	480	50

- The NESTRANS Grant is paid in two equal instalments, the first of which was paid in October. The second is profiled for payment in February.

**Item 778: 3R's Furniture, Fittings & Equipment and Other Works**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
50	50	15	30

- The 3R's budget is a carry forward from 2011/12 which has been used to fund snagging items and equipment from the now completed 3R's school project. The budget is being spent on a "reactive" basis and has been drawn down as and when necessary.

**Item 789: Planned Renewal & Replacement of Road Infrastructure**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
3,748	3,750	1,750	47

- The majority of resurfacing works have been carried out and invoiced. Further payments will increase the expenditure on this budget significantly.



**Item 791: Land Acquisition – Contingency**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
650	650	1	1

- The land acquisition budget is in place to fund acquisitions which the Authority are legally obliged to conclude.
- The remaining budget at the conclusion of this financial year will carry forward to 2012/13 as per the three year Capital plan.

**Item 793A: Frederick Street Relocations - Crombie Road**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
43	254	254	591

(The budget spent figure currently shown does not include additional funding from several other sources).

- 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.
- The final out-turn cost of this project has yet to be established. There are ongoing discussions to clarify whether specific elements that have been incorporated into the building are to be funded from Revenue budgets. The outcome of these discussions will be reported to the next meeting of this Committee.

**Item 793C: Frederick Street Multi Storey Car Park**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
2,345	2,345	1,261	54

- The car park is fully funded from the capital receipt obtained in 2011/12 from the sale of the Frederick Street development site. Works are being undertaken by Hub North Scotland. The completion date has slipped by two weeks to the beginning of December.

**Item 794: Hydrogen Buses**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
400	0	0	0

- Budget holder has reprofiled the expenditure on this project.
- There will be no expenditure in this financial year, however, December 2013 is profiled for £800,000 spend for the purchase of 4 buses. April 2014 is profiled for £1.2 million for the remaining buses.

**Item 795: City Broadband**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
1,000	42	25	3

- Project is profiled for the only spend this financial year to purchase expert advice in order to undertake an accelerated procurement process with the remaining £1.958 million profiled for expenditure in 2013/14.

## **Housing & Environment: All Projects spend to end October**

Project Description	Budget Holder	Total Budget 12/13	Budget 13/14	Budget 14/15	Spend to end October
		£'000	£'000	£'000	£'000
Duthie Park & Winter Gardens - Cost Net of HLF	Steven Shaw	3,170	0	0	1,596
Ness Landfill Restoration	Peter Lawrence	4,000	0	0	2,536
Hill of Tramaud Landfill - Change of Law Costs	Peter Lawrence	449	0	0	22
Private Sector Housing Grant	Andy Pitblado	921	1,032	1,512	449
Duthie Park & Winter Gardens Replacement Greenhouses	Steven Shaw	4	0	0	3
Victoria House	Kenny Paterson	1,271	1,272	0	0
<b>Totals</b>		<b>9,815</b>	<b>2,304</b>	<b>1,512</b>	<b>4,606</b>

### **Housing & Environment: By Project**

#### **Item 244: Duthie Park & Winter Gardens - Cost Net of HLF**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
3,170	2,815	922	29

- Spend on the Duthie Park & Winter Gardens project has now risen to fully utilise the carry forward from 2011 / 12. Further expenditure is to be funded by Heritage Lottery Fund and Common Good in 2012 / 13.
- Works are progressing to the project plan and continue to be profiled to conclude on time.

#### **Item 497: Ness Landfill Restoration**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
4,000	4,000	2,536	63

- Works on the Ness Landfill are progressing to the project plan and continues to be profiled to conclude on time.

**Item 766: Hill of Tramaud Landfill - Change of Law Costs**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
449	449	22	5

- The landfill budget at Hill of Tramaud is a carry forward from 2011/12.
- Profiles show expenditure increasing significantly at the beginning of next calendar year.

**Item 779: Private Sector Housing Grant**

Budget 12/13 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
921	729	449	49

- Budget holder has resolved all issues regarding previous year's accruals and reprofiled accordingly.
- All expenditure from this financial year's budget is to be spent on disabled adaptations.
- Current profile shows underspend this financial year of £192,000. If this matches the final out – turn, the additional funds will be carried forward to 2012/13.

**Item 792: Duthie Park & Winter Gardens Replacement Greenhouses**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
4	4	3	76

- This project was completed last year, and the final £1,000 of expenditure is required solely to settle the final account from these works.

**Item 797: Victoria House**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
1,271	129	0	0

- Instructions have now been issued to the appointed demolition contractor, giving possession of the site at the beginning of January. Works on site for the demolition are scheduled to take 12 weeks.
- Further profiles will be provided from the budget holder when a project plan is available and works have been profiled.
- The remaining budget at the conclusion of this financial year will carry forward to 2012/13 as per the three year Capital plan.

**Education, Culture & Sport: All Projects spend to end October**

Project Description	Budget Holder	Total Budget 12/13	Budget 13/14	Budget 14/15	Spend to end October
		£'000	£'000	£'000	£'000
Information Communication Technology Connectivity	Rosaleen Rentoul	34	0	0	34
Replacement Education Management Information System	David Wright	167	0	0	31
School Estate Strategy - Bucksburn / Newhills	Sharon McNut	522	1,215	7,638	0
School Estate Strategy - Riverbank	Sharon McNut	172	1,490	88	3
Provision for Children with Complex Needs	Sharon McNut	771	5,722	6,393	0
Tullos Pool Refurbishment	David Wright	871	100	0	0
<b>Totals</b>		<b>2,537</b>	<b>8,527</b>	<b>14,119</b>	<b>68</b>

**Education, Culture & Sport: By Project**

**Item 750: Information Communication Technology Connectivity**

Budget 11/12	Year Projection	Spend to October	Budget Spent
£'000	£'000	£'000	%
34	34	34	100

- This project was a residual amount carried over from last year and has now been completed on budget.

**Item 751: Replacement of Education Management Information System**

Budget 11/12	Year Projection	Spend to October	Budget Spent
£'000	£'000	£'000	%
167	167	31	19

- Budget holder is currently piloting hardware. Current profile cannot confirm if the remainder of this budget will be spent this financial year.

**Item 759A: School Estate Strategy - Bucksburn / Newhills**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
522	522	0	0

- A design team has now been appointed and two technical meetings have taken place.
- A full spend profile is currently being developed for the next technical meeting.
- The first payment is payable to the design team in December. Payments to contractors are likely to commence early in next financial year.

**Item 759B: School Estate Strategy – Riverbank**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
172	172	3	2

- A Contractor has been commissioned for Riverbank School Estate Strategy and detailed design work is progressing. A detailed programme is currently being produced and will be finalised as soon as possible. The anticipated start date on site is programmed for early 2013.

**Item 776: Provision for Children with Complex Needs**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
771	75	0	0

- Provision for Children With Complex Needs has approximately £30,000 committed to ground investigations, via Hub North Scotland. These will contribute towards the site selection process, due to be complete in October 2012.
- The remaining budget at the conclusion of this financial year will carry forward to 2012/13 as per the three year Capital plan.

**Item 796: Tullos Pool Refurbishment**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
871	460	0	0

- Building warrant has been submitted and a contractor is to be appointed in December 2012 with construction due to run from Mid January to mid July 2013.
- Design fees are profiled to be charged in December 2012
- The remaining budget at the conclusion of this financial year will carry forward to 2012/13 as per the three year Capital plan.



**Corporate Governance: All Projects spend to end October**

Project Description	Budget Holder	Total Budget 12/13	Budget 13/14	Budget 14/15	Spend to end October
		£'000	£'000	£'000	£'000
Data Centre Move	Paul Fleming	175	0	0	6
Police - Capital Grant	Sandra Buthlay	1,705	651	954	0
<b>Totals</b>		<b>1,880</b>	<b>651</b>	<b>954</b>	<b>6</b>

**Corporate Governance: By Project**

**Item 630: Data Centre Move**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
175	157	15	9

- Expenditure for the Data Centre Move is now focused on the rolling out of the Council's Virtual Desktop Environment.
- Budget holder has identified milestone payments and the project is profiled to be concluded in December, £18,000 under budget.

**Item 769: Police - Capital Grant**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
1,705	1,391	0	0

- Monitoring information received from the police continues to predict that £1.391 million will be required this financial year.
- Budget holder is still awaiting further information on what will happen with future years given the move to a single force from 1st April 2013.

## **Social Care & Wellbeing: All Projects spend to end October**

Project Description	Budget Holder	Total Budget 12/13	Budget 13/14	Budget 14/15	Spend to end October
		£'000	£'000	£'000	£'000
Integrated Drugs Service	Tom Cowan	650	0	0	0
Marchburn House	Shona Manson	912	0	0	8
<b>Totals</b>		<b>1,562</b>	<b>0</b>	<b>0</b>	<b>8</b>

### **Social Care & Wellbeing: By Project**

#### **Item 691: Integrated Drugs Service**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
650	650	0	0

- Officers from Aberdeen City Council continue to pursue NHS Grampian's legal team for clarification and completion of the legal agreement for the Integrated Drugs Centre.
- The Corporate Asset Group and Social Care & Wellbeing committee have been advised of the situation and are attempting to resolve this issue as soon as possible.

#### **Item 777: Marchburn House**

Budget 11/12 £'000	Year Projection £'000	Spend to October £'000	Budget Spent %
912	981	59	6

- Project is currently forecast to be overspent by 5%. Approval for this has been granted by the Head of Asset Management & Operations under delegated powers for managing the Non-Housing Capital Plan.