

ABERDEEN CITY COUNCIL

COMMITTEE	Education, Culture & Sport
DATE	28 March 2013
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Capital Monitoring – Education, Culture & Sport Projects
REPORT NUMBER:	EPI/12/294

1. PURPOSE OF REPORT

To advise the Committee of the capital spend to date for the Education, Culture & Sport 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.

As part of the Council's five year business plan, capital expenditure is now monitored within a five year timescale where appropriate. This has given budget holders the ability to profile across the full five years. In year monitoring will continue, alongside monitoring the complete capital programme.

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 expenditure into the appropriate year.

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.

Education, Culture & Sport has a total of 7 projects, totaling £2,715,000 allocated to it from the Non-Housing Capital Programme in 2012/13. Woodside Replacement Pitch has been added to the programme following approval at the 21 April 2011 Finance & Resources Committee to sell the land and provide a replacement pitch from the gross capital receipt. On 8 February, Officers concluded the sale of the ground to NHS Grampian The gross receipt from the NHS for the sale of the pitch is £300,000. A contract has now been let to proceed with the replacement pitch at a cost of £91,000, leaving a net capital receipt of £209,000. From this, £104,500 has been allocated to the Capital Fund and £104,500 to the Housing Revenue Account. The new pitch will provide a variety of activities, including football, basketball and hockey.

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

- 1) Information Communication Technology Connectivity
£34,000
- 2) Replacement of Education Management Information System
£167,000
- 3) School Estate Strategy - Bucksburn / Newhills
£522,000
- 4) School Estate Strategy – Riverbank
£172,000
- 5) Provision for Children with Complex Needs
£771,000
- 6) Tullos Pool Refurbishment
£871,000 (Head of Asset Management & Operations has authorised overspend up to £1,149,000 by way of delegated authority.)

7) Woodside Replacement Pitch
£91,000

Spend for all projects to end of February is £269,000. 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 30 May 2013. This report will include projects included as part of the Council's new five year business plan, commencing next financial year, 2013/14.

The new capital projects for Education, Culture & Sport projects and total budget committed to each project included in the future year's programme are:-

- 1) New Academy to the South of the City
£32,000,000
- 2) New Milltimber Primary
£11,750,000
- 3) Art Gallery Redevelopment - Museums Collection Centre
£3,000,000
- 4) Art Gallery Redevelopment – Main Contract
£29,000,000 (Heritage Lottery funding will account for £10,000,000 of funding for this project.)

Work is currently ongoing with officers to allocate budget holders and obtain spend profiles for these projects.

6. 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.

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

Education, Culture & Sport: 2012/13 monitor

Project Description	2012/13 revised budget	Spend to end Feb.	2012/13 Anticipated spend
	£'000	£'000	£'000
Information Communication Technology Connectivity	34	34	34
Replacement Education Management Information System	167	52	166
School Estate Strategy - Bucksburn / Newhills	522	0	240
School Estate Strategy - Riverbank	172	8	8
Provision for Children with Complex Needs	771	71	71
Tullos Pool Refurbishment	1,049	103	344
Woodside Replacement Pitch	91	0	0
	2,806	269	864

Education, Culture & Sport: 2013-18 monitor

Project Description	Budget 2012/13- 2014/15	Legally committed	Total anticipated spend
	£'000	£'000	£'000
Information Communication Technology Connectivity	34	0	34
Replacement Education Management Information System	167	114	166
School Estate Strategy - Bucksburn / Newhills	9,375	0	9,375
School Estate Strategy - Riverbank	1,750	1,742	1,586
Provision for Children with Complex Needs	14,007	0	14,007
Tullos Pool Refurbishment	1,049	946	1,049
Woodside Replacement Pitch	91	91	91
	26,382	2,802	26,217

- The Replacement Education Management Information System budget holder has now legally committed £110,000 of the remaining budget. This will be used to provide a number of mobile devices for use in schools.
- HubCo North continues to develop a new expenditure profile for the remainder of the School Estate Strategy – Bucksburn / Newhills project.
- A contract has been let through the framework agreement with Ultima to carry out the extension of Riverbank School.
- Due to unforeseen circumstances, the contract has had to absorb additional costs relating to the diversion of service utilities. Officers are presently investigating how to fund necessary additional expenditure to

complete the project. This will be reported to the next appropriate Finance & Resources Committee.

- Works are now programmed to commence in late March, lasting six months.
- A site is still to be selected for the Provision for Children with Complex Needs project.
- A contract has been accepted for the refurbishment of Tullos Pool, totaling £1,049,000, 8% over the original budget. This was approved by the Head of Asset Management & Operations delegated authority.
- It has been necessary to accept the contract over budget as the approved sum was based on a three year old probable cost. Mitigating measures to minimise overspend have been employed: Provisional sums have been omitted or reduced; contingencies have been reduced and a Bill of Reduction has been agreed.
- Works have now begun and are scheduled to conclude in late July. A contract to refurbish the toilets at Tullos School has also been accepted to run alongside the pool refurbishment. This is funded through the Condition & Suitability budget.
- The replacement Woodside pitch is programmed to begin on April 8, with a completion date of 10 May.