

ABERDEEN CITY COUNCIL

COMMITTEE: Housing and Environment
DATE: 13 April 2010
REPORT BY: Director and City Chamberlain
TITLE OF REPORT: Capital Budget Progress Report
REPORT NUMBER: H&E/10/049

1. PURPOSE OF REPORT

- 1.1 This report provides an update to Committee of the progress being made on the various projects within the Non-Housing Capital Programme, previously approved by Council, which are aligned to Housing and Environment services. Any changes from the previous report are highlighted in bold.

2. RECOMMENDATION(S)

- 2.1 It is recommended that the Committee:
- a) Considers and notes the content of this report in relation to the projects outlined at Appendix A.

3. FINANCIAL IMPLICATIONS

- 3.1 The monies required to fund the capital programme are achieved through external borrowing, capital receipts and grant income. The General Fund has adequate resources available to finance the capital spend in 2009/2010.
- 3.2 The overall cost of Capital is calculated on a Council-wide basis and therefore the impact on the Council will be included within the summary report to Finance and Resources Committee. It is important that approved projects are managed and monitored in a robust way to ensure there is accuracy in relation to expenditure projections and thereby enable the Council to calculate and evaluate the overall need for, and cost of, borrowing

4. SERVICE & COMMUNITY IMPACT

- 4.1 The Council operates within overall capital control mechanisms laid down by the Scottish Government as well as recommended accounting practice and policies in accordance with the Prudential Code.

5. OTHER IMPLICATIONS

- 5.1 Failure to invest adequately in the Council's asset base may lead to the Council not complying with current health and safety requirements nor capturing the benefits that can be derived from, for example, improved design and construction practices.
- 5.2 If the continuation of close budgetary control is not exercised and maintained the Council may operate out-with the capital control mechanisms laid down by the Scottish Government in relation to the Prudential Code for the 2009/2010 Non Housing Capital Programme.

6. REPORT

- 6.1 Appendix A outlines the Non-Housing Capital Programme projects aligned to Housing and Environment services and provides for each project the budget for 2009/10, spend to the end of February 2010 and forecast out-turn. The appendix also outlines future years budget profiles and any current project forecast variance.
- 6.2 The spend to the end of February 2010 only reflects payments made and processed. It excludes commitments that have been made and will be due to be paid by the year end. Such commitments will be reflected in the forecast position.
- 6.3 Comments on particular projects, where appropriate, are included in the narrative.

7. AUTHORISED SIGNATURE

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9. BACKGROUND PAPERS

Financial ledger data, extracted for the period.

Non-Housing Capital Projects – Housing and Environment

Project	Total Approved Project Costs £'000	Previous Years Project Spend £'000	2009/10				Future Years Budget Profiles			Total Forecast Costs £'000	Project Forecast Variance £'000
			Total Budget 2009/10 £'000	Spend as at 28/02/10 £'000	Commitments £'000	Forecast Out-turn £'000	2010/11 £'000	2011/12 £'000	2012/13 £'000		
233 Waste Disposal Facilities	541	6	0	0	0	0	0	150	385	541	0
Project Description/Project Cost											
There is no anticipated spend on this project in 2009/10. A liability remains for remediation of this site which is expected to be addressed in coming years.											
244 Duthie Park & Winter Gardens – Cost Net of Heritage Lottery Funding	2,904	129	171	25	0	25	170	1,103	1,041	2,468	(436)
Project Description/Project Cost											
Reburbishment and improvement to the historic fabric of Duthie Park and Winter Gardens. Expenditure allocated was mainly for Consultants fees now estimated to be paid in the next financial year.											
363 Improve City Gateways/ appearance of routes	76	Rolling	76	0	76	76	0	0	0	76	0
Project Description/Project Cost											
Physical hard and soft landscape improvements to the main access and exit points of the City. Planned work includes Wellington Raod, Beach Boulevard and Powis Place.											

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497 Ness Landfill Restoration	19,665	Rolling	8,000	3,945	1,503	5,448	7,900	6,317	0	19,665	0
Project Description/Project Cost											
Phase 1 (of 4) is now substantially complete with cost expected to be on, or slightly below, budget. Phase 2 is in the late stage of contract award. This is in line with project expectation.											
567 Memorials in City Cemeteries	215	Rolling	65	34	31	65	50	50	50	215	0
Project Description/Project Cost											
Inspection of stability and safety of memorials and re-erection of headstones.											
726 Co-mingled Collection of Garden & Food Waste	857	115	742	217	525	742	0	0	0	857	0
Project Description/Project Cost											
The service was introduced to the remaining 32,000 properties, taking the total receiving the service to 51,000 households, in December 2009.											
The construction works to the reception shed at Sclattie Disposal Works was completed in early December 2009, with all the co-mingled garden and food waste being delivered to the facility as of 7 th December 2009. The commissioning of the reception shed has allowed the ceasing of collection vehicles having to travel direct to the New Deer processing facility, with this function now being undertaken by SITA.											

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720 Gully Waste Recycle – Reed Bed Ness	488	468	20	6	40	46	0	0	0	514	26
Project Description/Project Cost											
Reed bed has been built and planted but not performing as anticipated. Officers are currently looking at the water circulating rates. A contractors payment was not processed in 2008/09 as final measurements had not be agreed, this has resulted in the over spend for 2009/10.											
738 Replacement of Cremators, Aberdeen Crematorium	4,509	538	2,850	1,533	367	1,900	1,420	101	0	3,959	(550)
Project Description/Project Cost											
Tender has been awarded and work has commenced on site. There is an update on progress reported separately on the agenda.											
762 Multi-Occupancy/ Tenemental Paper Recycling	262	15	247	139	37	176	71	0	0	262	0
Project Description/Project Cost											
Approved at Resources Management Committee on 5 February 2009 to improve the provision of recycling in tenemental properties. On street recycling, for waste paper and cardboard, is presently being provided in the Rosemount, Pittodrie and Ashvale areas. Expansion of this service was provided to the Torry area in September 2009.											
The other concentrated areas, George Street/Powis/Sunnybank and Ferryhill/Holburn areas, are presently being surveyed to identify where changeover of containers can take place.											
Three new identified sites for recycling points, (Hutcheon/Greig Courts, Hayton Road and Marquis Road), were installed week commencing 2 November 2009.											

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766 Hill of Tramaud Landfill – Change of Law Costs	4,337	Rolling	3,106	58	2,742	2,800	656	881	0	4,337	0
Project Description/Project Cost											
Change of Law cost pass through continues to be negotiated with SITA UK. Extant claims will be resolved and paid for in the 2009/10 budget year in line with current projections. Future claims are anticipated to be significantly smaller as site works reach their conclusion in 2011.											
775 Clinterty Travelling Persons Site (net of grant)	108	0	108	0	27	27	68	0	0	95	(13)
Project Description/Project Cost											
New project to facilitate upgrade works to the site. Confirmation has been received from the Scottish Government that a grant has been approved of £162,000. Forecast costs variance is reduced as a reduced grant was received (Original grant submission £324,000, grant awarded £162,000).											
Total Housing and Environment	33,962	1,271	15,385	5,957	5,348	11,305	10,335	8,602	1,476	32,989	(973)

Notes:

Spend as at 28/02/10 reflects payments made only and not the costs of commitments made for orders placed or work in progress for accepted tenders which will be reflected in the forecast position.

Future Years Budget Profiles are subject to review and then approval by Council in February 2010