



Item: 5

Development and Infrastructure Committee: 10 September 2024.

Road Asset Replacement Programme.

Expenditure Outturn.

Report by Head of Finance.

1. Overview

- 1.1. To demonstrate a focus on maintaining existing assets of the Council and ensuring that our buildings and infrastructure are maintained at levels expected by the Orkney public and that our IT, plant and vehicles achieve modern standards of security, safety and emissions, annual capital improvement and replacement programmes of work are agreed by the relevant service Committee or Sub-committee.
- 1.2. Delivery of these planned programmes of work are thereafter monitored throughout the financial year by the relevant service Committee or Sub-committee.
- 1.3. The annual Road Asset Replacement Programme for financial year 2023/24 was approved by the Development and Infrastructure Committee on 28 March 2023.
- 1.4. The table below provides an overview of the expenditure incurred in financial year 2023/24.

Project Description	Outturn as at 31 March 2024.	Annual Budget 2023/24	Overspend/ (Underspend)
Road Asset Replacement Programme	£1,428,664.	£1,081,000.	£347,664.

- 1.5. Appendix 1 to this report provides a detailed breakdown of the approved programmes of work for financial year 2023/24, including individual project updates.

2. Recommendations

2.1. It is recommended that members of the Committee:

- Note the summary outturn position of expenditure incurred for financial year 2023/24 in respect of the Road Asset Replacement Programme, as detailed in section 1.4 of this report.
- Scrutinise the detailed analysis of expenditure figures and programme updates, attached as Appendix 1 to this report, in order to obtain assurance regarding significant budget variances and progress made with delivery of the approved Road Asset Replacement Programme.

For Further Information please contact:

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Implications of Report

- 1. Financial** The Financial Regulations state that Corporate Directors can incur expenditure within approved revenue and capital budgets. Such expenditure must be in accordance with the Council's policies and objectives and subject to compliance with the Financial Regulations.
- 2. Legal** Regular financial monitoring and reporting helps the Council meet its statutory obligation to secure best value.
- 3. Corporate Governance** In terms of the Scheme of Administration, monitoring, on a quarterly basis, the levels of expenditure incurred against the approved annual road asset improvement programme, funded through the approved capital programme, is referred to the Development and Infrastructure Committee.
- 4. Human Resources** N/A.
- 5. Equalities** Equality Impact Assessment is not required for financial monitoring.
- 6. Island Communities Impact** Island Communities Impact Assessment is not required for financial monitoring.
- 7. Links to Council Plan** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
 - Growing our economy.
 - Strengthening our Communities.
 - Developing our Infrastructure.
 - Transforming our Council.
- 8. Links to Local Outcomes Improvement Plan** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:

- Cost of Living.
- Sustainable Development.
- Local Equality.

- 9. Environmental and Climate Risk** Where resources allow, improvement works can include 'greener' solutions.
- 10. Risk** Improvement of existing assets can help reduce risks associated with these assets.
- 11. Procurement** Any contractual arrangements require to comply with the Financial Regulations and Contract Standing Orders.
- 12. Health and Safety** Well-maintained assets will assist the Council in complying with relevant Health and Safety requirements for both staff and the public.
- 13. Property and Assets** Included throughout the report and detailed in the Appendix.
- 14. Information Technology** N/A.
- 15. Cost of Living** N/A.

List of Background Papers

Development and Infrastructure Committee, 28 March 2023, Road Asset Replacement Programmes for 2023 to 2026.

Appendix

Appendix 1 – Road Asset Replacement Programme 2023/24 – Outturn.

Development Infrastructure - Roads Environmental Services
Roads Asset Replacement Programme

Asset type	Cost Code	Location	Final Outturn 2023/24	Allocated Budget 2023/24	Overspend/ (Underspend)	Description	Project Update	
Street lighting system upgrade		Inganess Road, Kirkwall	£96,587	£97,000	(£413)	Replace columns, cabling and control systems.	Works complete.	
		B9050, Deerness	£29,981	£43,000	(£13,019)	Replace columns only.	Works complete.	
		Additions to Approved Programme						
		Scapa Crescent	£63,401	£0	£63,401	Replace columns, cabling and control systems.	Due to lack of available operational resources, these works were carried over from the 2022/23 programme. Works are now complete.	
Street lights	C26101001		£189,969	£140,000	£49,969			
Drainage		A965, Finstown	£25,426	£20,000	£5,426	Upgrade existing drainage	Works complete. Overspend anticipated due to unexpected additional works that were encountered during the project.	
		Evie telephone exchange A966, Evie	£0	£20,000	(£20,000)	Upgrade existing drainage.	Following investigation works, it was found that damage was caused by utility works. This will be repaired by a third party.	
		Additions to Approved Programme						
		Manhole repairs Skail	£2,496	£0	£2,496	Upgrade existing drainage.	Due to lack of available operational resources, these works were carried over from 2022/23 programme. Works now are complete.	
Drainage	C25207001		£27,922	£40,000	(£12,078)			
Street Furniture (Signs, Bollards and Railings)		Signage various	£16,552	£15,000	£1,552	Replace existing signs, bollards and railings.	Works complete.	
		Part-time 20mph flashing signs, Mainland	£50,510	£50,000	£510	Replace existing signs.	Design works and procurement complete. Materials were delivered in March 2024. Full cost of this project was covered by grant funding. Funding received 25/03/24.	
		Safety barriers, Rousay & Hoy	£0	£10,000	(£10,000)	Replace posts.	Design completed. Due to additional works required on site this project has been delayed until future year.	
Footways and kerbing		Inganess Road, Kirkwall	£34,390	£45,000	(£10,610)	Works c/f from 2021/22 - Lay new kerbs and surface.	Works complete.	
		Additions to Approved Programme						
		Brig markers	£38,354	£0	£38,354	Lay new kerbs and surface footway.	Following further inspections of the network, additional works were identified to bring signage up to a suitable standard.	
		Scapa Crescent	£65,865	£0	£65,865	Lay new kerbs and surface footway.	Due to lack of available operational resources, works were carried over from 2022/23 programme. Works are now complete.	
Associated Infrastructure	C25205001		£205,671	£120,000	£85,671			

Development Infrastructure - Roads Environmental Services
Roads Asset Replacement Programme

Asset type	Cost Code	Location	Final Outturn 2023/24	Allocated Budget 2023/24	Overspend/ (Underspend)	Description	Project Update	
Bridges and structures		Cleat Road, Sanday	£0	£50,000	(£50,000)	Coastal erosion and road undercutting.	Following review, works were moved to the revenue programme and are now complete.	
		Houton Road, Orphir	£0	£50,000	(£50,000)	Coastal erosion.	Ongoing - Survey works required to identify full extent of works required. Lack of available resources require this project to be moved to a future programme.	
		Additions to Approved Programme						
		Miscellaneous apportioned costs	£2,300	£0	£2,300	Coastal erosion.	Apportioned costs for design work.	
		Additional Works carried out on Hoy Coastal Protection works	£8,721	£0	£8,721	Coastal erosion.	Works carried forward from 2022/23 - Complete.	
Bridges and structures	C25202001		£11,021	£100,000	(£88,979)			
Surface Treatments		A965, Finstown	£145,529	£140,000.00	£5,529	Improvement of carriageway surface - Inlay surfacing.	Works complete. Overspend due to unexpected additional works that were encountered during the project.	
		Pickaquoy Road, Kirkwall	£29,248	£45,000.00	(£15,752)	Improvement of carriageway surface - Inlay surfacing.	Works completed. Extent of works reduced following site inspection.	
		Palace Road, Kirkwall	£17,071	£35,000.00	(£17,929)	Improvement of carriageway surface - Inlay surfacing.	Works completed. Extent of works reduced following site inspection.	
		Rackwick Road, Hoy	£0	£83,000.00	(£83,000)	Improvement of carriageway surface - Inlay surfacing.	Works moved to revenue patching programme and are now complete.	
		Dounby Primary School Car Park	£0	£37,000.00	(£37,000)	Improvement of carriageway surface - Inlay surfacing.	Works moved to revenue patching programme and are now complete.	
		Investigation works for 2024 Surfacing projects.	£0	£10,000.00	(£10,000)	Test Holes.	No investigation work was carried out in this financial year.	
		Additions to Approved Programme						
		Engineering apportioned costs	£31,100	£0	£31,100	Improvement of carriageway surface, including raised table - Inlay surfacing.	Apportioned costs for Engineering design work.	
		Willowburn Road	£34,925	£0	£34,925	Improvement of carriageway surface, including raised table - Inlay surfacing.	Works complete.	
Surface treatments	C25211001		£257,873	£350,000	(£92,127)			

Development Infrastructure - Roads Environmental Services
Roads Asset Replacement Programme

Asset type	Cost Code	Location	Final Outturn 2023/24	Allocated Budget 2023/24	Overspend/ (Underspend)	Description	Project Update
Road Reconstruction		A965, Finstown	£173,115	£100,000	£73,115	Haunch reconstruction and associated drainage works.	Works now complete. Overspend is a result of unexpected additional works encountered during the project.
		A964, Orphir (Village - Smoogro Road)	£0	£50,000	(£50,000)	Haunch reconstruction and associated drainage works.	Additional works were required. Project was moved to 2024/25.
		A960, Kirkwall - Groatsetter Road Various Locations	£193,875	£50,000	£143,875	Haunch reconstruction and associated drainage works.	Works complete. Additional works were identified at the three locations within this project, however, surface treatment works were moved to revenue programme.
Road Reconstruction	C25213001		£366,990	£200,000	£166,990		
Cycling Walking Safer Routes		Orkney - Various	£369,218	£131,000	£238,218	Cycling Walking and Safer Routes Projects	2023/24 grant award of £144k, reduced by £13k acceleration to 2022/23 programme. Installation of new part-time signs required to implement the Orkney Islands Council (Variable 20mph Speed Limit) (Island Schools) Order 2023. Most sites now complete. Papa Westray and North Ronaldsay delayed due to resource availability issues with work expected to be completed in Summer 2024.
Cycling Walking Safer Routes	C26235044		£369,218	£131,000	£238,218		
Total			£1,428,664	£1,081,000	£347,664		
Contact Officer - Team Manager Roads Support - Extension 2318							