

Item: 7

Asset Management Sub-committee: 31 August 2021.

Corporate Asset Improvement Programmes.

Outturn Report.

Report by Interim Head of Finance.

1. Purpose of Report

To advise on the expenditure outturn in respect of corporate asset improvement programmes, the IT capital improvement programme and the Plant and Vehicle replacement programme for financial year 2020/21.

2. Recommendations

The Sub-committee is invited to note:

2.1.

The summary outturn position of capital expenditure incurred for financial year 2020/21 in respect corporate asset capital improvement and replacement programmes, as detailed in section 4.1 of this report.

The Sub-committee is invited to scrutinise:

2.2.

The detailed analysis of expenditure figures and project updates, attached as Appendix 1 to this report, in order to obtain assurance with regard to significant budget variances and progress made with delivery of the approved corporate asset capital improvement and replacement programmes for 2020/21.

3. Background

3.1.

The Corporate Asset Management Plan 2019 to 2023 takes account of guidance produced by the Chartered Institute of Public Finance and Accountancy and has streamlined the suggested framework to incorporate and complement the existing Capital Project Appraisal system.

3.2.

The Corporate Asset Management Plan summarises the Council's aims and objectives for its assets to ensure that they are used in an effective and efficient manner. This has been further supplemented by the Property Asset Management Plan approved on 10 December 2019.

3.3.

The purpose of this report is to present an overview or summary of the expenditure incurred in financial year 2020/21 against the approved programmes to allow members the opportunity to scrutinise spending levels against approved budgets and gauge the extent to which the Council's assets are routinely being maintained and replaced.

4. Budget Monitoring

4.1.

The undernoted table shows the outturn position of expenditure incurred for the period 1 April 2020 to 31 March 2021, against approved programmes for 2020/21:

Description.	Outturn as at 31 March 2021.	Budget 2020 to 2021.	Overspend/ (Underspend).
General Fund – Capital Improvement Programme.	£1,791,853.	£3,068,200.	(£1,276,347).
Strategic Reserve Fund – Capital Improvement Programme.	£0.	£118,600.	(£118,600).
General Fund - Plant, Equipment and Vehicle Replacement Programme.	£765,467.	£1,210,868.	(£445,401).
Trading Services - Plant, Equipment and Vehicle Replacement Programme.	£120,531.	£144,750.	(£24,219).
IT Replacement Programme.	£488,373	£461,688.	26,685
Total.	£3,166,224.	£5,004,106.	(£1,837,882).

4.2.

Appendix 1, attached to this report, provides a detailed analysis of the expenditure figures shown above, including comments from budget holders.

4.3.

Appendix 1 also provides details of the probable outturn reported on 26 January 2021 which can be compared directly with the final outturn to show the increase or decrease from the estimated expenditure on each project for financial year 2020/21.

5. General Fund – Capital Improvement Programme

5.1.

Actual spend on the General Fund Capital Improvement Programme as at 31 March 2021 is £1,791,853, realising an underspend of £1,276,347.

5.2.

The underspend can be split between the Early Learning and Childcare projects and General Fund projects, with approximately £1,175,000 attributed to the Early Learning and Childcare projects.

5.3.

On 30 June 2020, the Council agreed a budget virement of £100,225 from the General Fund capital improvement programme for financial year 2020/21 in order to meet the additional funding requirements for the Standing Stones of Stenness Car Park project.

5.4.

The reduction in the original budget referred to at section 5.3 above was offset by an increase of £1,817,000 in the year to give a revised gross expenditure budget for 2020/21 of £3,068,200, as follows:

- £1,251,200 in respect of the General Fund annual improvement programme.
- £75,000 in respect of works to the Fourth Barrier Public Convenience, to be funded through an insurance settlement.
- £637,000 in respect of Early Learning and Childcare development for 2020/21.
- £1,105,000 approved slippage in respect of delivery of 2019/20 Early Learning Childcare capital works.

5.5.

The majority of the underspend is associated with the Glaitness School Nursery project, with delays incurred during development of the design. The contract has been procured and is due to commence on site in financial year 2021/22. Progress has also been affected by resource issues within Development and Infrastructure. This has been raised with Senior Management Team and as part of the capital programme development discussions, and it has been agreed that the resource levels in the property team will be reviewed to ensure delivery of the programme.

5.6.

Where possible cancellations or delays on the commencement of planned works are replaced with alternative planned projects from within the indicative programmes previously approved for delivery in future years.

6. Strategic Reserve Fund – Capital Improvement Programme

There was no spend on the Strategic Reserve Fund Capital Improvement Programme during 2020/21.

7. Plant, Equipment and Vehicle Replacement Programme

7.1.

At its meeting on 1 September 2020, when considering the 2020 programme for plant and vehicle replacement, the Asset Management Sub-committee noted that, although the proposed plant and vehicle replacement programme for 2020/21 exceeded the approved budget of £1,200,000 by £71,782, some orders had already been placed in order to secure delivery dates, resulting in commitments against budget, rather than spend, which would be contained within the overall approved budget.

7.2.

The Council has successfully applied for Switched on Fleet funding in 2020/21. This contribution towards the purchase of electric vehicles will reduce the overall cost to the Council by £10,868, with the approved budget increased accordingly.

7.3.

Actual spend on the Plant, Equipment and Vehicle Replacement Programme as at 31 March 2021 is £765,467, realising an underspend of £445,401. Suppliers cite delays caused by COVID-19 and Brexit as the reason for revised delivery dates. Proposed slippage is subject to a separate report to be presented to Policy and Resources Committee, and will be funded by a contribution from the Repairs and Renewal Fund set aside for this purpose.

7.4.

In addition to the General Fund expenditure of £765,467 as shown at section 4.1 above, further purchases totalling £120,531 were made on behalf of the quarries trading service.

8. IT Replacement Programme

8.1.

The actual spend on the IT Replacement Programme budget as at 31 March 2021 is £488,373, realising an overspend of £26,685.

8.2.

Additional purchases were made in 2020/21 to facilitate working from home due to the COVID-19 pandemic, along with some upgrades to existing software, being accelerated from the 2021/22 planned programme of works into 2020/21 to address increased cybersecurity risks. The increased expenditure was partially offset by cancelling planned server replacements and wide area network replacements.

8.3.

The IT Replacement Programme annual budget was increased during the year to £461,688 in respect of a Digital Devices and Connectivity grant award from the Scottish Government, linked to the COVID-19 crisis. Expenditure on the purchase of additional devices to support remote learning, and remove digital disadvantage as far as possible, will be fully funded up to £121,688. The grant was fully expended during financial year 2020/21.

9. Corporate Governance

This report relates to the Council complying with its governance and financial processes and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

10. Financial Implications

10.1.

The Financial Regulations state that service directors are able to 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 and approved schemes of delegation.

10.2.

It is a requirement of the Capital Project Appraisal process that all planned capital improvement works in excess of £150,000 per project, and including works to be delivered over multiple phases, be developed into individual Capital Project Appraisal business cases for formal review and approval as may be considered appropriate going forward.

10.3.

The development of a corporate approach to asset management planning should lead to efficiencies in the use of fixed assets, together with the potential for rationalisation of the Council's property estate going forward.

10.4.

More detailed monitoring of expenditure on the corporate asset capital improvement programmes will result in improved accountability in relation to the deliverance of the approved programmes of work and ensure members are kept informed of progress.

11. Legal Aspects

Regularly monitoring expenditure on the approved corporate asset capital improvement programmes helps the Council meet its statutory obligation to secure best value.

12. Contact Officers

Colin Kemp, Interim Head of Finance, Email colin.kemp@orkney.gov.uk.

13. Appendix

Appendix 1: Corporate Property Asset Improvement Programmes 2020/21.

General Fund Capital Improvements	Outturn 2020/21	Budget 2020/21	Revised Budget 2020/21	Overspend/ (Underspend)	Previously Reported Probable Out- turn 2020/21	Reported Probable Outturn v Actual Outturn
General Fund Programme: Approved Programme	£1,194,890	£1,426,400	£1,306,200	(£111,310)	£1,114,143	£80,747
General Fund Programme: Projects Added During Year	£29,855	£0	£20,000	£9,855	£47,000	(£17,145)
Early Learning & Childcare Grant Funded Nursery Projects	£567,108	£637,000	£1,742,000	(£1,174,892)	£585,000	(£17,892)
Total General Fund Capital Improvement Programme	£1,791,853	£2,063,400	£3,068,200	(£1,276,347)	£1,746,143	£45,710

Asset Name	Description						
1	Glaitness School	£0	£140,000	£0	£0	£0	£0
	Alterations to Primary Areas - Special needs accommodation alterations to meet user requirements.						
	Update: Project initially planned for 2020/21, however has been delayed to allow works to co-ordinate with the Nursery Extension. Works will now take place in Financial Year 2022/23 as reported to Asset Management Sub Committee in March 2021. The surplus budget to be utilised by other projects within the programme.						
2	H88 - OIC Depot	£0	£89,000	£89,000	(£89,000)	£0	£0
	75m2 new build extension to accommodate Roads Team.						
	Update: Project on hold due to COVID restrictions. Works to be reprogrammed in the future following staff consultation.						
3	Kirkwall Town Hall	£6,988	£20,000	£20,000	(£13,012)	£10,000	(£3,012)
	High level survey and scheme design- Identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan.						
	Update: Tender accepted June 2020, with survey works completed in September 2020. Survey reports received which will be used to plan the next stages. Design works to be completed during 2021/22.						
4	St Margaret's Hope Primary School	£15,500	£20,000	£20,000	(£4,500)	£10,000	£5,500
	Improve thermal performance of building - Overhangs all round, cloaked verge to gables with small overhang, flashings probably required on gables only. Install new high performance doors and windows. Replace fascia's, soffits, gutters and downpipes. Boiler and flue improvement works to include new high efficiency oil boiler, pressurisation unit and expansion vessel.						
	Update: External wall insulation - Design works commenced during 2020, and will continue during 2021/22. Boiler installation - design work is substantially complete, but other commitments have resulted in this project slipping to 2022/23.						
5	Orphir Primary school	£0	£20,000	£20,000	(£20,000)	£0	£0
	External wall insulation, no overhang on roof, window / door replacement, flashing system required at roof junction. Boiler and flue improvement and upgrading works, comprising new high efficiency oil boiler and balanced flue.						
	Update: Replacement Oil Boiler initially due to be undertaken during 2019/20, but resourcing issues delayed the project. Project rolled forward and co-ordinated with external wall insulation works. External wall insulation - project delayed due to resource issues. No expenditure occurred during financial year 2020/21.						

	General Fund Capital Improvements		Outturn 2020/21	Budget 2020/21	Revised Budget 2020/21	Overspend/ (Underspend)	Previously Reported Probable Out- turn 2020/21	Reported Probable Outturn v Actual Outturn
6	Pickaquooy Centre & Playing Fields		£168,013	£187,000	£86,800	£81,213	£50,000	£118,013
	Replace internal lighting and car park lighting with new LED fittings.							
	Update: Project was initially delayed when the overall General Fund budget was reduced by £100k to facilitate budget virement within the Council's approved Capital Programme (June 2020), but with delays to other projects, efforts were made to maintain momentum to allow a start during 2020/21. Works commenced in March 2021 and will be completed during financial Year 2021/22.							
7	Sanday Junior High School & Swimming Pool		£146,066	£61,100	£92,900	£53,166	£190,000	(£43,934)
	Replace ground source heat pumps							
	Update: Works complete on site with new installation operational, final snagging items to be completed. Additional spending requirement to be met by underspends on other projects in the 2020.21 programme - the total project spend is within the overall revised budget of £190,000.							
8	Smiddybrae		£272,898	£107,500	£199,700	£73,198	£200,000	£72,898
	Groundworks for connecting boreholes to heat pumps, borehole installation and replacement heat pumps to allow the building to be run 100% off the ground array system.							
	Update: Borehole works completed May 2019. Interconnecting groundworks complete. Plantroom and heat pump installation - Ground Souce Heat pumps are installed and operational for heating, however there are issues with the hot water installations which are currently being rectified. Final works anticipated to be completed in the autumn once final materials are delivered. Project expenditure greater in financial year 2020/21 than budgeted due to slippage from previous year that was not carried forward. Overall project will be within the approved budget of £801,000.							
9 & 10	Stromness Academy Ph3 & Ph4		£349,711	£441,000	£441,000	(£91,289)	£421,000	(£71,289)
	Phase 3 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property.							
	Update: Delays were encountered in the later stages of the project due to weather and contractors resources affecting progress. Project expected to be delivered within overall project budget and due to be completed in May 2021.							
11	Stronsay Junior High School & Swimming Pool		£142,149	£103,000	£103,000	£39,149	£135,000	£7,149
	Upgrade hot and cold water distribution system Inc. cold water storage tanks, and install either trace heating** or pumped return to hot water circuit to improve circulation. Trace heating found to have failed somewhere over its length. Hot water pipework to be replaced with a 2 pipe system which will need to be designed. Scheme involves the use of local point of use water heaters to the hard to reach areas. Additionally a review of the cold water system identified that booster pumps were required **Trace heating: electrical cable wrapped around the copper pipe, which provides heat to keep water in the pipe at a set temperature for legionella control.							
	Update: Project complete. Additional repair works were identified during the works that had to be rectified which has resulted in an increase in the final account for the project. Over commitment to be funded from savings elsewhere within this programme. Overall project is £40k over initial project budget.							
12	The Orkney Library & Archive		£800	£122,400	£98,400	(£97,600)	£0	£800
	Reduce heat loss through roof. Inset lights that penetrate top floor ceiling to be replaced with surface mounted fittings, re-plaster boarding the ceiling and fitting new LED fittings and fitting additional loft insulation. This will minimise air infiltration through the perforated plasterboard , and through insulation.							
	Update: Lighting - Works have been delayed by COVID 19 restrictions, and other competing projects within the organisation. Given the COVID 19 social distancing constraints, the programme will be reviewed with the clients to establish a realistic programme. Due to resource limitations minimal expenditure in financial year 2020/21.							
13	4th Barrier Public Convenience		£74,380	£77,000	£77,000	(£2,620)	£77,000	(£2,620)
	Demolition and re-build following impact damage - Facility closed May 2019 and made secure. Loss adjuster visited site August 2019, and approval to proceed given late January 2020.							
	Update: Project complete and facility open 21 December 2020. Project on budget.							
14	Contingency		£0	£38,400	£38,400	(£38,400)	£0	£0

General Fund Capital Improvements		Outturn 2020/21	Budget 2020/21	Revised Budget 2020/21	Overspend/ (Underspend)	Previously Reported Probable Out- turn 2020/21	Reported Probable Outturn v Actual Outturn
Retention Due During Coming Year							
15	Stromness Academy Ph2	£18,385	£0	£20,000	(£1,615)	£21,143	(£2,758)
Phase 2 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property.							
Update: Project complete within overall project budget - Works now complete and retention released during financial year 2020/21.							
Projects Added During Year							
16	Orkney Museum	£6,045	£0	£20,000	(£13,955)	£20,000	(£13,955)
High level survey and scheme design - High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan							
Update: Project accelerated from 2024/25 - although outwith the flexibility built into the multi-year planning approach, the works were prioritised over years 2 and 3 of the indicative programme as other properties were being surveyed and there was the opportunity to fully utilise a specialist Architectural practice to provide specialist conservation advice. Commission comprises the initial survey leading to detailed schemes which will be utilised to procure contractors to undertake the remedial works. Tender accepted June 2020, with survey works completed in September 2020. Survey reports received which will be used to plan the next stages. Design works to be completed during 2021/22.							
17	Stromness Town Hall	£6,659	£0	£0	£6,659	£10,000	(£3,341)
High level survey and scheme design - High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan							
Update: Project accelerated from 2021/22 - As other properties were being surveyed, opportunity to fully utilise a specialist Architectural practice to provide specialist conservation advice was taken. High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan - Commission comprises the initial survey leading to detailed schemes which will be utilised to procure contractors to undertake the remedial works. Tender accepted June 2020. Tender accepted June 2020, with survey works completed in September 2020. Survey reports received which will be used to plan the next stages. Design works to be completed within 2021/22.							
18	Council Offices	£16,051	£0	£0	£16,051	£15,000	£1,051
High level survey and scheme design - High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan							
Update: Project accelerated from 2022/23 - As other properties were being surveyed, opportunity to fully utilise a specialist Architectural practice to provide specialist conservation advice was taken. High level surveys to identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan - Commission comprises the initial survey leading to detailed schemes which will be utilised to procure contractors to undertake the remedial works. Tender accepted June 2020, with survey works completed in September 2020. Survey reports received which will be used to plan the next stages. Design works to be completed during 2021/22.							
19	Pickaquooy Centre and Playing Fields	£1,100	£0	£0	£1,100	£2,000	(£900)
Running track re-coating and line painting - Initial feedback from staff and users suggest that the track may require extensive works, possibly replacement.							
Update: Initial design and survey works for this project accelerated from 2021/22. The works are due to be tendered in 2021/22 as part of the lifecycle upgrade for the athletic track, however this will now be reviewed in light of the change to the timing of the International Island Games to ensure track quality will be suitable for the event which has been rescheduled for 2025. Awaiting survey reports which will be developed into a scheme once received.							

General Fund Capital Improvements		Outturn 2020/21	Budget 2020/21	Revised Budget 2020/21	Overspend/ (Underspend)	Previously Reported Probable Out- turn 2020/21	Reported Probable Outturn v Actual Outturn	
Nursery projects								
20	Early Learning & Childcare	Works ongoing at various locations. Projects are complete at Burray, Papa Westray and Westray Nurseries. Larger projects have been developed for Dounby, Glaitness and Papdale nurseries with minor alterations to be undertaken at Eday, Shapinsay and Stromness nurseries. Glaitness School works is the final part of this programme with works due to commence on site in late June 2021.	£567,108	£637,000	£1,742,000	(£1,174,892)	£585,000	(£17,892)
21	Dounby School	Nursery extension	£152,628	£10,000	£10,000	£142,628	£160,000	(£7,372)
Project complete and facility operational. COVID 19 delays in 2019/20 led to more of project costs occurring within the financial year 2020/21 resulting in a current year overspend. Due to operational changes and issues discovered during the works the overall project is projected to be £36k over the total project budget of £234k, with the construction final account likely to be £208k. The client is able to fund £15k of the requested changes, while the remaining shortfall is to be funded from capital programme underspend during financial year 2020/21. The full details of the overspend will be provided in the post project review once all early year projects have been completed. COVID 19 delays led to more of project costs occurring within the financial year 2020/21 than was provided for in the budget.								
22	Glaitness Primary School	Phase 2 - Extension and internal upgrade	£60,731	£575,300	£575,300	(£514,569)	£75,000	(£14,269)
Project was not progressed as planned due to resource constraints during 2020/21. Tender documents were due to be issued in April 2021 with return expected in May 2021. The project includes maintenance works to the existing building along with the alterations to meet the 1140 hours Early Learning and Childcare legislation requirements.								
23	Papdale Primary School	Phase 2 - Extension and internal upgrade	£353,749	£51,700	£51,700	£302,049	£350,000	£3,749
COVID-19 lockdown resulted in delays in starting the works however project now complete and operational. Final snagging works are being completed. Current year overspend includes works that were planned in 2019/20 and subsequently delayed, which has led to an overspend against the 2020/21 budget allocation. The final account is still to be prepared, however it is anticipated that overall the project will be £50k over the original £328k budget, with commitment funded from elsewhere in the programme. The full details of the overspend will be provided in the post project review once all early year projects have been completed.								
24	2019/20 Unallocated Slippage	2019/20 Approved slippage - Discussion ongoing regarding planned programme of works due to delays in this programme, especially Glaitness Primary School.	£0	£0	£1,105,000	(£1,105,000)	£0	£0
Contact Officer- Capital Programme Manager, Extension 2713			£1,791,853	£2,063,400	£3,068,200	(£1,276,347)	£1,746,143	£45,710

Strategic Reserve Fund Capital Improvements					Previously Reported Probable Out-turn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Asset Name	Description	Outturn 2020/21	Budget 2020/21	Overspend/ (Underspend)		
Buoy Store, NLB Pier	Re-cladding and provision of toileting facilities	£0	£3,000	(£3,000)	£3,000	(£3,000)
Re-cladding and provision of toileting facilities - Re-cladding postponed following a review by D & I - Roofing element (cladding) slipped into 2023/24. Toilet design - Project complete, Final Account being prepared to complete the project						
Contingency		£0	£115,600	(£115,600)	£0	£0
Contact Officer- Capital Programme Manager, Extension 2713		£0	£118,600	(£118,600)	£3,000	(£3,000)

Plant & Vehicle Replacement Programme	Outturn as at 31/03/2021	Capital Budget 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Planned purchases as approved at AM Sub 1 September 2020						
Welfare Unit/Site Hut Rousay	£23,225	£24,885	(£1,660)	WP8965 ordered on 10/07/19 the units did not meet our required specifications on arrival in Orkney. We retained these as an interim solution while the company were building 3 replacements as per original specifications. (We received the replacement units in May 2021 and the original units have been returned)	£23,225	£0
Welfare Unit/Small Container Shapinsay	£23,225	£24,885	(£1,660)		£23,225	£0
Welfare Unit/Small Container Stronsay	£23,225	£24,885	(£1,660)		£23,225	£0
Forklift Toyota 1.5t elec.	£27,365	£18,000	£9,365	Ordered on 14/10/21 Linde - Increased costs due to additional access platform and man basket attachment rather than purchase a separate Mobile Elevating Works Platform which would be more expensive. Additional costs were authorised by Executive Director. The forklift was delivered to us on the 30/03/21 however we are still awaiting delivery of the access/ platform man basket due to technical and COVID-19 operational issues experienced by the supplier. We have not paid for the basket as yet resulting in an underspend as at 31/03/21.	£37,361	(£9,996)
Brake Tester	£39,527	£46,300	(£6,773)	Ordered on 21/09/20 from Steril UK Ltd . Vehicle Ramp ordered in place of brake tester. Delivered to us on the 09/03/21. Installation delayed due to COVID-19 travel restrictions, resulting in an underspend of £6773 at the 31/03/21. Installation is now scheduled for w/c 16/08/21.	£45,454	(£5,927)
Towerwagon - Iveco 50C50 Aerial Platform	£0	£65,000	(£65,000)	Ordered on 19/08/20 from A M Phillip. Extended delay on delivery from the supplier primarily due to the impact of increased consumer demand on chassis relating to the concerns about COVID-19 lockdown and Brexit. Vehicle was not delivered to us by the 31/03/21 resulting in an underspend as at the 31/03/21. The vehicle was delivered to us on the 19/07/21.	£71,475	(£71,475)
Roller - Bomag BW120AD-3	£18,500	£18,500	£0	Ordered on 15/07/20 from Scot JCB Ltd - Delivered on 27/10/20.	£18,500	£0
Roller - Hamm HD8 Tandem	£18,500	£18,500	£0	Ordered on 15/07/20 from Scot JCB Ltd - Delivered on 27/10/20.	£18,500	£0
Roller - Hamm HD12 3 tonne Vibrating Plate	£18,500	£18,500	£0	Ordered on 15/07/20 from Scot JCB Ltd - Delivered on 27/10/20.	£18,500	£0
Compressor CH C20P 71cfm	£0	£10,000	(£10,000)	Not to be replaced. (Excess to requirements of service now).	£0	£0
Compressor - Compare C20	£6,195	£6,440	(£245)	This arrived from Balgownie Ltd 24/08/20 reference.	£6,195	£0
SEP 1700 Pedestrian Sweeper x 2 + Blade	£19,610	£17,000	£2,610	This arrived from Lift Safe Ltd on 15/10/20.	£19,610	£0
Wideford Generator	£0	£20,000	(£20,000)	Unlikely to be replaced 2020/21. Awaiting confirmation of need for replacement in future years.	£0	£0
Demount Gritter - Epoke 4m3 fitted to SV12 BZE	£0	£22,000	(£22,000)	Original Tender withdrawn following operational review.	£0	£0
Gritter - Iveco Dedicated 18 tonne	£0	£100,000	(£100,000)	Original Tender withdrawn following operational review - the replacement of this vehicle is surplus to the operational requirements of the service and will be dropped from the programme going forward into future years.	£0	£0
Gritter Mercedes 1824 Axor/Epoke Sirius	£0	£132,000	(£132,000)	Original tender was withdrawn due to outcomes of operational review and second tender was withdrawn due to issue with supplier changing their commitment on price and delivery times. This has now been retendered as combined truck with swap bodies for 2021/22.	£0	£0
Gritter Mercedes 1823 Axor/Epoke	£0	£132,000	(£132,000)	The original tender was withdrawn due to the outcomes of an operational review and the second tender was withdrawn due to issue with supplier changing their commitment on price and delivery times. This has now been retendered as combined truck with swap bodies for 2021/22.	£0	£0

Plant & Vehicle Replacement Programme	Outturn as at 31/03/2021	Capital Budget 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Econ Demount Gritter fitted to SP65 YFB	£0	£18,000	(£18,000)	Original Tender withdrawn following operational review.	£0	£0

Plant & Vehicle Replacement Programme	Outturn as at 31/03/2021	Capital Budget 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Excavator	£80,775	£80,775	£0	Ordered on 15/07/20 from Scot JCB Ltd. This was delivered to us on the 05/02/21	£80,775	£0
Recycler Lorry	£0	£175,000	(£175,000)	Initial tender for a top loader recycling vehicle was withdrawn after an operational review. A subsequent re tender was issued for a Split back RCV (Refuse Collection Vehicle) which was ordered on 29/10/20 from Farid Hillend Motors. The supplier advised us on 11/01/21 that the production has slipped due to COVID-19 lockdowns earlier in 2020. This resulted in an underspend as at 31/03/21. The vehicle was delivered to us on 14/05/21.	£0	£0
Open Skip	£4,600	£4,000	£600	This skip has been substituted with a 20 foot skeletal hook lift container frame as per instructions from Environmental Services Facilities Manager. This was ordered on 29/09/20 from Skip Units Ltd and delivered on 3/12/20.	£4,660	(£60)
HL20 CLOSED SKIP FULL HEIGHT	£4,600	£4,000	£600	This skip has been substituted with a 20 foot skeletal Hook lift container frame as per instructions from the Environmental Services Facilities Manager. This was ordered on 29/09/20 from Skip Units Ltd and delivered on 3/12/20.	£4,660	(£60)
HL5 PAPER BANK	£4,660	£4,000	£660	This skip has been substituted with a 20 foot skeletal Hook lift container frame as per instructions from- Environmental Services Facilities Manager. This was ordered on 29/07/20 from Skip Units Ltd on the reference and delivered on 06/10/20.	£4,660	£0
HL5 Recycling Skip 3 Compartment	£4,660	£5,000	(£340)	This skip has been substituted with a 20 foot skeletal Hook lift container frame as per instructions from the Environmental Services Facilities Manager. This was ordered on 29/07/20 from Skip Units Ltd on the reference and delivered on 06/10/20.	£4,660	£0
Pickup - Mercedes-Benz	£0	£28,000	(£28,000)	This was ordered on 07/09/20 from A M Phillip. This vehicle was delayed due to COVID-19 lockdowns. It was not delivered to us by the 31/03/21 resulting in the underspend as at 31/03/21. This vehicle was delivered to us on the 29/04/21.	£37,080	(£37,080)
Scarab Euro 4 Minor Road Sweeper	£0	£85,000	(£85,000)	Ordered on 13/08/20 from Bucher Municipal Ltd. Due to COVID-19 related delays the vehicle was not delivered to us by the 31/03/21 which resulted in an underspend as at the 31/03/21. This vehicle was delivered to us on the 20/05/21.	£0	£0
Forklift - Electric 2 tonne 4 Wheel	£33,890	£25,000	£8,890	Ordered on 08/10/20 from Balgownie Equipment. Delayed delivery due to COVID-19 restrictions. Arrived on the 26.02.21.	£33,890	£0
COMPRESSOR COMPARE C20	£0	£10,000	(£10,000)	Not to be replaced. (Excess to requirements of the service now.)	£0	£0
Van Ford Transit	£16,332	£18,000	(£1,668)	Ordered on 10/09/20 from Renault UK Ltd. Delivered to us on the 24/03/21	£16,332	(£0)
Van - Ford Transit	£28,112	£28,112	£0	Ordered on 15/07/20 from Renault UK Ltd .Delivered to us on the 24/03/21	£28,112	£0
Ford Transit (Leisure Services)	£16,332	£18,000	(£1,668)	Ordered on 10/09/20 from Renault UK Ltd - Delivered to us on the 11/03/21	£16,332	£0
Van - Volkswagen Caddy (Education, Leisure & Housing Services)	£20,723	£15,000	£5,723	Ordered on 12/11/20 from Marshall Motor Group order number. This has been replaced with an electric Nissan vehicle. The grant funded cost differential in this case between the supply of a similar diesel vehicle and an electric vehicle is £3,326.53. Therefore £3,326.53 of this overspend will be covered by Grant funding from Switched on Fleets reducing the total overspend to £2,397. Arrived with us on the 16/02/21.	£20,723	£0
Van - Ford Transit (Occupational Therapy)	£0	£20,000	(£20,000)	Due to delayed response from service on requirements and specification, these replacements have had to be carried forward into 2021/22 programme.	£0	£0
Renault Master Minibus (OHAC)	£0	£35,000	(£35,000)	Due to delayed response from service on requirements and specification, these replacements have had to be carried forward into 2021/22 programme.	£0	£0
Contingency	£0	(£71,782)	£71,782	Savings target per original approved programme. There was no contingency spend originally prog	£0	£0

Plant & Vehicle Replacement Programme	Outturn as at 31/03/2021	Capital Budget 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Additional Purchases in 2020/21						
Waste - 2nd Hand Split back dustcart	£43,266	£0	£43,266	Additional item required due to COVID-19 implications on waste operations. The vehicle was initially hired to trial on the service with view to purchase if successful. This approach was approved by Head of Infrastructure and Strategic Projects. The trial of the vehicle was successful so the invoice for purchase was processed in January 2021. The vehicle is currently in service and working on our waste collection routes.	£43,556	(£290)

Plant & Vehicle Replacement Programme	Outturn as at 31/03/2021	Capital Budget 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
Trommel Screener	£77,800	£0	£77,800	The current asset was becoming unserviceable and beyond economic repair, Request for replacement made by Environmental Services Facilities Manager. This was ordered on 26/11/20 from Molson Young Plant Sales, and delivered to us on the 31/03/21.	£77,800	£0
VW Caddy (Catering Services)	£20,723	£0	£20,723	This was added to programme to enable grant funding qualification for electric vehicles. We are grant funded on the difference between the cost of a replacement diesel vehicle and a new electric vehicle which are more expensive. In this case the grant funded cost differential is £3,326.53 . Ordered 12/11/20 from Marshall Motor Group - Arrived with us on the 16/02/21.	£20,723	£0
Dennis Eagle 12t RCV (Roads and waste Services)	£105,295	£0	£105,295	To be passed as direct award to Dennis Eagle who have the vehicle in stock 07/01/21. Delivery is scheduled for March 2021. This will replace a currently leased 12 tonne Refuse Collection vehicle with costs of £36,000.00 per annum. These lease costs will therefore be saved. Purchase was authorised after discussion with Head of Finance and Roads and Environmental Services Manager. This arrived with us on the 15/03/2.	£106,000	(£705)
Tractor	£55,470	£0	£55,470	This purchase has been accelerated from the 2021/22 programme to cover verge cutting and gritting services next year. This was authorised after discussion with Head of Finance and Roads and Environmental Services Manager. This was delivered to us on the 11/03/21.	£72,000	(£16,530)
Self Loading Gritter	£8,695	£0	£8,695	Ordered from Agritrend Ltd 17/11/20 following a review of winter operations and delivered to us on 04/12/20. This was authorised by Roads and Environmental Services Manager. It was purchased as additional equipment to support gritting operations in Flotta and the outer isles.	£8,695	£0
Kerston Path Renovator	£0	£0	£0	Purchased as additional equipment to support maintenance of Church Yard pathways and authorised by Roads and Environmental Service Operational Manager.	£5,850	(£5,850)
VW Caddy (Roads and Waste Services)	£21,662	£0	£21,662	This was added to programme to enable grant funding qualification for electric vehicles. We are grant funded on the difference between the cost of a replacement diesel vehicle and a new electric vehicle which is more expensive. In this case the grant funded cost differential is £4,216.53. The vehicle was ordered on 12/11/20 from Marshall Motor Group and arrived with us on the 16/02/21.	£22,000	(£338)
VW Caddy (Roads and Waste Services)	£0	£0	£0	This was withdrawn from additional purchases as a leased vehicle using Switched on Fleet grant funding is to be used instead.	£0	£0
Switched on Fleet Grant	£0	£10,868	(£10,868)	Grant funding linked to the purchase of three electric vehicles above.	£0	£0
GENERAL FUND	£765,467	£1,210,868	(£445,401)		£913,777	(£148,310)

Plant & Vehicle Replacement Programme	Outturn as at 31/03/2021	Capital Budget 2020/21	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2020/21	Increase/ (Decrease) in Reported Probable Outturn
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Trading Service Purchases - funded by the Service						
Quarries - JCB Load all 541-70	£86,750	£86,750	£0	Ordered on 15/07/20 Scot JCB. Delivery expected by 25/01/2021. Authorised by Quarry Manager. Order number Q157016 SB70 FHH arrived with us on the 05/02/21	£86,750	£0
Education-College - Ford Ranger 4X4 Pickup	£0	£25,000	(£25,000)	Ordered on 26/08/20 Ford Motor Co. Delivery due w/c 22/02/2021. Authorised by Principal/ Technician (Agronomy Institute), Orkney College. Delivery delayed due to COVID-19 and did not arrive by 31/03/21. The vehicle arrived with us on the 12/04/21	£22,415	(£22,415)
Marine Services - Nissan E-nv200 Elec Van	£0	£15,000	(£15,000)	Ordered on 16/12/20 from Renault. Delivery due here 01/03/21. Authorised by Assistant Technical Superintendent/Deputy Harbour Master (Strategy & Support), Marine Services. Delayed arrival due to Covid still awaiting delivery from Renault	£17,448	(£17,448)
Marine Services - Peugeot Boxer Van	£0	£18,000	(£18,000)	Ordered on 16/12/20 from Renault. Delivery due here 01/03/21. Authorised by Assistant Technical Superintendent/Deputy Harbour Master (Strategy & Support), Marine Services. Delayed arrival due to Covid still awaiting delivery from Renault	£21,154	(£21,154)
Additional Purchases in 2020/21						
Quarries - Bore Trak and Profiler	£33,781	£0	£33,781	Ordered on 22/09/20 from Carlson Emea - The old piece of equipment was unserviceable and beyond repair - this is an essential piece of equipment for the continuing operations of quarry requested by Quarry Manager-and approved by Head of Infrastructure and Strategic Projects. Quarry Manager advised that equipment was delivered in October 2020 and payment processed.	£34,008	(£227)
Marine Services - Tractor	£0	£0	£0	This purchase was requested by the Assistant Technical Superintendent and Deputy Harbour Master: Strategy & Support at Marine Services, to assist with pier gritting operations. Order Raised on 01.02.21 from Robertsons (£20,697). The tractor was not delivered by 31.03.21 as originally agreed with supplier - we are still awaiting delivery.	£0	£0
NON-GENERAL FUND	£120,531	£144,750	(£24,219)		£181,774	(£61,243)
Contact Officer - Darren Richardson, Extension	£885,998	£1,355,618	(£469,620)		£1,095,552	(£209,554)

INFORMATION TECHNOLOGY CAPITAL REPLACEMENT PROGRAMME 2020/2021

Project Name	Outturn as at 31/03/2021	Capital Budget 2020/2021	Overspend (Underspend)	Previously Reported Probable Outturn 2020-2021	Previously Reported Probable Outturn 'v' Actual Outturn
Desktop Replacement					
<i>Desktop Replacement</i>	£237,081	£80,000	£157,081	£120,000	£117,081
The year in question raised unprecedented challenges - working from home created a massive demand for devices, supply chains were stretched and there was an ongoing urgency to replace and refit devices. Sourcing additional levels of laptops required some of our plans to reprioritise to a degree. Also there was an additional pressure to replace a higher than expected amount of computers which were running Windows 7, which from a Cybersecurity standpoint required to be addressed. All of these devices have or are being rolled out, however the additional essential replacement need resulted in an overspend against allocated budget in the year.					
Datacentre Replacements					
<i>SAN & Data Storage</i>	£59,907	£80,000	(£20,093)	£65,000	(£5,093)
The equipment to support the replacement SAN has been delivered, installed and commissioned into operational use,					
Server Replacements					
<i>Replacement of Virtual and Physical Servers.</i>	£0	£45,000	(£45,000)	£10,000	(£10,000)
We have not been able to commence any server replacements this year as due to the impact of COVID-19 the Capital Replacement priority was almost fully focussed on desktops.					
<i>Failures and Emergency Replacements of Capital Equipment</i>	£11,640	£50,000	(£38,360)	£40,000	(£28,360)
Only two emergency replacements were required, These were installed and are now operational.					
Local Area Network Replacements					
<i>Replacement of Wireless Access Controller and Redundant Network Switches.</i>	£57,197	£65,000	(£7,803)	£65,000	(£7,803)
The installation of the replacement Wireless Access Controller was completed successfully. New Wireless Access Points are being planned for deployment in FY 2021/22 as the next phase of this.					
Wide Area Network Replacements					
<i>Fibre to sites in Stromness from Maraquoy tower</i>	£0	£20,000	(£20,000)	£20,000	(£20,000)
No progress on this due to other priorities. Urgency of doing this was effectively reduced by the levels of homeworking and reduced urgency to improve office links.					
Additions to Approved Programme					
<i>Digital Devices & Connectivity Grant Expenditure</i>	£122,548	£121,688	£860	£121,688	£860

INFORMATION TECHNOLOGY CAPITAL REPLACEMENT PROGRAMME 2020/2021

Purchase of devices to support home learning and remove digital disadvantage as far as possible. Expenditure up to £121,688 to be fully funded following the award of a Digital and Connectivity grant from the Scottish Government, linked to the COVID-19 pandemic. All devices have been purchased, including some additional 4G connection devices.

Contact Officer - ICT Services Manager, Extension 3007	£488,373	£461,688	£26,685	£441,688	£46,685
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