

## **Item: 9**

**Asset Management Sub-committee: 1 September 2020.**

**Corporate Asset Improvement and Replacement Programmes.**

**Capital Expenditure Outturn.**

**Report by Head of Finance.**

### **1. Purpose of Report**

To advise of the expenditure outturn on the approved corporate asset capital improvement programmes for financial year 2019 to 2020.

### **2. Recommendations**

The Sub-committee is invited to note:

#### **2.1.**

The summary outturn position of capital expenditure incurred for financial year 2019/20 in respect of the corporate asset capital improvement and replacement programmes, as detailed in section 4.1 of this report, indicating an underspend of £2,687,216 as at 31 March 2020, against approved budgets totalling £5,167,496.

The Sub-committee is invited to scrutinise:

#### **2.2.**

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

### **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 2019/20 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 Outturn

### 4.1.

The undernoted table shows the outturn position of expenditure incurred for the period 1 April 2019 to 31 March 2020, against approved programmes:

<b>Description.</b>	<b>Outturn as at 31 March 2020</b>	<b>Budget 2019/20.</b>	<b>Overspend/ (Underspend)</b>
General Fund – Capital Improvement Programme.	£732,559.	£2,903,400.	(£2,170,841).
Strategic Reserve Fund – Capital Improvement Programme.	£45,270.	£118,600.	(£73,330).
General Fund - Plant, Equipment and Vehicle Replacement Programme.	£1,215,755.	£1,200,000.	£15,755.
Trading Services - Plant, Equipment and Vehicle Replacement Programme.	£40,028.	£660,000.	(£619,972).
IT Replacement Programme.	£446,668.	£440,496.	£6,172.
<b>Total.</b>	<b>£2,480,280.</b>	<b>£5,167,496.</b>	<b>(£2,687,216).</b>

### 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 28 January 2020 which can be compared directly with the final outturn to show the variance in the estimated expenditure against actual expenditure on each project for financial year 2019 to 2020.

## **5. General Fund – Capital Improvement Programme**

### **5.1.**

The General Fund Capital Improvement Programme was underspent by £2,170,841.

### **5.2.**

The underspend can be split between the Early Learning and Childcare projects and General Fund projects, with approximately £1,105,000 attributed to the Early Learning and Childcare projects.

### **5.3.**

The gross expenditure budget was increased by £1,552,000 in the year, from £1,351,400 to £2,903,400, as follows:

- £155,000 in respect of works to 4th Barrier Public Convenience, to be funded through an insurance settlement.
- £1,397,000 in respect of Early Learning and Childcare spend profile agreed as part of a Stage 2 Capital Project Appraisal as follows:
  - 2017 to 2018 – £66,000.
  - 2018 to 2019 – £112,400.
  - 2019 to 2020 – £1,397,000.
  - 2020 to 2021 – £637,000.
  - 2021 to 2022 – £28,000.

#### **5.3.1.**

The Early Learning and Childcare programme of works is funded by the award of additional General Capital Grant totalling £2,240,000 and payable over four years. Although not ring fenced, the grant award is nevertheless linked to delivery of an agreed programme of Early Learning and Childcare outcomes. While the profile of the grant income receipts is ahead of the spend profile for the planned project delivery, Scottish Government has confirmed that the local authority has flexibility in how these funds can be used as part of the multi-year funding package.

### **5.3.2.**

The majority of the spend is associated with the Glaitness School project, with delays incurred during development of the design. The design is now finalised and work is progressing on the detail and statutory approvals. Progress has also been affected by resource issues within Development and Infrastructure over the current financial year. The resource issue has also affected delivery of the remaining General Fund capital projects. This has been raised with Senior Management Team and 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 capital programme.

### **5.4.**

The programme of works approved by the Asset Management Sub-committee on 31 January 2019 included a budget of £30,000 in respect of works to be completed in relation to future demolition of the former Papdale Halls of Residence. This project has since been reviewed by the Capital Programme Asset Management Working Group, with funding secured to cover the cost of developing a Stage 1 Capital Project Appraisal. The early stage elements of this project have therefore been removed from the programme.

### **5.5.**

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**

### **6.1.**

The Strategic Reserve Fund Capital Improvement Programme was underspent by £73,330.

### **6.2.**

No projects had been identified when the programme was approved by the Asset Management Sub-committee on 31 January 2019, however planned works to upgrade the Grainshore Training Centre and re-cladding of the Buoy Store have since been carried over from the 2018/19 programme.

## **7. Plant, Equipment and Vehicle Replacement Programme**

### **7.1.**

The Plant, Equipment and Vehicle Replacement Programme budget realised an overspend of £15,755.

## **7.2.**

In addition to the General Fund expenditure of £1,215,755, as shown at section 4.1 above, further purchases totalling £40,028 were made on behalf of, and fully funded by, the Quarries trading service.

## **8. IT Replacement Programme**

### **8.1.**

The IT Replacement Programme budget realised an overspend of £6,172.

### **8.2.**

Project budgets are based on estimated equipment costs, with procurement processes still to be completed. Actual costs vary through the year as a result of several factors, including poor exchange rates. To mitigate any resulting overspend, works to SAN and Data Storage, and Replacement of Wireless Access Controller, were reviewed and the scope reduced accordingly.

### **8.3.**

A successful grant funding application for £20,496 was made to The Digital Office for Local Government in respect of Cybersecurity Infrastructure. This has enabled the gross baseline expenditure budget to be increased from £420,000 to £440,496.

## **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**

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## **13. Appendix**

Appendix 1: Corporate Property Asset Improvement Programmes 2019 to 2020.

General Fund Capital Improvements	Actual Spend as at 31/03/2020	Budget 2019/20	Overspend/ (Underspend)	Previously Reported Probable Outturn 2019-2020	Reported Probable Outturn v Actual Outturn
General Fund Programme: Approved Programme	£440,941	£1,351,400	(£910,459)	£839,110	(£398,169)
General Fund Programme: Projects Added During Year	£0	£155,000	(£155,000)	£0	£0
Early Learning & Childcare Grant Funded Nursery Projects	£291,618	£1,397,000	(£1,105,382)	£304,588	(£12,970)
<b>Total General Fund Capital Improvement Programme</b>	<b>£732,559</b>	<b>£2,903,400</b>	<b>(£2,170,841)</b>	<b>£1,143,698</b>	<b>(£411,139)</b>

Asset Name	Description					
<b>Chinglebraes - Road Extension</b>		£2,020	£2,100	(£80)	£4,423	(£2,403)
Extend approach road to weigh bridge, by widening road at approach to site entrance, to allow traffic to use road while site traffic queues for the weighbridge. Required to improve H & S, improve efficiency and to permit the internal re-organisation of the building, while services continue. Project is part of a longer plan to upgrade the facility, the extension and internal works having been complete, and this is the final phase of work.						
<b>Update: Road widening</b> - Project accelerated and majority of spend incurred in 2017/18 and 2018/19. Final account agreed, and works complete. Retention payment made 2019/20. Expenditure contained within the tender sum and project completed under budget. <b>Weighbridge controls / IT connectivity works</b> - Ducting and electrical works complete, IT, final installations and commissioning works complete during December 2018. System made operational February 2019. Final payment processed. Final account retained within the tender sum. A total project over spend of £102k was attributable to compaction plant failure / replacement at £86k and £33k for a feed conveyor, however this overspend was contained within the overall Capital Improvement Programme budget for 2018/19. Full budget allocation for 2019/20 was not required - project closed off.						
<b>Kirkwall Town Hall</b>		£0	£20,000	(£20,000)	£0	£0
High level surveys, identify extent of re-pointing, stone repairs, stone replacements, carvings and implement an improvement plan.						
<b>Update:</b> Delays encountered due to resourcing - procurement commenced January 2020, and tender accepted June 2020. No expenditure incurred in 2019/20. 2020/21 budget to be re-profiled to accommodate this work which is now planned for August / September 2020. Consultants planning and working up plans for access and roads, consents etc.						
<b>St Margaret's Hope Primary School</b>		£4,000	£20,000	(£16,000)	£0	£4,000
Improve thermal performance of building, overhangs all round, cloak verge to gables with small overhang, flashings probably required on gables only. Install new high performance doors and windows. Replace fascias, soffits, gutters and downpipes. Boiler and flue improvement works, complete with new high efficiency oil boiler, pressurisation unit and expansion vessel.						
<b>Update: External wall insulation</b> - design works to commence during 2020 and anticipated to be on site 2021. <b>Boiler installation</b> - design work is substantially complete. Project has been rolled forward to 2020/21 to tie in with planned external wall insulation works. Expenditure limited to development costs which have been lower than anticipated for 2019/20. Less design work undertaken than anticipated, project rolled forwards to 2020/21 and onwards, and budgets to be re-profiled.						
<b>Orphir Primary school</b>		£0	£82,000	(£82,000)	£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. Project carried over from last financial year.						
<b>Update: External wall insulation</b> - design works not commenced due to resourcing issues. <b>Boiler installation</b> - Design work substantially complete, but installation works to be delayed to tie in with planned external wall insulation works. Awaiting invoice for works done. Budget to be rolled forwards into 2020/21 and budget to be re-profiled.						

General Fund Capital Improvements	Actual Spend as at 31/03/2020	Budget 2019/20	Overspend/ (Underspend)	Previously Reported Probable Outturn 2019-2020	Reported Probable Outturn v Actual Outturn
<b>Sanday Junior High School &amp; Swimming Pool</b>	£7,100	£100,000	(£92,900)	£38,900	(£31,800)
Replace ground source heat pumps					
<b>Update:</b> Electrolytic corrosion to pipework has been addressed. Controls issues with 2 heat pumps, and all 4 heat pumps are to be replaced despite initial thoughts that re-commissioning would be possible. On review replacement is required, resulting in the original budget of £100k being revised to £180k. Due to resourcing issues, the design work was delayed, but was concluded during 19/20. Procurement has been concluded, and tender accepted at £177,841.17. Expenditure relating to design works incurred during 19/20, but expenditure has been lower due to delays in developing the design, and repercussions for the on site works. Budget to be increased and re-profiled to allow project to be delivered during 20/21 and additional budget secured from savings elsewhere within the programme.					
<b>Shapinsay School</b>	£0	£15,000	(£15,000)	£0	£0
Re-roofing over existing flat roofs, rationalise roof penetrations, upgrade ventilation systems and increase / improve insulation levels. External Wall Insulation (ewi) and render system to entire school. Works are partly funded from Scotland's Energy Efficiency Programme (Pathfinder Fund) Works involve the installation of monitoring equipment which will provide a minimum of 4 months internal temperature and CO2 data to allow the improvements to be measured and used for future projects. Retention money accrued last financial year.					
<b>Update:</b> All works complete. Final account agreed and contained within the tender figure. Initial budget set at £861,600. Project brought in £132k under budget due to competitive tender and full contingency not utilised. Project subject to grant income of £274k. Release of retention delayed due to making good defects outstanding, with payment released in 2019/20, but accrued in 2018/19.					
<b>Smiddybrae</b>	£400,842	£655,600	(£254,758)	£591,100	(£190,258)
Ground Source Heat Pump installation, complete with new ground array, associated groundworks and new boiler house.					
<b>Update:</b> Following thermal conductivity tests of the ground, these results have directed the design, resulting in a large increase in the number of boreholes from 15 to 42 boreholes. This is in part due to poor ground thermal conductivity tests, but also because RHI cannot be claimed should the existing boreholes be utilised. On reviewing the entire heating system, whole life costs, RHI income potential, decision has been taken to replace the entire system including bore hole array. The project will result in lower running costs, with payback of around 7-8 years should RHI be claimed and closer to 18 without RHI. When planning the borehole positions, the potential development has been considered to minimise sterilising the ground and maximise future development possibilities. Revised proposals submitted to Policy & Resources Committee on 27 November 18, which was subsequently approved. <b>Borehole works</b> undertaken and completed March-May 2019. <b>Groundworks</b> tender was to be procured separately, but agreement reached with borehole contractor, and approved by management. The interconnecting groundworks are complete. <b>Plantroom and heat pump installation</b> has been procured at £507,261.65, is on site but the planned completion date of May 2020 has now been delayed by COVID 19, and anticipated to be completed by September 2020. Probable outturn expenditure not achieved due to COVID 19 and site closure in March 2020. Budget to be rolled forwards and re-profiled and an additional year added to allow retention to be released in 2021/22. Overall project is likely to be £27k under budget, with surplus utilised on other projects within this programme.					
<b>St Magnus Cathedral</b>	£850	£0	£850	£0	£850
Boiler and flue improvement and upgrading works, comprising new high efficiency oil boiler and balanced flue.					
<b>Update:</b> Scheme design substantially complete, this is one of 5 boilers that will be replaced over the coming 2-3 years. Cathedral Architect making the necessary Statutory applications to allow the scheme to be delivered. Project cost incurred in advance of the works and costs accelerated to allow the design works to occur, Statutory Applications to be made, all in preparation for the boilers being replaced at a convenient period for the facility users and prior to complete system failure. Future years budget profiles have been adjusted to reflect the revised programme.					
<b>Stromness Academy Ph2</b>	£0	£40,000	(£40,000)	£20,000	(£20,000)
Phase 2 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property.					
<b>Update:</b> Contract complete. Tender for phase 2 and phase 7 (roofing only) works accepted at £436k, shown as 2 separate lines in the plan. Project accelerated by £300,000 during 2018/19, and future years budgets adjusted to reflect the acceleration. Full details of the Project Slippage/ Acceleration can be seen in the various year budget columns. Works complete, with retention still to be paid. No expenditure incurred in 2019/20 as retention release delayed until making good defects concluded - this is now expected in 2020/21. Budget to be rolled forwards to accommodate this slippage. Overall project underspend of £21k anticipated, and remaining budget to be utilised elsewhere within the programme.					

General Fund Capital Improvements	Actual Spend as at 31/03/2020	Budget 2019/20	Overspend/ (Underspend)	Previously Reported Probable Outturn 2019-2020	Reported Probable Outturn v Actual Outturn
<b>Stromness Academy Ph3</b>	£0	£50,000	(£50,000)	£0	£0
Phase 3 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property. Design works to be undertaken in the 1st year, followed by the works and retention release in the 3rd year.					
<b>Update:</b> Phase 3 & 4 combined following a review of extent of works and budgets. Works delayed to allow Phase 2 and 7 to be accelerated. Project has slipped due to other OIC commitments, however the design works have been concluded during 2019/20 but the procurement was delayed. This will be developed to allow an onsite presence late 2020. Future years budgets will be adjusted to reflect the slippages and acceleration in future years. No expenditure incurred to date, but development works have been undertaken, which will be funded from future years budgets. Tender has been accepted at £372,573.54, against a total project cost of £476,000.					
<b>Stromness Academy Ph4</b>	£0	£10,000	(£10,000)	£10,000	(£10,000)
Phase 4 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property.					
<b>Update:</b> Phase 3 & 4 combined following a review of extent of works - see above update.					
<b>Stromness Academy Ph7</b>	£6,500	£2,500	£4,000	£2,500	£4,000
Phase 7 - Theatre / music block roof.					
<b>Update:</b> Initially planned for 2022/23, but following feedback, the roofing element of project has been accelerated to 2018/19 due to the temporary repairs to the cement fibre sheets failing and further increasing issues with the remaining sheets. Phase 2 and 7 were procured under a single contract, see phase 2 explanation for further details. The external wall insulation, windows/ doors elements remain and have been re-profiled for 2023/24. Roofing element of the project accelerated by £99,500 , and windows and render elements planned for 2023/24 (provisional 5 year programme) future budgets adjusted accordingly. Project to be contained within project budget. Budget allocation for 2019/20 for the combined phase 2 & 7 was £42.5k of which £6.5k has been utilised. Works complete, retention release delayed until making good defects concluded - anticipated that this will be concluded in quarter 1 2020.21. Budget to be rolled forwards to accommodate this slippage					
<b>Stromness Swimming Pool</b>	£700	£66,000	(£65,300)	£10,000	(£9,300)
Boiler and flue improvement and enhancement works, comprising new high efficiency oil boiler, balanced flue and heating controls, 2 sets of controls either end of building to be replaced. Project slipped from last year due to scheme design. Works required to minimise the likelihood of boiler failure and unplanned closure of the property.					
<b>Update:</b> Design works have commenced with external consultant. Draft scheme has been submitted and commented upon. Project slippage has occurred, and future years budgets to be re-profiled to accommodate the slippage. Works to be programmed in consultation with and around the users - design works completed by end of March 2020.					
<b>Stromness Junior High School &amp; Swimming Pool</b>	£600	£108,600	(£108,000)	£107,800	(£107,200)
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. Investigate if the cwst can be re-located to a less disruptive area should a leak occur. ** 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.					
<b>Update:</b> 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. Full extent of scheme developed in-house, and involves local point of use water heaters to the hard to reach areas. Additionally, a review of the cold water system has been undertaken and involves the installation of booster pumps. Design work complete, procurement concluded mid December 19 and tender accepted at £136,014.24 against an initial estimate of £100k. On reviewing the costs and complexities of the work, and given the implications of water contamination and legionella outbreak, and following a £15k saving by delaying the works to the summer holidays, decision taken to accept the tender. COVID 19 delays and issues securing access has delayed commencement which will now be July 2020 (4-5 week period) for the 1st phase within the school, and a return in October 2020 to conclude the works within the plant room. Underspend incurred during 2019/20, which will be rolled forwards, and the plan adjusted in line with the available budget. Over commitment to be funded from savings elsewhere within this programme.					

General Fund Capital Improvements	Actual Spend as at 31/03/2020	Budget 2019/20	Overspend/ (Underspend)	Previously Reported Probable Outturn 2019-2020	Reported Probable Outturn v Actual Outturn
<b>The Orkney Library &amp; Archive</b>	£11,314	£172,400	(£161,086)	£50,000	(£38,686)
Reduce heat loss through roof. Options and costs to be investigated and could include removing inset lights that penetrate top floor ceiling, 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. Alternatively, the roof will be made into a warm roof by either applying spray foaming insulation at rafter level, or fitting rigid insulation at rafter level.					
<b>Update: Lighting</b> - Draft scheme has been prepared, and to be concluded. Works to be phased and tied in with insulation works. <b>Insulation works</b> - External Architects have been appointed and design works completed. Building Warrant application made and phasing plan agreed with users. Both projects to dovetail as they are related and focus on delivering energy efficiency savings. Liaison with library staff to ensure that the minimum disruption is caused while implementing the works. Project slipped from 2018/19 with budget profiles amended to reflect the revised timings. Due to phasing, disruption to the facility users, and decanting of the various spaces, works to be planned over 1- 2 years. The areas between the garage and stores have been insulated during 2019/20, with areas within the facility to be developed as rooms are made available by the users. Project to be rolled forwards and budgets adjusted accordingly. Works to some extent have been delayed by the 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.					
<b>Westray Junior High School &amp; Swimming Pool</b>	£3,100	£7,200	(£4,100)	£0	£3,100
Remove old oil boilers and fit new containerised boiler plant connected into existing boiler house, re- configure pipework in existing boiler house, connect to existing oil tank, install fan convectors to dining hall, and radiators to community room. Containerised plant was procured and purchased last financial year, with the container installation and commissioning being undertaken this coming year. Package boiler plant to be procured and handed to contractor for installation.					
<b>Update:</b> Works complete and systems fully commissioned and operational. Final accounts finalised. Retention release of £12,868.09 to be made once defects rectification has occurred, and now anticipated to be 2020/21. Tender for the containerised boiler plant and installation all contained within the contract sums. Overall project under budget by £4k, and surplus utilised elsewhere within the programme.					
<b>Contingency</b>	£0	£0	£0	£0	£0

Retention Due During Coming Year					
<b>Shapinsay School</b>	£3,915	£0	£3,915	£4,387	(£472)
Create new boiler house and install new oil boilers as existing ones are difficult to maintain and life expired. Inadequate space within boiler house, lack of ventilation to boilers, boiler house partly below ground and boiler house is located centrally within the building. Proposed that a new boiler house be located closer to the existing oil tank, on an external wall, but flexible enough that the space can be used in the future should it be decided to move across to a ground source heat pump renewable option.					
<b>Update:</b> Complete and fully operational, but accounted for out of last years account. Project exceeded budget predominantly due to hydrogen works which accounted for £32k of enabling works to assist the hydrogen installation. In addition variations to the boiler contract are - 'X' pot installation to filter heating water (£2k), reactive works to existing heating system (£4k), fencing alterations (£1k) Monitoring equipment for the thermal envelope works was also included under this contract, but covered by grant funding from the insulation project, and included monitoring equipment installation and air pressure testing amounts to £11.5k. Project £48k over spend, £32k of this is attributable to the hydrogen project. Balance is attributable to the other items details above. Retention released and account concluded.					

Projects Added During Year					
<b>4th Barrier Public Convenience</b>	£0	£155,000	(£155,000)	£0	£0
Demolition and rebuild following impact damage.					
<b>Update:</b> Re-building project - Site made secure, facility closed May 2019 and signage provided to identify alternative local facilities. Investigated options for providing temporary facilities on the site, but site found to be too constrained. Design works complete and procurement concluded by November 2019. Loss adjuster visited site August 2019, and approval to proceed given late January 2020, and start on site was made mid February 2020, with completion anticipated 20 weeks thereafter. Due to the COVID-19 outbreak, the project has been delayed, and completion is now anticipated September 2020. PV electric panels added to the scheme, and so the OIC will be making a contribution of £2,100 as this will not be recovered via the insurance claim.					

General Fund Capital Improvements		Actual Spend as at 31/03/2020	Budget 2019/20	Overspend/ (Underspend)	Previously Reported Probable Outturn 2019-2020	Reported Probable Outturn v Actual Outturn
<b>Nursery projects</b>						
<b>Early Learning &amp; Childcare</b>	Works ongoing at various locations. Projects are complete at Burray, Papa Westray and Westray Nurseries. Larger projects being developed for Dounby, Glaitness, Papdale nurseries with minor alterations to be undertaken at Eday, Shapinsay and Stromness nurseries. Current priorities are to have Dounby on site January 2020, Papdale on site March 2020 with Glaitness on site April / May 2020.	£ 291,618	£1,397,000	(£1,105,382)	£304,588	(£12,970)
<b>Dounby School</b>	Nursery extension	£115,249	£100,000	£15,249	£139,400	(£24,151)
Works procured and tender of £172,063.91 accepted. Works commenced 20th January, completion initially anticipated 25th May 2020, but due to COVID 19 restrictions, delayed material delivery (auto doors, weatherboarding and flat roof top coats), old section of nursery to be handed back for new August term. Remaining elements will be handed over September / October, when outstanding materials are delivered. Client requirements for additional flooring and re-decoration within the existing facility, and COVID 19 works for additional hand wash facilities at the vestibule, automated taps etc will increase costs. Final account likely to be £200k, with the client funding £15k. The remaining deficit to be funded from re-profiling the nursery programme.						
<b>Eday school</b>	Nursery alterations, toilet alterations, but hold this section off, just undertake the sink for now.	£11,851	£1,600	£10,251	£12,600	(£749)
Works complete, along with extensive drainage alterations to permit sinks to be fitted, resulting in an overspend of £11k.						
<b>Glaitness Primary School</b>	Phase 1 -Nursey alterations - partition works.	£0	£0	£0	£10,600	(£10,600)
Works undertaken and completed over 2018 October holidays. Accounts agreed and no further expenditure anticipated.						
<b>Glaitness Primary School</b>	Phase 2 - Extension and internal upgrade	£80,927	£907,500	(£826,573)	£31,000	£49,927
Consultant Architect appointed, commissioned, and design works progressing. Planning Department feedback relating to flooding, and car parking to be addressed. Tender documentation preparation to commence (August 2020) and tender issue date to be agreed.						
<b>Papa Westray School</b>	Nursery alterations.	£0	£0	£0	£0	£0
Works Complete						

General Fund Capital Improvements		Actual Spend as at 31/03/2020	Budget 2019/20	Overspend/ (Underspend)	Previously Reported Probable Outturn 2019-2020	Reported Probable Outturn v Actual Outturn
<b>Papdale Primary School</b>	Phase 1 -Nursery upgrade - separation partition, kitchen upgrade.	£0	£0	£0	£16,000	(£16,000)
Works Complete. Costs increased due to greater number of sinks and low level work tops added as design developed. Works undertaken over summer holidays 2018, but paid for during 2019/20 resulting in payments appearing in current financial year.						
<b>Papdale Primary School</b>	Phase 2 - Extension and internal upgrade	£71,406	£150,700	(£79,294)	£50,700	£20,706
Consultant Architect appointed, commissioned, and design works well developed. Tenders issued early February 2020 and accepted. Initial plan was to complete by August 2020, but COVID 19 restrictions have now delayed the works and completion is anticipated September / October 20. Scheme has changed substantially from refurbishing the existing nursery, to displacing Infants classes to accommodate a larger nursery. Revised estimated cost for the works are being worked up for the larger facility.						
<b>Shapinsay School</b>	Nursey alterations	£11,985	£5,000	£6,985	£12,288	(£303)
Works complete. Costs increased due to greater number of sinks and low level work tops added as design developed.						
<b>Stromness Primary School</b>	Nursery alterations.	£0	£232,200	(£232,200)	£32,000	(£32,000)
Works reduced to extending fenced off areas, negotiating costs with contractor and works to be scheduled at the earliest convenient period. Planned works for 19/20 not delivered due to excessive contractor costs. Negotiations are ongoing to secure a more cost effective outcome. Underspend to be utilised against other nursery projects and overall expenditure contained within the budget.						
<b>Westray School</b>	Nursery upgrade.	£200	£0	£200	£0	£200
Works complete.						
<b>Contact Officer- Gwyn Evans, Extension 2723</b>		<b>£732,559</b>	<b>£2,903,400</b>	<b>(£2,170,841)</b>	<b>£1,143,698</b>	<b>(£411,139)</b>

General Fund Capital Improvements	Years 2-3 - Approved Provisional Programme				Years 4-5 - For Information Only		Total Project Summary		
	Budget 2020/21	Revised Budget 2020/21	Budget 2021/22	Revised Budget 2021/22	Budget 2022/23	Budget 2023/24	Spend to Date	Estimated Outturn	Project Budget
General Fund Programme: Approved Programme	£1,359,400	£826,600	£639,200	£1,104,700	£142,000	£122,500			
General Fund Programme: Projects Added During Year	£0	£0	£0	£0	£0	£0			
Early Learning & Childcare Grant Funded Nursery Projects	£637,000	£637,000	£27,900	£27,900	£0	£0			
<b>Total General Fund Capital Improvement Programme</b>	<b>£1,996,400</b>	<b>£1,463,600</b>	<b>£667,100</b>	<b>£1,132,600</b>	<b>£142,000</b>	<b>£122,500</b>			

Asset Name	Description									
<b>Chinglebraes - Road Extension</b>	Extend approach road to weigh bridge, by widening road at approach to site entrance, to allow traffic to use road while site traffic queues for the weighbridge. Required to improve H & S, improve efficiency and to permit the internal re-organisation of the building, while services continue. Project is part of a longer plan to upgrade the facility, the extension and internal works having been complete, and this is the final phase of work.	£0	£0	£0	£0	£0	£0	£169,906	£169,906	£70,000
<p><b>Update: Road widening</b> - Project accelerated and majority of spend incurred in 2017/18 and 2018/19. Final account agreed, and works complete. Retention payment made 2019/20. Expenditure contained within the tender sum and project completed under budget.</p> <p><b>Weighbridge controls / IT connectivity works</b> - Ducting and electrical works complete, IT , final installations and commissioning works complete during December 2018. System made operational February 2019. Final account retained within the tender sum. A total project over spend of £102k was attributable to compaction plant failure / replacement at £86k and £33k for a feed conveyor, however this overspend was contained within the overall Capital Improvement Programme budget for 2018/19. Full budget allocation for 2019/20 was not required - project closed off.</p>										
<b>Kirkwall Town Hall</b>	High level surveys, identify extent of re-pointing, stone repairs, stone replacements, carvings and implement repair plan.	£371,800	£0	£58,200	£343,000	£87,000	£0	£0	£450,000	£450,000
<p><b>Update:</b> Delays encountered due to resourcing - procurement commenced January 2020, and tender accepted June 2020. No expenditure incurred in 2019/20. 2020/21 budget to be re-profiled to accommodate this work which is now planned for August / September 2020. Consultants planning and working up plans for access and roads, consents etc.</p>										
<b>St Margaret's Hope Primary School</b>	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 fascias, soffits, gutters and downpipes. Boiler and flue improvement works, complete with new high efficiency oil boiler, pressurisation unit and expansion vessel.	£463,000	£290,000	£0	£173,000	£0	£0	£6,600	£485,600	£483,000
<p><b>Update: External wall insulation</b>- design works to commence during 2020 and anticipated to be on site 2021. <b>Boiler installation</b> - design work is substantially complete. Project has been rolled forward to 2020/21 to tie in with planned external wall insulation works. Expenditure limited to development costs which have been lower than anticipated for 2019/20. Less design work undertaken than anticipated, project rolled forwards to 2020/21 and onwards, and budgets to be re-profiled.</p>										
<b>Orphir Primary school</b>	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. Project carried over from last financial year.	£0	£20,000	£360,000	£360,000	£0	£0	£1,300	£443,300	£462,000
<p><b>Update: External wall insulation</b> - design works not commenced due to resourcing issues. <b>Boiler installation</b> - Design work substantially complete, but installation works to be delayed to tie in with planned external wall insulation works. Awaiting invoice for works done. Budget to be rolled forwards into 2020/21 and budget to be re-profiled.</p>										

General Fund Capital Improvements		Years 2-3 - Approved Provisional Programme				Years 4-5 - For Information Only		Total Project Summary		
		Budget 2020/21	Revised Budget 2020/21	Budget 2021/22	Revised Budget 2021/22	Budget 2022/23	Budget 2023/24	Spend to Date	Estimated Outturn	Project Budget
<b>Sanday Junior High School &amp; Swimming Pool</b>	Replace ground source heat pumps	£0	£0	£0	£0	£0	£0	£8,200	£101,100	£100,000
<p><b>Update:</b> Electrolytic corrosion to pipework has been addressed. Controls issues with 2 heat pumps, and all 4 heat pumps are to be replaced despite initial thoughts that re-commissioning would be possible. On review replacement is required, resulting in original budget of £100k being revised to £180k. Due to resourcing issues, the design work was delayed, but was concluded in 2019/20. Procurement has been concluded and tender accepted at £178,841.17. Expenditure relating to design works incurred during 2019/20. Budget to be increased and re-profiled to allow project to be delivered during 2020/21 and additional budget will be secured from savings elsewhere within the programme.</p>										
<b>Shapinsay School</b>	Re-roofing over existing flat roofs, rationalise roof penetrations, upgrade ventilation systems and increase / improve insulation levels. External Wall Insulation (ewi) and render system to entire school. Works are partly funded from Scotland's Energy Efficiency Programme (Pathfinder Fund) Works involve the installation of monitoring equipment which will provide a minimum of 4 months internal temperature and CO2 data to allow the improvements to be measured and used for future projects. Retention money accrued last financial year.	£0	£0	£0	£0	£0	£0	£729,339	£729,339	£861,600
<p><b>Update:</b> All works complete. Final account agreed and contained within the tender figure. Initial budget set at £861,600. Project brought in £132k under budget due to competitive tender and full contingency not utilised. Project subject to grant income of £274k. Release of retention delayed due to making good defects outstanding, with payment released in 2019/20, but accrued in 2018/19.</p>										
<b>Smiddybrae</b>	Ground Source Heat Pump installation, complete with new ground array, associated groundworks and new boiler house.	£15,700	£15,700	£0	£12,700	£0	£0	£490,707	£773,907	£801,300
<p><b>Update:</b> Following thermal conductivity tests of the ground, these results have directed the design, resulting in a large increase in the number of boreholes from 15 to 42 boreholes. This is in part due to poor ground thermal conductivity tests, but also because RHI cannot be claimed should the existing boreholes be utilised. On reviewing the entire heating system, whole life costs, RHI income potential, decision has been taken to replace the entire system including bore hole array. The project will result in lower running costs, with payback of around 7-8 years should RHI be claimed and closer to 18 without RHI. When planning the borehole positions, the potential development has been considered to minimise sterilising the ground and maximise future development possibilities. Revised proposals submitted to Policy &amp; Resources Committee on 27 November 18, which was subsequently approved. <b>Borehole works</b> undertaken and completed March-May 2019. <b>Groundworks</b> tender was to be procured separately, but agreement reached with borehole contractor, and approved by management. The interconnecting groundworks are complete. <b>Plantroom and heat pump installation</b> has been procured at £507,261.65, is on site but the planned completion date of May 2020 has now been delayed by COVID 19, and anticipated to be completed by September 2020. Probable outturn expenditure not achieved due to COVID 19 and site closure in March 2020. Budget to be rolled forwards and re-profiled and an additional year added to allow retention to be released in 2021/22. Overall project is likely to be £27k under budget, with surplus utilised on other projects within this programme.</p>										
<b>St Magnus Cathedral</b>	Boiler and flue improvement and upgrading works, comprising new high efficiency oil boiler and balanced flue.	£120,000	£112,000	£0	£0	£0	£0	£9,773	£120,923	£120,000
<p><b>Update:</b> Scheme design substantially complete, this is one of 5 boilers that will be replaced over the coming 2-3 years. Cathedral Architect making the necessary Statutory applications to allow the scheme to be delivered. Project cost incurred in advance of the works and costs accelerated to allow the design works, Statutory Applications to be made, all in preparation for the boilers being replaced at a convenient period for the facility, users and prior to complete system failure. Future years budget profiles have been adjusted to reflect the revised programme.</p>										
<b>Stromness Academy Ph2</b>	Phase 2 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property.	£0	£0	£0	£0	£0	£0	£380,452	£420,452	£401,000
<p><b>Update:</b> Contract complete. Tender for phase 2 and phase 7 (roofing only) works accepted at £436k, shown as 2 separate lines in the plan. Project accelerated by £300,000 during 2018/19, and future years budgets adjusted to reflect the accelerated project. Full details of the Project Slippage/ Acceleration can be seen in the various year budget columns. Works complete, with retention still to be paid. No expenditure incurred in 2019/20 as retention release delayed until making good defects concluded - this is now expected in 2020/21. Budget to be rolled forwards to accommodate this slippage. Overall project underspend of £21k anticipated, and remaining budget to be utilised elsewhere within the programme.</p>										
<b>Stromness Academy Ph3</b>	Phase 3 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property. Design works to be undertaken in the 1st year, followed by the works and retention release in the 3rd year.	£245,000	£245,000	£20,000	£20,000	£0	£0	£0	£315,000	£315,000
<p><b>Update:</b> Phase 3 &amp; 4 combined following a review of extent of works and budgets. Works delayed to allow Phase 2 and 7 to be accelerated. Project has slipped due to other OIC commitments, however the design works have been concluded during 2019/20 but the procurement was delayed. This will be developed to allow an onsite presence late 2020. Future years budgets will be adjusted to reflect the slippages and acceleration in future years. No expenditure incurred to date, but development works have been undertaken, which will be funded from future years budgets. Tender has been accepted at £372,573.54, against a total project cost of £476,000.</p>										

General Fund Capital Improvements		Years 2-3 - Approved Provisional Programme				Years 4-5 - For Information Only		Total Project Summary		
		Budget 2020/21	Revised Budget 2020/21	Budget 2021/22	Revised Budget 2021/22	Budget 2022/23	Budget 2023/24	Spend to Date	Estimated Outturn	Project Budget
<b>Stromness Academy Ph4</b>	Phase 4 thermal upgrade comprising new roof cladding, gutters, fascia's, soffits, downpipes, roof windows, doors and windows to enhance property.	£0	£0	£151,000	£146,000	£5,000		£0	£151,000	£161,000
<b>Update:</b> Phase 3 & 4 combined following a review of extent of works - see above update.										
<b>Stromness Academy Ph7</b>	Phase 7 - Theatre / music block roof.	£0	£0	£0	£0	£0	£72,500	£104,000	£172,500	£172,500
<b>Update:</b> Initially planned for 2022/23, but following feedback, the roofing element of project has been accelerated to 2018/19 due to the temporary repairs to the cement fibre sheets failing and further increasing issues with the remaining sheets. Phase 2 and 7 were procured under a single contract, see phase 2 explanation for further details. The external wall insulation, windows/ doors elements remain and have been re-profiled for 2023/24. Roofing element of the project accelerated by £99,500, and windows and render elements planned for 2023/24 (provisional 5 year programme) future budgets adjusted accordingly. Project to be contained within project budget. Budget allocation for 2019/20 for the combined phase 2 & 7 was £42.5k of which £6.5k has been utilised. Works complete, retention release delayed until making good defects concluded - anticipated that this will be concluded in quarter 1 2020.21. Budget to be rolled forwards to accommodate this slippage.										
<b>Stromness Swimming Pool</b>	Boiler and flue improvement and enhancement works, comprising new high efficiency oil boiler, balanced flue and heating controls, 2 sets of controls either end of building to be replaced. Project slipped from last year due to scheme design. Property is down for disposal via the Property Asset Management Review process. Works required to minimise the likelihood of boiler failure and unplanned closure of the property.	£93,900	£93,900	£0	£0	£0	£0	£4,630	£163,830	£161,000
<b>Update:</b> Design works have commenced with external consultant. Draft scheme has been submitted and commented upon. Project slippage has occurred, and future years budgets to be re-profiled to accommodate the slippage. Works to be programmed in consultation with and around the users - design works completed by end of March 2020.										
<b>Stromness Junior High School &amp; Swimming Pool</b>	Upgrade hot and cold water distribution system Inc. cold water storage tank, and install either trace heating** or pumped return to hot water circuit to improve circulation. Investigate if the cwst can be re-located to a less disruptive area should a leak occur. ** 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	£0	£0	£0	£0	£0	£0	£7,800	£115,800	£115,000
<b>Update:</b> 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. Full extent of scheme developed in-house, and involves local point of use water heaters to the hard to reach areas. Additionally, a review of the cold water system has been undertaken and involves the installation of booster pumps. Design work complete, procurement concluded mid December 19 and tender accepted at £136,014.24 against an initial estimate of £100k. On reviewing the costs and complexities of the work, and given the implications of water contamination and legionella outbreak, and following a £15k saving by delaying the works to the summer holidays, decision taken to accept the tender. COVID 19 delays and issues securing access has delayed commencement which will now be July 2020 (4-5 week period) for the 1st phase within the school, and a return in October 2020 to conclude the works within the plant room. Underspend incurred during 2019/20, which will be rolled forwards, and the plan adjusted in line with the available budget. Over commitment to be funded from savings elsewhere within this programme.										
<b>The Orkney Library &amp; Archive</b>	Reduce heat loss through roof. Options and costs to be investigated and could include removing inset lights that penetrate top floor ceiling, 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. Alternatively, the roof will be made into a warm roof by either applying spray foaming insulation at rafter level, or fitting rigid insulation at rafter level.	£0	£0	£0	£0	£0	£0	£20,439	£181,439	£172,500
<b>Update:</b> <b>Lighting</b> - Draft scheme has been prepared, and to be concluded. Works to be phased and tied in with insulation works. <b>Insulation works</b> - External Architects have been appointed and design works completed. Building Warrant application made and phasing plan agreed with users. Both projects to dovetail as they are related and focus on delivering energy efficiency savings. Liaison with library staff to ensure that the minimum disruption is caused while implementing the works. Project slipped from 2018/19 with budget profiles amended to reflect the revised timings. Due to phasing, disruption to the facility users, and decanting of the various spaces, works to be planned over 1- 2 years. The areas between the garage and stores have been insulated during 2019/20, with areas within the facility to be developed as rooms are made available by the users. Project to be rolled forwards and budgets adjusted accordingly. Works to some extent have been delayed by the 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.										

General Fund Capital Improvements		Years 2-3 - Approved Provisional Programme				Years 4-5 - For Information Only		Total Project Summary		
		Budget 2020/21	Revised Budget 2020/21	Budget 2021/22	Revised Budget 2021/22	Budget 2022/23	Budget 2023/24	Spend to Date	Estimated Outturn	Project Budget
<b>Westray Junior High School &amp; Swimming Pool</b>	Remove old oil boilers and fit new containerised boiler plant connected into existing boiler house, re-configure pipework in existing boiler house, connect to existing oil tank, install fan convectors to dining hall, and radiators to community room. Containerised plant was procured and purchased last financial year, with the container installation and commissioning being undertaken this coming year. Package boiler plant to be procured and handed to contractor for installation.	£0	£0	£0	£0	£0	£0	£461,446	£474,346	£478,500
<b>Update:</b> Works complete and systems fully commissioned and operational. Final accounts finalised. Retention release of £12,868.09 to be made once defects rectification has occurred, and now anticipated to be 2020/21. Tender for the containerised boiler plant and installation all contained within the contract sums. Overall project under budget by £4k, and surplus utilised elsewhere within the programme.										
<b>Contingency</b>		£50,000	£50,000	£50,000	£50,000	£50,000	£50,000	N/A	N/A	N/A

Retention Due During Coming Year										
<b>Shapinsay School</b>	Create new boiler house and install new oil boilers as existing ones are difficult to maintain and life expired. Inadequate space within boiler house, lack of ventilation to boilers, boiler house partly below ground and boiler house is located centrally within the building. Proposed that a new boiler house be located closer to the existing oil tank, on an external wall, but flexible enough that the space can be used in the future should it be decided to move across to a ground source heat pump renewable option.	£0	£0	£0	£0	£0	£0	£217,614	£217,614	£170,000
<b>Update:</b> Complete and fully operational, but accounted for out of last years account. Project exceeded budget predominantly due to hydrogen works which accounted for £32k of enabling works to assist the hydrogen installation. In addition variations to the boiler contract are - 'X' pot installation to filter heating water (£2k), reactive works to existing heating system (£4k), fencing alterations (£1k) Monitoring equipment for the thermal envelope works was also included under this contract, but covered by grant funding from the insulation project, and included monitoring equipment installation and air pressure testing amounts to £11.5k. Project £48k over spend, £32k of this is attributable to the hydrogen project. Balance is attributable to the other items details above. Retention released and account concluded.										

Projects Added During Year										
<b>4th Barrier Public Convenience</b>	Demolition and rebuild following impact damage.	£0	£0	£0	£0	£0	£0	£0	£77,000	£155,000
<b>Update:</b> Re-building project - Site made secure, facility closed May 2019 and signage provided to identify alternative local facilities. Investigated options for providing temporary facilities on the site, but site found to be too constrained. Design works complete and procurement concluded by November 2019. Loss adjuster visited site August 2019, and approval to proceed given late January 2020, and start on site was made mid February 2020, with completion anticipated 20 weeks thereafter. Due to the COVID-19 outbreak, the project has been delayed, and completion is now anticipated September 2020. PV electric panels added to the scheme, and so the OIC will be making a contribution of £2,100 as this will not be recovered via the insurance claim.										

General Fund Capital Improvements		Years 2-3 - Approved Provisional Programme				Years 4-5 - For Information Only		Total Project Summary		
		Budget 2020/21	Revised Budget 2020/21	Budget 2021/22	Revised Budget 2021/22	Budget 2022/23	Budget 2023/24	Spend to Date	Estimated Outturn	Project Budget
<b>Nursery projects</b>										
<b>Early Learning &amp; Childcare</b>	Works ongoing at various locations. Projects are complete at Burray, Papa Westray and Westray Nurseries. Larger projects being developed for Dounby, Glaitness, Papdale nurseries with minor alterations to be undertaken at Eday, Shapinsay and Stromness nurseries. Current priorities are to have Dounby on site January 2020, Papdale on site March 2020 with Glaitness on site April / May 2020.	<b>£637,000</b>	<b>£637,000</b>	<b>£27,900</b>	<b>£27,900</b>	£0	£0	<b>£447,286.38</b>	<b>£2,042,338.76</b>	<b>£2,221,000</b>
Dounby School	Nursery extension	£91,000	£91,000	£0	£0	£0	£0	£115,849	£200,000	£191,000
Works procured and tender of £172,063.91 accepted. Works commenced 20th January, completion initially anticipated 25th May 2020, but due to COVID 19 restrictions, delayed material delivery (auto doors, weatherboarding and flat roof top coats), old section of nursery to be handed back for new August term. Remaining elements will be handed over September / October, when outstanding materials are delivered. Client requirements for additional flooring and re-decoration within the existing facility, and COVID 19 works for additional hand wash facilities at the vestibule, automated taps etc will increase costs. Final account likely to be £200k, with the client funding £15k. The remaining deficit to be funded from re-profiling the nursery programme.										
Eday School	Nursery alterations, toilet alterations, but hold this section off, just undertake the sink for now.	£0	£0	£0	£0	£0	£0	£15,751	£16,500	£5,000
Works complete, along with extensive drainage alterations to permit sinks to be fitted, resulting in an overspend of £11k										
Glaitness Primary School	Phase 1 -Nursery alterations - partition works.	£0	£0	£0	£0	£0	£0	£20,727	£20,727	£7,500
Works undertaken and completed over 2018 October holidays. Accounts agreed and no further expenditure anticipated.										
Glaitness Primary School	Phase 2 - Extension and internal upgrade	£515,000	£515,000	£27,900	£27,900	£0	£0	£80,927	£1,450,400	£1,450,400
Consultant Architect appointed, commissioned, and design works progressing. Planning Department feedback relating to flooding, and car parking to be addressed. Tender documentation preparation to commence (August 2020) and tender issue date to be agreed.										
Papa Westray School	Nursery alterations.	£0	£0	£0	£0	£0	£0	£38,218	£38,218	£35,600
Works Complete										
Papdale Primary School	Phase 1 -Nursery upgrade - separation partition, kitchen upgrade.	£0	£0	£0	£0	£0	£0	£38,218	£36,294	£30,000
Works Complete. Costs increased due to greater number of sinks and low level work tops added as design developed. Works undertaken over summer holidays 2018, but paid for during 2019/20 resulting in payments appearing in current financial year.										

General Fund Capital Improvements		Years 2-3 - Approved Provisional Programme				Years 4-5 - For Information Only		Total Project Summary		
		Budget 2020/21	Revised Budget 2020/21	Budget 2021/22	Revised Budget 2021/22	Budget 2022/23	Budget 2023/24	Spend to Date	Estimated Outturn	Project Budget
Papdale Primary School	Phase 2 - Extension and internal upgrade	£31,000	£31,000	£0	£0	£0	£0	£71,406	£181,706	£196,000
Consultant Architect appointed, commissioned, and design works well developed. Tenders issued early February 2020 and accepted. Initial plan was to complete by August 2020, but COVID 19 restrictions have now delayed the works and completion is anticipated September / October 20. Scheme has changed substantially from refurbishing the existing nursery, to displacing Infants classes to accommodate a larger nursery. Revised estimated cost for the works are being worked up for the larger facility.										
Shapinsay School	Nursey alterations	£0	£0	£0	£0	£0	£0	£14,085	£14,388	£5,000
Works complete. Costs increased due to greater number of sinks and low level work tops added as design developed.										
Stromness P School	Nursery alterations.	£0	£0	£0	£0	£0	£0	£0	£32,000	£252,200
Works reduced to extending fenced off areas, which will be on site over the October holidays. Underspend to be utilised against other nursery projects and overall expenditure contained within the budget.										
Westray School	Nursery upgrade.	£0	£0	£0	£0	£0	£0	£52,105	£52,105	£48,300
Works complete.										
<b>Contact Officer- Gwyn Evans, Extension 2723</b>		<b>£1,996,400</b>	<b>£1,463,600</b>	<b>£667,100</b>	<b>£1,132,600</b>	<b>£142,000</b>	<b>£122,500</b>	<b>£2,841,879</b>	<b>£7,387,782</b>	<b>£7,700,400</b>

Strategic Reserve Fund Capital Improvements		Outturn as at 31/03/2020	Budget 2019/20	Revised Budget 2019/20	Overspend/ (Underspend)	Previously Reported Probable Outturn 2019-2020	Increase/ (Decrease) in Reported Probable Outturn	Total Project Summary		
								Spend to Date	Estimated Outturn	Project Budget
Asset Name	Description									
No planned works		£0	£0	£0	£0	£0	£0	£0	£0	£0
<b>Contingency</b>		£0	£118,600	£67,800	(£67,800)	£0	£0	n/a	n/a	n/a
<b>Projects added during 2019/20</b>										
<b>Buoy Store, NLB Pier</b>	Re-cladding and provision of toileting facilities	£29,681	£0	£29,800	(£119)	£25,845	£3,836	£39,981	£110,045	£110,000
<p><b>Re-cladding and provision of toileting facilities - Re-cladding</b> postponed following a review by D &amp; I - Roofing element (cladding) slipped into 2023/24, deferring £69k of expenditure. <b>Toilet design</b> - Procurement complete and tender accepted December 2018. Delays encountered due to Scottish Water , Business Stream sewer connection application process. Project slipped from 2018/19 into 2019/20, and budgeted spend profile adjusted to reflect the delays. Works completed by Christmas break 2019. Complications with drainage connection resulted in £3,000 cost for fees &amp; road closure notices and £5,000 of additional works, taking the project from its initial estimate of £25,845 to £28,500 (original estimate contained an element of contingencies). Final account to be agreed for toilet facilities and balancing payment to be release in 2020/21. Initial estimate for outstanding payment revised from £1k to £3k which will result in a £2k overspend on the toilet facilities. Plan to curtail spending on roofing element of project when it is reviewed to bring total project in on budget.</p>										
<b>Grainshore Training Centre</b>	New fire alarm, lighting, localised socket outlet alterations, strip out redundant wiring, new consumer units, replace heating . Replace hot water cylinder, install electric showers, point of use water heaters and smaller calorifier, strip out cold water storage tanks. Upgrade property for new tenancy. Upgrade 2 x kitchens, room alterations, localised making good, general clean up.	£15,589	£0	£21,000	(£5,411)	£15,100	£489	£79,680	£79,191	£85,000
<p>Private sector tenant identified by Estates. Works assessed and client needs curtailed, with project brought within overall approved project budget. Last part of works not completed in 2018/19 as expected, and c. £14,000 of works to be added to the 2019/20 programme. Works now complete and tenant has occupied the property. Project brought in £6k under budget.</p>										
<b>Contact Officer- Gwyn Evans, Extension 2723</b>		<b>£45,270</b>	<b>£118,600</b>	<b>£118,600</b>	<b>(£73,330)</b>	<b>£40,945</b>	<b>£4,325</b>	<b>£119,661</b>	<b>£189,236</b>	<b>£195,000</b>

Plant & Vehicle Replacement Programme	Outturn as at 31/03/2020	Capital Budget 2019/20	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2019-2020	Reported Probable Outturn V Actual Outturn
<b>Planned purchases as approved at AM Sub 9 November 2017</b>						
Road Sweeper Iveco/Johnston 180E25	£0	£110,000	(£110,000)	Slippage into 20/21.	£0	£0
Tanker Volvo Whale	£0	£100,000	(£100,000)	Slippage into 20/21 - Reviewed - Not for replacement	£0	£0
Paver Bitelli BB30	£0	£80,000	(£80,000)	Slippage into 20/21 - to be reviewed.	£0	£0
Paver Bitelli BB650 - refurbished 07/02/05	£0	£120,000	(£120,000)	Slippage into 20/21 - to be reviewed.	£0	£0
Excavator JCB 8025 Mini Crawler	£36,775	£25,000	£11,775	Bobcat Digger £33,305.00 (came with trailer) - Trailer £3,470.00 delivered 05/06/19. Increased costs due to inflation and inclusion of trailer in costs.	£36,775	£0
Compressor CP A/C 180	£0	£10,000	(£10,000)	Accelerated to 2018/19 (Arrived 29/03/19)	£0	£0
Mower Verge Cutter - Spearhead Excel 504	£15,800	£13,000	£2,800	Delivered 09/12/19.	£15,800	£0
Paint Trailer c/w Single Burner	£0	£15,000	(£15,000)	Slippage into 20/21 - to be reviewed.	£0	£0
Gritter Mercedes 1829 Axor/Epoke Sirius	£131,582	£95,000	£36,582	Delivered 23/03/20 - Walking Floor Lorry/Gritter Specialised large vehicle costs have increased every year, resulting in a significant overspend against original budget. This vehicle will be multi purpose and can be used as a gritter in winter and standard lorry rest of year, therefore more functional than the dedicated gritter it replaces.	£131,582	£0
Gritter Rasco 1M2 Tractor Mounted	£13,850	£12,000	£1,850	Delivered 12/12/19.	£13,850	(£0)
Dustcart Mercedes-Benz Econic 1824 LL	£171,879	£140,000	£31,879	Delivered 14/12/19 - Specialised large vehicle costs have increased every year, and there is now a requirement to have an advance braking systems fitted which were not required on original vehicle, with both factors resulting in a significant overspend against original budget.	£171,879	£0
Open Skip	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
Open Skip	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL5 Open Container	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL20 Open Container Full Height	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL20 Open Container Full Height	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL20 Bottle Bank	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL20 Open Top Container	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL20 Open Skip Half Height	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL20 Open Skip Half Height	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL5 Closed Skip Full Height	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL20 Open Skip Half Height	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL20 Closed Skip Full Height	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL5 Bottlebank	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
HL5 Bottlebank	£0	£4,000	(£4,000)	Accelerated to 18/19. Skip Units delivered 18/19.	£0	£0
Pickup Renault Master Tipper	£0	£25,000	(£25,000)	Slippage into 20/21 - To be reviewed.	£0	£0
Lorry Renault Lander HL20 Hooklift	£111,257	£100,000	£11,257	Delivered 28/03/20 - Specialised large vehicle costs increasing every year resulting in an overspend against original budget. Delivery within financial year had been doubtful but supplier did manage to deliver before the 2019/20 year end.	£0	£111,257

Plant & Vehicle Replacement Programme	Outturn as at 31/03/2020	Capital Budget 2019/20	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2019-2020	Reported Probable Outturn V Actual Outturn
Telescopic Handler JCB 541-70	£0	£50,000	(£50,000)	Accelerated to 18/19. Arrived 01/03/19.	£0	£0
Weighbridge	£0	£50,000	(£50,000)	Slippage into 20/21.	£0	£0
Renault Master Minibus	£0	£35,000	(£35,000)	Slippage into 20/21.	£0	£0
VW/Mellor Minibus	£72,786	£70,000	£2,786	Delivered 10/05/19.	£72,786	£0
VW/Mellor Minibus	£72,786	£70,000	£2,786	Delivered 10/05/19.	£72,786	£0
<b>Contingency</b>	£0	£24,000	(£24,000)		£0	£0
<b>Additional Purchases in 2019/20</b>						
Trailer 6T Marshall	£6,480	£0	£6,480	Delivered 25/04/19 - Slippage from 18/19.	£6,480	£0
Renault Kangoo	£11,504	£0	£11,504	Delivered 08/05/19 - Slippage from 17/18.	£11,504	£0
Tractor Massey Ferguson (2018-19-017 P145018)	£37,460	£0	£37,460	Delivered 10/07/19 - Slippage from 18/19.	£37,460	£0
Lorry Eurocarga 180E21K	£114,928	£0	£114,928	Delivered 10/01/20 - Slippage from 18/19.	£114,928	£0
Gritter Iveco Eurotrakker MP380E38W + Epoke Sirius	£156,250	£0	£156,250	Delivered 28/03/20 - Slippage from 18/19.	£156,250	£0
Gritter Econ Demount	£17,914	£0	£17,914	Delivered 18/09/19 - Slippage from 18/19.	£17,914	£0
Can Crusher & Sorter (2017-18-047 (2016-17-049) W300004)	£69,547	£0	£69,547	Delivered September 2019 - Slippage from 17/18.	£69,547	£0
Tractor MF Compact with Mower/Gritter (2017-18-046 W175007)	£13,495	£0	£13,495	Delivered 18/09/19 - Slippage from 17/18.	£13,495	£0
Mobile Welfare Unit - Elston 430D (2018-19-021 P200010)	£30,719	£0	£30,719	Delivered 17/01/20 - Added to 18/19 plan to offset anticipated underspend. Progressing as Van/Welfare Unit. Slippage from 18/19.	£30,719	£0
Welfare Unit/Site Hut Rousay	£0	£0	£0	Slippage from 18/19 - Delivery delayed due to Covid-19 lockdown - now slippage into 2020/21. Ordered 10/07/19 (3 on same order).	£24,885	(£24,885)
Welfare unit/small container (2018-19-022 P200011 Shapinsay)	£0	£0	£0	Delivery delayed due to Covid-19 lockdown - now slippage into 20/21. Added to 18/19 plan to offset anticipated underspend. No interest in tender done 31/10/18 Slippage from 18/19 now ordered.	£24,885	(£24,885)
Welfare unit/small container (2018-19-023 P200012 Stronsay)	£0	£0	£0	Delivery delayed due to Covid-19 lockdown - now slippage into 20/21. Added to 18/19 plan to offset anticipated underspend. No interest in tender done 31/10/18 Slippage from 18/19 now ordered.	£24,885	(£24,885)
Electric Car Peugeot ION	£17,083	£0	£17,083	Delivered 20/01/20.	£16,378	£705
Van Renault Kangoo	£17,083	£0	£17,083	Delivered 20/01/20.	£16,378	£705
Van Renault Kangoo	£0	£0	£0	Accelerated 19/20 - Slippage to 2020/21 as discussions continue as to what replacement is required.	£20,500	(£20,500)
Ford Transit Van	£0	£0	£0	Accelerated 19/20 - Slippage to 2020/21 as delivery could not be fulfilled within timeframe.	£20,500	(£20,500)
Renault Kangoo (Library)	£17,083	£0	£17,083	Delivered 17/01/20.	£16,378	£705
15 x Waste Skip	£79,495	£0	£79,495	Delivered 12/03/20. An increase in the cost per skip plus higher than anticipated delivery costs resulted in an overspend.	£61,000	£18,495
<b>GENERAL FUND</b>	<b>£1,215,755</b>	<b>£1,200,000</b>	<b>£15,755</b>		<b>£1,199,544</b>	<b>£16,211</b>

Plant & Vehicle Replacement Programme	Outturn as at 31/03/2020	Capital Budget 2019/20	Overspend/ (Underspend)	Purchase Status/Update	Previously Reported Probable Outturn 2019-2020	Reported Probable Outturn V Actual Outturn
<b>Trading Service Purchases - funded by the Service</b>						
Compressor XAVS307 Atlas Copco Metso LT106S - Serial No 73839	£0	£40,000	(£40,000)	Reviewed - Not for replacement.	£0	£0
Metso Crusher LT106S - Serial No 73839	£0	£350,000	(£350,000)	Decision made to refurbish this large item rather than replacing at present time. Expenditure allocated to revenue.	£36,056	(£36,056)
Finlay Super Track 683	£0	£100,000	(£100,000)	Replaced 17/18.	£0	£0
Screening Box (washing) 312	£0	£30,000	(£30,000)	Accelerated to 18/19.	£0	£0
Breaker Atlas Copco 25	£0	£30,000	(£30,000)	Original refurbished.	£0	£0
Volvo A20 Dump Truck	£0	£110,000	(£110,000)	Decision made not to replace at present time.	£0	£0
<b>Additional Purchases in 2019/20</b>						
Van Renault Kangoo	£11,233	£0	£11,233	Delivered 08/05/19. Slippage from 18/19.	£11,233	£0
Disab Vacuum System	£28,795	£0	£28,795	Delivered 01/09/19. (New item for Quarry)	£28,795	£0
<b>NON-GENERAL FUND</b>	<b>£40,028</b>	<b>£660,000</b>	<b>(£619,972)</b>		<b>£76,085</b>	<b>(£36,056)</b>
<b>Contact Officer - Darren Richardson, Extension 2320</b>	<b>£1,255,784</b>	<b>£1,860,000</b>	<b>(£604,216)</b>		<b>£1,275,629</b>	<b>(£19,845)</b>

**INFORMATION TECHNOLOGY CAPITAL REPLACEMENT PROGRAMME 2019/2020**

<b>Project Name</b>	<b>Outturn as at 31/03/2020</b>	<b>Capital Budget 2019/2020</b>	<b>Overspend (Underspend)</b>	<b>Previously Reported Probable Outturn 2019-2020</b>	<b>Increase/ (Decrease) in Reported Probable Outturn</b>
<b>Desktop Replacement</b>					
<i>Desktop Replacement</i>	£288,647	£200,000	£88,647	£250,000	(£38,647)
Completed - Due to the withdrawal of Windows 7 from support in January 2020, there was a need for more computers to be replaced than planned at the outset of the year, This was done by accelerating future spend into this year and offsetting this by deferral of other projects below into next year (SAN & Data Storage Replacement). This allowed us to update approx 450 computers in OIC council and schools. Most replaced equipment was 6-10 years old and in many cases not compatible with Windows 10, but where equipment could be cascaded it was.					
<b>Datacentre Replacements</b>					
<i>SAN &amp; Data Storage</i>	£0	£40,000	(£40,000)	£40,000	£40,000
Deferred to 2020/21 - Replacement of the Storage Infrastructure (SAN) is linked with the Disaster Recovery Project and was deferred to allow increased commitment to Windows 7 replacement as described above. (Project is now in FY2020/21)					
<b>Server Replacements</b>					
<i>Failures and Emergency Replacements of Capital Equipment.</i>	£30,134	£30,000	£134	£20,000	(£10,134)
Some major infrastructure failures occurred in the latter part of the year requiring emergency replacement.					
<b>Local Area Network Replacements</b>					
<i>Replacement of Wireless Access Controller.</i>	£9,756	£50,000	(£40,244)	£9,021	(£735)
Complete/Deferred. Replacement of Wi-Fi network equipment planned for this year has been reduced in scope for the current year but will be prioritised in FY2020/21.					
<b>Wide Area Network Replacements</b>					
<i>Cybersecurity Monitoring Proxy Systems.</i>	£66,402	£70,496	(£4,093)	£66,402	£0
Complete. The systems that filter the Council's internet traffic and secure the Council's perimeter have both been replaced. The replacements have been built in a way to improve and automate resilience of our connections and have improved overall "network speed". Original budget of £50k increased by £20,495.87, being funding received from the Digital Office / Improvement Service.					
<i>Replacement of Firewalls.</i>	£51,728	£50,000	£1,728	£51,576	(£152)
Complete. The systems that secure the Council's perimeter have been replaced increasing resilience, automating failover and improving capacity of our network.					
<b>Contact Officer - Kenny Macpherson, Extension 3007</b>	<b>£ 446,668</b>	<b>£ 440,496</b>	<b>£ 6,172</b>	<b>£437,000</b>	<b>(£9,668.72)</b>