

TO:	CORPORATE SERVICES COMMITTEE	Subject: COMPOSITE CAPITAL PROGRAMME 2015/16 MONITORING REPORT 1 APRIL –26 JUN 2015 (PERIOD 3)
FROM:	HEAD OF CORPORATE PROPERTY & PROCUREMENT	
DATE:	14 July 2015	

1. Introduction

1.1 The purpose of this report is to provide a summary of the financial performance of the Corporate Services Capital Programme for 2015/16. This report includes information on the projected outturn position at 26 June 2015 (End of Period 3).

2. Summary of Financial Position

2.1 The current capital expenditure position for Corporate Services can be summarised as follows:-

Approved Programme 2015/16	Actual Expenditure to 26 June 2015	Committed Expenditure as at 26 June 2015	Projected Outturn Expenditure to 31 March 2016	Projected Year End Variance
£7,084,733	£173,605	£3,429,430	£5,293,032	£1,791,701

Detailed analysis is contained in Appendix 1.

2.2 The programme for 2015/16 of £7,084,733 is made up of £5.050m in the original approved budget together with carry forwards from 2014/15 totalling £934,733 and an allocation of £1.1m as previously approved by Policy & Resources Committee to fund the works at Coats House.

2.3 A total of £173,605 in expenditure payments was incurred up to 26th June 2015. This represents 2.5% of the total annual programme and 3.3% of the projected outturn. The low spend to date is primarily in relation to the Wishaw Hub project, where construction costs are incurred by the NHS with a proportion recharged to NLC periodically. It is anticipated that a significant payment will be made in the near future. In addition the projects relating to Fleming House Windows and Coats House projects have been delayed due to technical and third party issues.

2.4 Of the total budget, £3,429,430 has been committed to date. This represents 48.4% of the total annual programme and 65% of the projected outturn. The projected outturn expenditure to the end of the financial year equates to £5,293,032, which reflects net slippage of £1,791,701. Appendix 1 provides a financial summary of the various projects. Further details of the progress on some of the more significant projects is discussed in section 3 below. As the year progresses further updates will be given on some of the smaller budget lines.

3. Programme Update

3.1 Wishaw Hub Programme

The Wishaw Hub Programme spans a number of financial years, with total provision within the 15/16 budget amounting to £3.723m. The property is scheduled to open later this month with the overall project, including car-parking, due to be complete by March 2016, with current indications showing projected spend in 2015/16 of £3.043m resulting in an underspend of £0.680m. This will continue to be monitored as works onsite progress.

3.2 Coats House Refurbishment

The council purchased Coats House in May 2013 and at that time it was recognised that there were various maintenance issues affecting the property. Further to this, customer demand means that the

current location of Airdrie First Stop Shop is no longer fit for purpose, with Coats House being the only viable option for an alternative location and additional funding for the required works was approved by Policy and Resources in June 2014. Tenders for the works are due to be returned by end of August 2015. Due to protracted discussions with neighbouring landlords in respect of site access slippage of £596,576 is now anticipated, however this will be monitored to identify opportunities to improve the anticipated programme.

3.3 Disabled Access

Details of the programme of works for 2015/16 were included in a report to Committee dated 9 April 2015, which detailed £92,750 of works from the £100,000 budget for 2015/16. The overall budget including previous underspend has now been confirmed at £145,425 and it is proposed that remaining budget of £52,675, will be utilised in the following projects.

Craigneuk Library (Wishaw)

Works to the internal doors that do not have vision panels, handrails and nosing's to stairs. (£5,000)

Ian Nicholson Centre (Chryston)

Works to replace the entrance doors, compliant reception counter and ramps to 2 No emergency exits. (£47,500) There is additional works to ramps at other emergency exits that will have to be phased over the coming years.

- 3.4 The programmed works at Glenmavis Community Centre which was detailed as a project in the report dated 9 April 2015, continues to have issues over ownership to the area of ground required for the ramp to service the emergency exit. If these works do not appear to be deliverable then additional projects will be brought forward to meet any potential underspend.

3.5 Corporate Energy

This budget is intended to fund energy saving improvements across the Council. This budget will be used to continue the programme of water efficiency projects initiated last financial year, and to implement voltage optimisation measures in this financial year. Further details of the projects underway/proposed for 2015/16 are detailed in the Asset Management Planning – Carbon Management and Energy Measures Report being presented to this Committee.

3.6 Fleming House Windows

The budget for the next phase of window replacement at Fleming House was initially phased over 2015/16, 2016/17 and 2017/18 financial years, however this has been accelerated into 2015/16 to allow works to be undertaken under a single contract. Tenders are due to be issued in the near future with returns anticipated by September 2015. There was a delay in issuing tenders as a result of a review of the window design, thus it is now anticipated that there will be slippage of £500,000 in the current financial year. Further updates will be provided once tenders have been received and evaluated and the programme will be monitored to identify opportunities for improvement.

4. Financial Concurrence

- 4.1 The Head of Financial Services has confirmed that the information detailed within this report reflects the anticipated financial position of the Service.

5. Recommendation

- 5.1 The Committee is asked to:

- i) note the financial position of the Corporate Services Capital Programme as at 26 June 2015.
- ii) Approve the additional projects proposed under the Disabled Access programme.

John Gordon
Head of Corporate Property & Procurement

For further information on this report please contact Eric Hislop, Asset & Support Manager on Ext 2372.

CORPORATE SERVICES

CAPITAL PROGRAMME 2015/16

Capital Schemes	Current Programme £	Current Expenditure £	Current Commitment £	Projected Outturn £	Projected Year-End Variance £
AX023 - COUNCIL CHAMBER-DIGITAL CONGRESS NETWORK	15,123	-	-	-	15,123
XP013 - CORPORATE DEMOLITIONS	166,067	1,305	82,570	166,067	-
XP015 - WISHAW HUB PROGRAMME	3,723,342	32,478	3,043,340	3,043,340	680,002
XP106 - CONDITION SURVEYS	135,116	-	-	135,116	-
XP107 - CORP PROP - HEALTH & SAFETY	76,590	281	281	76,590	-
XP112 - CIVIC CENTRE - LIFT REPAIRS	5,000	139	5,000	5,000	-
XP116 - AMP RATIONALISATION	21,536	2,287	21,536	21,536	-
XP117 - FSS UPGRADES	10,264	2,142	10,264	10,264	-
XP118 - COATS HOUSE REFURBISHMENT	1,096,576	833	833	500,000	596,576
XP119 - CIVIC CENTRE - TOILET	26,528	14,317	26,528	26,528	-
XP120 - CIVIC CENTRE - SHOWERS	8,058	4,935	8,058	8,058	-
XP401 - DISABLED ACCESS	145,425	4,530	92,750	145,425	-
XP403 - ASBESTOS-CORPORATE PROP	100,000	17,246	35,270	100,000	-
XP406 - CORPORATE ENERGY	455,108	93,112	103,000	455,108	-
XP408 - FLEMING HOUSE WINDOWS	1,100,000	-	-	600,000	500,000
TOTAL CORPORATE SERVICES	7,084,733	173,605	3,429,430	5,293,032	1,791,701