



## REPORT TO POLICY & RESOURCES COMMITTEE - 11 JUNE 2015

### CAPITAL PLAN PROGRAMMES 2015-2016

#### 1 Recommendations

1.1 The Committee is asked to approve the programmes for 2015/16 as detailed in this report for the following lines in the Capital Plan.

- (i) Public Toilets
- (ii) School Enhancements
- (iii) Carbon Reduction Council Wide Objectives
- (iv) Landfill (Household Waste Recycling Centres)
- (v) New Waste Collection Service
- (vi) Health and Safety Council Wide Objectives
- (vii) Access/Environment Projects
- (viii) ICT
- (ix) Depots
- (x) Development of Industrial Portfolio & Factory Units
- (xi) Workspace

#### 2. Background

- 2.1 On 23 April 2015 the Policy and Resources Committee approved the overarching Capital Plan for 2015 with expenditure amounting to £128,564,000.
- 2.2 The Capital Plan is an amalgam of a number of budget lines which include both individual projects and rolling programmes. The governance for individual projects is set out in the approved gateway process with regular reports to Area Committee monitoring the progress of individual schemes. With regard to rolling programmes, the larger programmes, e.g. planned maintenance and roads resurfacing, are presently approved by the appropriate Committees. However, for some programmes, these are generally only presented at tender approval stage or accepted under delegated powers.
- 2.3 As part of the Property Tendering Procedures Audit in 2013, there was a recommendation that the Property and Facilities Management Service should provide details of the plans that would make up Capital budgets to provide adequate data for Committee to make contract award decisions. It is acknowledged that for most lines in the Capital Plan this is already the case and strategies are in place. The Capital budget is prioritised and developed by the Capital Plan Group reporting to Management Team and, thereafter, to Area and Policy and Resources Committees. Over the past few years there

have been a number of detailed programmes that have gone to Committee for approval, including major school programmes, care homes, office accommodation reviews, depot reviews, industrial estate reviews and maintenance programmes. It was acknowledged that some lines could be further developed and, as a result of this, the above mentioned programmes have been developed and approval is sought to proceed with the individual programmes of works.

2.4 On 23 April 2015 the Policy and Resources Committee approved the Capital Plan 2014-2030 which included expenditure for the lines being sought for approval.

(i)	Public Toilets (Appendix A)	£241,000
(ii)	School Enhancements (Appendix B)	£2,126,504
(iii)	Carbon Reduction Council Wide Objectives (Appendix C)	£1,145,000
(iv)	Landfill, Household Waste Recycling Centres (Appendix D)	£4,354,063
(v)	New Waste Collection Service (Appendix E)	£862,000
(vi)	Health and Safety Council Wide Objectives (Appendix F)	£729,000
(vii)	Access/Environment Projects (Appendix G)	£520,000
(viii)	ICT (Appendix H)	£1,710,000
(ix)	Depots (Appendix I)	£4,865,000
(x)	Development of Industrial Portfolio & Factory Units (App J)	£2,185,000
(xi)	Workspace (Appendix K)	£1,871,000

2.5 The programme is formed having regard to the Council's Asset Management Strategies to ensure that expenditure is on assets that have a long term asset life and is aligned to Strategic Objectives of the Council.

2.6 The Head of Commercial & Procurement Services has been consulted and is comfortable with the proposals and will support the resultant tendering process where required.

2.7 The Head of Finance has been consulted and comments have been incorporated into the report.

2.8 The Monitoring Officer with Business Services has been consulted and had no comments to make.

### **3. Equalities, Staffing and Financial Implications**

3.1 As part of the Capital Plan budget setting process an equality impact assessment was provided. A further EIA is not required here as there will be no differential impact, as a result of this particular report, on people with protected characteristics.

3.2 There are no staffing implications arising from this report. The Service previously carried out an exercise to ensure it has either sufficient in house staff or can utilise independent professional support advisors for this level of expenditure.

- 3.3 The expenditure proposed in Appendices A, B, C, D, E, F, G, H, I, J & K requires to be met from the appropriate lines in the Capital Plan.
- 3.4 The Council's Financial Regulations delegate powers to accept tenders of less than £250,000 to officers subject to compliance with the relevant regulations. The majority of projects in these programmes will be below £250,000 and as such will be accepted under delegated powers. For projects in excess of £250,000 and up to £1m the works will be accepted if in accordance with Financial Regulations 5.3.19.6. For any project where officers do not have the appropriate delegated powers the individual projects will come back to the relevant Committee for approval. This will help to expedite the projects and provide further efficiencies.

**Stephen Archer,**  
**Director of Infrastructure Services**

Report prepared by Allan Whyte, Head of Property and Facilities Management  
22 April 2014  
g:/typists/Committee/PRCOM/Capital Plan Programmes 2015-2016



## Appendix A

### Public Toilets

Property	Type of Works	Project No (if known)	Budget	Comments
Stonehaven Harbour	Refurbishment		£60,000	Reserve project will be the Laurencekirk High Street refurbishment
Various closed Public Conveniences	Demolition Works		£60,000	
Aboyne	Minor refurbishment		£15,000	
Peterhead, Drummers Corner	External décor		£2,500	
Fraserburgh, Castle Street	External décor		£2,500	
Ellon, Market Street	External décor		£2,500	
Marketmuir, Huntly	External Minor Works		£2,500	
Rothienorman	Internal and External Minor Works, new hand driers		£6,000	
Tarves	External and internal décor		£5,000	
General	Installation of energy efficient hand driers		£20,000	
General	Upgrading of signage		£20,000	
General	Installation of Cleaners' sinks		£20,000	
General	Upgrading of energy efficient lighting		£20,000	
General	Installation of fans where required		£5,000	
<b>TOTAL</b>			<b>£241,000</b>	

The annual borrowing cost in respect of Capital Plan Line for Public Toilets is £16,439.

There are no additional revenue costs in respect of the works being carried out. Indeed there will be some minor revenue savings in regard to the residual costs associated with closed public conveniences.

## Appendix B

### School Enhancements

Property	Type of Works	Project No (if known)	Budget	Comments
Insch Primary School	Extension	17549	£1,180,000	
Buchanhaven PS	Admin/Dining extension	17905	£932,119	
Ballater PS	HT/Admin. extension	16716	£6,800	Retention payment
Midmar PS	HT/Staffroom extension	16717	£5,085	Retention payment
Kinellar PS	Double temporary units	17602	£2,500	Retention payment
<b>Total</b>			<b>£2,126,504</b>	

Budget is inclusive of carry forward of 14/15 underspend.

The annual borrowing cost in respect of Capital Plan Line for School Enhancements is £115,579.

The annual revenue cost for the Capital Plan Line – School Enhancements has been assessed by the service and can be accommodated within service budgets.

## Appendix C

### Carbon Reduction Council Wide Objectives

Property	Type of Works	Project No (if known)	Budget	Comments
Various new schools	Photovoltaic panels and biomass boilers	Various	£725,000	Spend will depend on programme for new schools and affected by for example delays in land purchase
Various existing schools	Photovoltaic panels	Various	£350,000	Contract let in 2014/15 is due to be completed in summer 2015
Various	Wind turbines feasibility work		£50,000	Will depend on outcome of planning applications.
Various	Ground mounted photovoltaic panel farms	Various	£20,000	Further investigation is progressing and will be affected by ability to enter into electricity network agreement. Potentially capital costs of over £4,000,000 for developed project.
<b>Total</b>			<b>£1,145,000</b>	

The annual borrowing cost in respect of the Capital Plan Line for Carbon Reduction Council Wide Objectives is £88,032. There are no additional revenue costs involved for the Capital Plan Line for Carbon Reduction Council Wide Objectives. Investment in photovoltaics however will generate an estimated annual income of £100,000.

Appendix D

Landfill (Household Waste Recycling Centres)

Property	Type of Works	Project No (if known)	Budget	Comments
Souterford Road Depot, Inverurie	<p>Statutory obligations required by SEPA Waste Management Licence:</p> <ol style="list-style-type: none"> <li>1. Construction of new foul water drainage for yard and welfare accommodation.</li> <li>2. Connection to sewer for provision of recirculation waste water system for washbay at rear of depot.</li> </ol>		£60,000	Property & PS-Waste Management have engaged Fairhurst Engineers to progress the required items. Quotes have been obtained from 'Keep Process' for Item 1 but negotiations are ongoing with Scottish Water in regard to potential connection to the public sewer for Item 2.
Garioch	Site acquisition for HWRC		£500,000	Required to reduce traffic congestion and to supplement inadequate HWRC facilities at Souterford Road, Inverurie. We may incur none or all of this acquisition cost and/or only some of the costs for preparing drawings and planning permission for the scheme during this financial year. (Estimated cost)



Balmacassie HWRC, Ellon	1. Relocation and provision of 22 additional car parking spaces at south of site. 2. Purchase of new Jumbo Roll Packer.	17895	£1,500,000  £80,000	Project dealt with by Property Service and part of legal agreement (Estimated costs). The project will be funded by a 3 <sup>rd</sup> party. New compaction machinery required for efficiency and carbon management for transfer of wastes.
Portlethen HWRC	Construction of new HWRC	17369	£1,700,000	Design finalised. Planning Permission sought. Work continues into next financial year (£1,500,000 total estimated cost) Includes purchase of Jumbo Roll Packer - £80k, skips and recycling equipment (+£70k). and Re-use facility.
Inverurie	Provision of new HWRC		£100,000	Dependant on land acquisition see item above entitled "Garioch" – currently site choice is only Kintore. (Estimated cost)
Kirkhill Waste Transfer Station, Mintlaw	1. Formation of glass bays 2. Provision of wash bay and street sweepings storage bay		£50,000 £40,000	Required for new waste collection services. (Estimated cost). SEPA requirement for Waste Management Licence.(Estimated cost)
Huntly Waste Transfer Station	1. Concreting of yard and provision of weighbridge. 2. Installation of 3 electric motors for R/S doors.		£80,000 £5,263	Work required in terms of SEPA Waste Management Licence. (estimated cost) Required for Health & Safety.

North and Aberdeenshire	Central	Purchase of 4 loads comblift refuse wheeled bins		£53,800	Replenish stocks for residual and recyclable waste collection. Current stock of DU lift refuse bins is adequate at present for Aberdeenshire South.
Aberdeenshire		Recycling including upgrade of recycling points, purchase of equipment and Purchase of Litter Bins / Envirobanks		£80,000	Required for community use recycling banks, town centre and other localities improvements (Estimated cost).
Aberdeenshire		Purchase of glass recycling container housings for community use.		£20,000	Required for encouraging local recycling of glass by residents.
Aberdeenshire		Improvements to Civic Amenity Sites and Recycling Points		£60,000	Upgrade existing assets including purchase of skips (15/20 and 30/40 cu.yd.) required for waste management operations. (Estimated cost).
Brandon Howe & Millmoss Landfill Sites		Additional bore holes for monitoring purposes.		£25,000	Required by SEPA. (Estimated cost).
<b>Total</b>				<b>£4,354,063</b>	

Note: unallocated monies will be reprofiled into future financial years.

The annual borrowing cost in respect of the Capital Plan Line for Landfill (HWRC's) is £242,812.

The annual revenue cost for the Capital Plan Line – Landfill (HWRC's) are estimated to be as follows:-

- Portlethen HWRC £100,000 from year 16/17
- Inverurie HWRC £100,000 from year 17/18

## Appendix E

### New Waste Collection Service

Redcloak Waste Transfer Station, Stonehaven	Construction of new waste transfer station, relocation of glass storage bays and upgrading of site drainage.		£462,000	Contract completion date is 27 July 2015.
Crows Nest, Banchory	1. Relocation of Waste Management Depot from Silverbank Depot, Banchory. 2. Drainage improvements		£400,000	Required in terms of depot strategy but site access is restrictive and other requirements from SEPA in regard to site drainage and consent conditions for discharge to the environment may result in review of this strategic proposal.
<b>Total</b>			<b>£862,000</b>	

The annual borrowing cost in respect of the Capital Plan Line for New Waste Collection Service is £46,851.  
The annual revenue costs for the projects within the Capital Plan Line for New Waste Collection Service are currently being collated and will be verbally reported to committee.

## Appendix F

### Health and Safety Council Wide Objectives

Property	Type of Works	Project No (if known)	Budget	Comments
Throughout	Aberdeenshire Oil Tanks		£1,000	
Anna Ritchie School	Repairs		£4,000	
Durnhythe Care Home	Lighting & Power Upgrade	17969	£75,000	First phase
Faithlie Care Home	Electrical Upgrade	17692	£443,000	
Throughout	Fire Risk Assessments		£29,000	
Throughout	Gas Safety - Equipment		£2,000	
Throughout	Gas Safety Works		£5,000	
Throughout	Legionella High Priority Works		£13,000	
Throughout	Play Area Safety		£8,000	
Throughout	Building Sub Group		£6,000	
Throughout	Education & Children's Services		£61,000	
Throughout	Environmental Services		£2,000	
Throughout	Infrastructure Services		£11,000	
Throughout	Recreation		£39,000	
Throughout	Social Work		£1,000	
Tipperty Primary School	Path		£1,000	
Willowbank Centre	Electrical safety	17751	£28,000	
<b>Total</b>			<b>£729,000</b>	

Inclusive of carry forward of 14/15 underspend

The annual borrowing cost in respect of the Capital Plan Line for Health & Safety Council Wide Objectives is £56,525.

There are no revenue costs involved with the projects contained within the Capital Plan Line for Health & safety Council Wide Objectives.

## Appendix G

### Access/Environment Projects

Project	Type of Works	Project No (if known)	Budget	Comments
Polhollick Bridge	Conservation repair works		£300,000	
Long Distance Routes – Deeside Way, Formartine & Buchan Way	Development, upgrade works, bridge repairs		£170,000	Includes allowance for potential legal costs associated with use of statutory powers
Listed Building	Potential CPO and repair		£50,000	
<b>Total</b>			<b>£520,000</b>	

The annual borrowing cost for the Capital Plan Line – Access/Environment Projects Wide Objectives is £31,928.  
There are no revenue costs involved with projects contained within the Capital Plan Line for Access/Environment Projects.

## Appendix H

### ICT

	Type of Works	Project No (if known)	Budget	Comments
Hilltop Wireless	Completion of new wireless radio wide area network to remaining 50 sites		£150,000	
Microsoft	Complete implementation of Microsoft Sharepoint platform and deliver Direct Access to streamline remote network access		£100,000	
Network Equipment	Increase core wide area network capacity and upgrade traffic management capabilities		£500,000	
PC Replacement	Replace PCs and laptops which are no longer fit-for-purpose and enable more flexible working		£420,000	
Server Hardware	Replacement and rationalisation of servers and storage in the data centre		£100,000	
Geographical Information Systems	Deliver core geographical information data store and rationalised GIS systems		£40,000	
Information Management	Implement Public Records Scotland Act compliant systems		£200,000	

Unified Communications	Integrate Microsoft Lync instant messaging and video calling with existing telephony and video conferencing and upgrade meeting room video conferencing equipment		£200,000	
<b>TOTAL</b>			<b>£1,710,000</b>	

The annual borrowing cost in respect of the Capital Plan Line for ICT is £162,094. Revenue costs may be incurred to allow licence upgrades and maintenance. These will be met from existing revenue budget or will require a further report to Committee requesting additional budget or a budget virement.

## Appendix I

### Depots

Project	Type of Works	Project No (if known)	Budget	Comments
Macduff Key Depot	Depot strategy	17684	£2,000,000	Subject to programme review
Mintlaw Key Depot	Depot strategy	17685	£1,350,000	Subject to site acquisition
Turriff Key Depot	Depot strategy	17688	£1,370,000	Subject to programme review
Strichen Yard Upgrade	Depot upgrade	17979	£120,000	
Silverbank Depot, Banchory	Depot upgrade	17983	£25,000	
<b>Total</b>			<b>£4,865,000</b>	

The annual borrowing cost in respect of the Capital Plan Line for Depots is £264,421.

The annual revenue cost for the projects within the Capital Plan Line for Depots are currently being collated and will be verbally reported to committee.



## Appendix J

### Development of Industrial Portfolio & Factory Units

Project	Type of Works	Project No (if known)	Budget	Comments
Macduff Infrastructure	Development of business park	17652	£720,000	
Laurencekirk Workshops	Development of business park	17704	£140,000	
Kessock Road Demolitions	Demolition works	17373	£250,000	
Portfolio improvements	Upgrade to factory units		£240,000	Based on £40,000 per area
Fairney, Fraserburgh	Junction improvements	17750	£30,000	
Aden, Mintlaw	Development of business park	17753	£300,000	
Markethill, Turriff	Site acquisition for business park		£375,000	
Steven Road, Huntly	Site acquisition for business park		£130,000	
<b>Total</b>			<b>£2,185,000</b>	

The annual borrowing cost in respect of the Capital Plan Line for Development of Industrial Portfolio & Factory Units is £119,520. There are no revenue costs associated with Capital Plan Line for Development of Industrial Portfolio & Factory Units. Any sales thereafter should facilitate new development and potential capital receipts.

## Appendix K

### Workspace

Project	Type of Works	Project No (if known)	Budget	Comments
Stonehaven Viewmount Offices	Rationalisation & Refurbishment	17219	£1,166,000	Subject to Listed Building Consent approval.
Banff & Macduff Offices	Rationalisation & Refurbishment	17212	£617,000	
Fraserburgh Offices	Rationalisation & Refurbishment	17211	£5,000	
Dalrymple Hall	Refurbishment	17651	£8,000	
Banchory Office Assessment	Assessment study		£25,000	
Aboyne Office Assessment	Assessment study		£25,000	
Ellon Office Assessment	Assessment study		£25,000	
<b>Total</b>			<b>£1,871,000</b>	

The annual borrowing cost for the Capital Plan Line – Workspace is £114,879.

The annual revenue costs for the projects within the Capital Plan Line for Workspace are currently being collated and will be verbally reported to committee.