

# **Item: 6**

**Policy and Resources Committee: 3 December 2020.**

**Capital Expenditure Monitoring.**

**Report by Head of Finance.**

## **1. Purpose of Report**

To advise of progress, as at 30 September 2020, of projects within the approved capital programmes.

## **2. Recommendations**

The Committee is invited to note:

### **2.1.**

The summary financial position, as at 30 September 2020, in respect of the approved General Fund and Non-General Fund capital programmes, as detailed in section 3.1 of this report, indicating the following:

- Actual expenditure incurred as at 30 September 2020 of £8,263,000.
- Annual budget of £26,431,000, which reflects slippage and current timescales for completion of individual projects, as recommended by the Policy and Resources Committee on 22 September 2020.
- Probable outturn as at 31 March 2021 of £21,809,000.

The Committee is invited to scrutinise:

### **2.2.**

The detailed analysis of capital expenditure, together with project updates in respect of the General Fund and the Non-General Fund capital programmes, attached as Appendix 1 to this report, in order to obtain assurance with regard to significant budget variances and on progress being made with delivery of the approved capital programmes.

## **3. Financial Summary**

### **3.1.**

The tables below provide a summary of the position as at 30 September 2020, across both General Fund and Non-General Fund capital programmes.

| <b>General Fund</b>            | <b>Actual Spend<br/>£000</b> | <b>Annual Budget<br/>£000</b> | <b>Estimated Out-turn<br/>£000's</b> | <b>Variance<br/>£000</b> |
|--------------------------------|------------------------------|-------------------------------|--------------------------------------|--------------------------|
| <b>Service Committee</b>       |                              |                               |                                      |                          |
| Orkney Health and Care         | (337.)                       | 974.                          | 974.                                 | 0.                       |
| Education, Leisure and Housing | 433.                         | 2,357.                        | 2,357.                               | 0.                       |
| Development and Infrastructure | 316.                         | 2,422.                        | 2,381.                               | (41.)                    |
| Policy and Resources           | 568.                         | 5,163.                        | 3,878.                               | (1,285.)                 |
| <b>Expenditure Totals</b>      | <b>980.</b>                  | <b>10,916.</b>                | <b>9,590.</b>                        | <b>(1,326.)</b>          |

| <b>Non-General Fund</b>        | <b>Actual Spend<br/>£000</b> | <b>Annual Budget<br/>£000</b> | <b>Estimated Out-turn<br/>£000's</b> | <b>Variance<br/>£000</b> |
|--------------------------------|------------------------------|-------------------------------|--------------------------------------|--------------------------|
| <b>Service Committee</b>       |                              |                               |                                      |                          |
| Education, Leisure and Housing | 575.                         | 5,992.                        | 2,825.                               | (3,167.)                 |
| Development and Infrastructure | 6,708.                       | 9,523.                        | 9,407.                               | (116.)                   |
| <b>Expenditure Totals</b>      | <b>7,283.</b>                | <b>15,515.</b>                | <b>12,232.</b>                       | <b>(3,283.)</b>          |

|                                |               |                |                |                 |
|--------------------------------|---------------|----------------|----------------|-----------------|
| <b>Total Capital Programme</b> | <b>8,263.</b> | <b>26,431.</b> | <b>21,822.</b> | <b>(4,609.)</b> |
|--------------------------------|---------------|----------------|----------------|-----------------|

### 3.2.

Appendix 1 advises of progress on each project. The accompanying notes have been prepared jointly with Service project leads and indicate the current status of the projects and are intended to highlight whether there are any budget or timescale issues with the projects.

### 3.3.

It is notable that steps have been taken to improve delivery of the capital programme going forward, including programme oversight, development of a project management approach and a review of the Capital Project Appraisal process which sits in front of the capital programme. Work to improve monitoring and reporting procedures also remains ongoing.

### **3.3.1.**

It is however recognised that much of these improvements will only benefit those new projects that are added to the capital programme going forward, rather than the existing approved 5-year capital programme that was approved under the previous governance “lite” approach.

### **3.3.2.**

Also, it is considered that the steady stream of exception Capital Project Appraisals that are being fast tracked through the process at present appears to be having an adverse impact in terms of increasing the workload of the delivery teams whilst at the same time preventing improvements in working practices and process from becoming embedded. In some cases, these exceptions, which have become the new “norm”, are now actually contributing to the level of recurring slippage within the capital programme.

### **3.4.**

It should be noted that delivery of the capital programme for 2020/21 has been impacted by the COVID-19 pandemic, with work on many projects halted due to the national lockdown for the first three months of the current financial year. Contractors will endeavour to bring projects back in-line with target deadlines over the remainder of the financial year but it should be recognised that further slippage could be realised at 31 March 2021.

## **4. Corporate Governance**

This report relates to the Council complying with scrutiny and its 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.

## **5. Financial Implications**

The Council’s Financial Regulations state the following in respect of capital expenditure:

- Approval by the Council of the capital programme constitutes approval of the individual projects or provisions contained therein.
- Any requests to incur expenditure outwith the provisions included in the approved capital programme shall be reported to the Policy and Resources Committee for approval, prior to any commitment being made.
- The Chief Executive and Executive Directors cannot exercise virements within the capital programme, except in exceptional circumstances and only after consultation with the Head of Finance. The action taken and reasons for such virement must be reported to the next meeting of the Policy and Resources Committee.
- Where no contractual commitment exists or will be made in the current or previous financial years for an approved capital project, the relevant programme provision(s) may be redeployed by the Policy and Resources Committee.

- If the cost is likely to exceed the approved capital programme the shortfall must be reported to the next meeting of the appropriate Service Committee before the project is reconsidered by the Policy and Resources Committee, where additional budget can be allocated or the existing provision redeployed.

## **6. Legal Aspects**

Financial monitoring and reporting help the Council meet its statutory obligation to secure best value.

## **7. Contact Officers**

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## **8. Appendix**

Appendix 1: Capital Expenditure Monitoring as at 30 September 2020.

| Approved Capital Programme                                                                                                                                                                                                                                                                                                                                                                                                                                                | Project Lead      | Financial Year 2020/21  |                           |                           |                                 | Future Years                |                             | Total Project Summary   |                          |                              |                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|---------------------------|---------------------------|---------------------------------|-----------------------------|-----------------------------|-------------------------|--------------------------|------------------------------|---------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   | Spend to date<br>£000's | Approved Budget<br>£000's | Estimated Spend<br>£000's | Over/(Under)<br>Spend<br>£000's | Budget<br>2021/22<br>£000's | Budget<br>2022/23<br>£000's | Spend to Date<br>£000's | Project Budget<br>£000's | Estimated Out-turn<br>£000's | Over/(Under)<br>Spend<br>£000's |
| <b>Planning</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Stones of Stenness Car Park                                                                                                                                                                                                                                                                                                                                                                                                                                               | Roddy Mackay      | 0                       | 221                       | 221                       | 0                               | 0                           | 0                           | 70                      | 291                      | 291                          | 0                               |
| A revised Stage 2 Capital Project Appraisal was approved at the Special General Meeting of the Council held on 30 June 2020. Additional funding has been agreed and all the previous issues have been resolved. Advance fencing and gate improvement works were completed in July. The main works contract was put out to tender and awarded at the end of September 2020, and works on site commenced at the end of October 2020 with a programmed duration of 10 weeks. |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Arcadia Park                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Roddy Mackay      | 10                      | 29                        | 29                        | 0                               | 0                           | 0                           | 321                     | 340                      | 340                          | 0                               |
| Project is complete pending erection of funding plaque and photographs being provided to Sustrans along with completion report for final settlement.                                                                                                                                                                                                                                                                                                                      |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| <b>Total Planning</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                   | <b>10</b>               | <b>250</b>                | <b>250</b>                | <b>0</b>                        | <b>0</b>                    | <b>0</b>                    | <b>391</b>              | <b>631</b>               | <b>631</b>                   | <b>0</b>                        |
| <b>Operational Environmental Services</b>                                                                                                                                                                                                                                                                                                                                                                                                                                 |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Burial Grounds - Mainland Extensions                                                                                                                                                                                                                                                                                                                                                                                                                                      | Darren Richardson | 17                      | 236                       | 117                       | (119)                           | 215                         | 0                           | 483                     | 917                      | 917                          | 0                               |
| All Mainland extensions are now complete. The planning application for St. Olaf's has been submitted and is close to completion. However, a revised planning application now needs to be submitted for Firth, due to some issues with boundary changes following the previous planning application. Contractor capacity issues mean that work is now unlikely to start on St. Olaf's until early 2021.                                                                    |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Burial Grounds - Mainland Major Improvements                                                                                                                                                                                                                                                                                                                                                                                                                              | Darren Richardson | 0                       | 62                        | 62                        | 0                               | 0                           | 0                           | 88                      | 150                      | 150                          | 0                               |
| The list of Major Improvements is substantially complete and now under review to check no outstanding issues which may cause adverse costs. If not then there may be financial capacity to lower spend expectations for this element.                                                                                                                                                                                                                                     |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Burial Grounds - Island Extensions                                                                                                                                                                                                                                                                                                                                                                                                                                        | Darren Richardson | (5)                     | 84                        | 84                        | 0                               | 0                           | 0                           | 411                     | 500                      | 500                          | 0                               |
| Sanday and Stronsay extensions are complete. Land issues around the unfunded extension at St. Johns in Hoy are being investigated, noting to address the funding of this, should it be approved, would have to be via underspends elsewhere in the programme. Current credit balance is being created by the reversal of a 2019/20 year-end accrual and will be eliminated before the end of this financial year, once the expenditure is incurred.                       |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Burial Grounds - Island Major Improvements                                                                                                                                                                                                                                                                                                                                                                                                                                | Darren Richardson | 0                       | 86                        | 86                        | 0                               | 0                           | 0                           | 14                      | 100                      | 100                          | 0                               |
| The list of Major Improvements is substantially complete and now under review to check no outstanding issues which may cause adverse costs. If not then there may be financial capacity to lower spend expectations for this element.                                                                                                                                                                                                                                     |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| <b>Total Operational Environmental Services</b>                                                                                                                                                                                                                                                                                                                                                                                                                           |                   | <b>12</b>               | <b>468</b>                | <b>349</b>                | <b>(119)</b>                    | <b>215</b>                  | <b>0</b>                    | <b>996</b>              | <b>1,667</b>             | <b>1,667</b>                 | <b>0</b>                        |

| Approved Capital Programme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Project Lead      | Financial Year 2020/21  |                           |                           |                              | Future Years             |                          | Total Project Summary   |                          |                              |                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|---------------------------|---------------------------|------------------------------|--------------------------|--------------------------|-------------------------|--------------------------|------------------------------|------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   | Spend to date<br>£000's | Approved Budget<br>£000's | Estimated Spend<br>£000's | Over/(Under) Spend<br>£000's | Budget 2021/22<br>£000's | Budget 2022/23<br>£000's | Spend to Date<br>£000's | Project Budget<br>£000's | Estimated Out-turn<br>£000's | Over/(Under) Spend<br>£000's |
| <b>Roads</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Cycling, Walking & Safer Routes / 20 mph scheme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Darren Richardson | 0                       | 96                        | 96                        | 0                            | 0                        | 0                        | Annual Programme        |                          |                              |                              |
| Works for this financial year were approved at the Special General Meeting held on 30 June 2020 and include the provision of new gateway signage, new lighting on the A966 at Firth Primary and improvements to access for vulnerable road users. Works will be monitored by the Development and Infrastructure Committee as part of the Road Asset Replacement Programme.                                                                                                                                                                                                                                                                                                                                                                                 |                   |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Roads Asset Replacement Programme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Darren Richardson | 175                     | 950                       | 950                       | 0                            | 950                      | 950                      | Annual Programme        |                          |                              |                              |
| Report for Asset Replacement Programme for 2020/21 was presented to the Special General Meeting of the Council held on 30 June 2020 (Development and Infrastructure Committee scheduled for 31 March 2020 was cancelled due to COVID-19). The planned works are approved and monitored by the Development and Infrastructure Committee. It is noted that works did not substantially start until late July 2020 but much of the surfacing work is complete as of October 2020. As roads staffing resource is released from the waste collection pressures this will see focused effort and capacity dedicated to completing the                                                                                                                            |                   |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Kirkwall Places and Spaces                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Darren Richardson | 10                      | 179                       | 121                       | (58)                         | 0                        | 0                        | 1,052                   | 1,221                    | 1,163                        | (58)                         |
| Works substantially complete on 21 February 2020. Seating and interpretation signage adjacent to the business Daily Scoop are outstanding due to COVID-19 restrictions. Sustrans funding for this was approved 23 July 2020. Street furniture is now on order. Additional works were carried out under contract include Watergate/Palace Road lighting and footways, works on Kirk green, Scottish Water 'top up tap' funded by various client streams (£195k) should mean that the project outturn and budget align. A post project review to be completed in due course.                                                                                                                                                                                 |                   |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| <b>Total Roads</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                   | <b>185</b>              | <b>1,225</b>              | <b>1,167</b>              | <b>(58)</b>                  | <b>950</b>               | <b>950</b>               | <b>1,052</b>            | <b>1,221</b>             | <b>1,163</b>                 | <b>(58)</b>                  |
| <b>Transportation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                   |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Electric vehicle charging infrastructure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Jim Buck          | 75                      | 27                        | 163                       | 136                          | 0                        | 0                        | 490                     | 578                      | 578                          | 0                            |
| Project funding for the previous financial year 2019/20 grant has been accrued into this financial year. Installation works are substantially complete, however delays due to COVID-19 will delay commissioning until early 2021. Additional grant offer of £50,000 for financial 2020/21 has been received and accepted. Further grants from the Energy Savings Trust for £70,000 and £32,000 have been accepted for financial year 2020/21 for the purchase or lease of zero emission vehicles and the provision of charging points for these vehicles on Council premises. It is noted that in the latest grant conditions "fees" to cover professional costs (Engineering Services) are not permissible, this will impact on how this work is managed. |                   |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Golden Mariana Replacement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Jim Buck          | 34                      | 452                       | 452                       | 0                            | 0                        | 0                        | 1,117                   | 1,535                    | 1,535                        | 0                            |
| The replacement vessel is now berthed in Kirkwall and has been deregistered by Norway. Plan approval for machinery and modifications to safety equipment plus stability are being progressed. Some equipment purchases on long lead items is being progressed. Attendance and attention to this project by MCA and Class society has been slow citing COVID-19 restrictions. It is hoped to get a refit specification prepared to include all necessary modifications by late November so that the refit can be procured for commencing in January/ February 2021 and to be completed for March/ April 2021 with the respective small sea going Vessel Passenger Certificate.                                                                              |                   |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| <b>Total Transportation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                   | <b>109</b>              | <b>479</b>                | <b>615</b>                | <b>136</b>                   | <b>0</b>                 | <b>0</b>                 | <b>1,607</b>            | <b>2,113</b>             | <b>2,113</b>                 | <b>0</b>                     |

| Approved Capital Programme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Project Lead | Financial Year 2020/21  |                           |                           |                              | Future Years             |                          | Total Project Summary   |                          |                              |                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------|---------------------------|---------------------------|------------------------------|--------------------------|--------------------------|-------------------------|--------------------------|------------------------------|------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Spend to date<br>£000's | Approved Budget<br>£000's | Estimated Spend<br>£000's | Over/(Under) Spend<br>£000's | Budget 2021/22<br>£000's | Budget 2022/23<br>£000's | Spend to Date<br>£000's | Project Budget<br>£000's | Estimated Out-turn<br>£000's | Over/(Under) Spend<br>£000's |
| <b>Scapa Flow Oil Port</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Pilot Vessel                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Jim Buck     | 21                      | 326                       | 326                       | 0                            | 0                        | 0                        | 1,945                   | 2,250                    | 2,250                        | 0                            |
| Vessel remains in service with guarantee items, but due to the COVID-19 situation it may not be completed within the guarantee period. However, agreement with ship yard that these items will remain covered and be corrected. Items have been scheduled for completion in the annual refit due in the next quarter. All within budget and contract conditions at this stage.                                                                                                                                                                                                                                          |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Replacement Tugs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Jim Buck     | 6,249                   | 6,908                     | 6,908                     | 0                            | 0                        | 0                        | 12,466                  | 13,125                   | 13,125                       | 0                            |
| Both vessels afloat and works progressed. Due to COVID-19 and a technical fault with a winch on each vessel, technical acceptance and other defects have taken longer to correct. No additional costs incurred by the Council with acceptance and delivery from Turkey now completed.                                                                                                                                                                                                                                                                                                                                   |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Minor Improvements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Jim Buck     | 0                       | 150                       | 150                       | 0                            | 150                      | 150                      | Annual Programme        |                          |                              |                              |
| Works have already been planned for the 2020/21 annual programme with the Burwick Linkspan refurbishment now completed and the Helliar Holm exterior maintenance now underway.                                                                                                                                                                                                                                                                                                                                                                                                                                          |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| <b>Total Scapa Flow Oil Port</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              | <b>6,270</b>            | <b>7,384</b>              | <b>7,384</b>              | <b>0</b>                     | <b>150</b>               | <b>150</b>               | <b>14,411</b>           | <b>15,375</b>            | <b>15,375</b>                | <b>0</b>                     |
| <b>Miscellaneous Piers</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Minor Improvements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Jim Buck     | 0                       | 300                       | 300                       | 0                            | 300                      | 300                      | Annual Programme        |                          |                              |                              |
| Works planned for the 2020/21 annual programme will be planned to restart as soon as COVID-19 restrictions allow construction and similar works to restart.                                                                                                                                                                                                                                                                                                                                                                                                                                                             |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Low Carbon Transport and Active Travel Hub                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Jim Buck     | 182                     | 441                       | 441                       | 0                            | 0                        | 0                        | 767                     | 1,026                    | 1,026                        | 0                            |
| The civil and electrical installation works for the shore power connection were underway with site works put on hold due to COVID-19 but recommenced September 2020. A request for additional match funding has been accepted by the grant funders and a revised grant offer letter received. An additional request to extend the project completion date to the end of December 2020 for works and 31 March 2021 for commissioning has been discussed and informally agreed pending formal written confirmation from grant funders.                                                                                    |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Hatston Pier Road Reconstruction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Jim Buck     | 0                       | 295                       | 295                       | 0                            | 0                        | 0                        | 65                      | 360                      | 360                          | 0                            |
| The road resurfacing element of the project has been completed in financial year 2019/20 with design of remaining flood lighting scheme and traffic management alterations to marshalling area currently being progressed. The remainder of the works will be completed in 2020/21 financial year.                                                                                                                                                                                                                                                                                                                      |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Hatston Terminal Passenger Walkway                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Jim Buck     | 128                     | 492                       | 492                       | 0                            | 0                        | 0                        | 128                     | 492                      | 492                          | 0                            |
| An order for new control system was placed at end July 2020. All material and components for new control system were shipped and delivered to Stromness in October 2020 and are being held in storage whilst work on the Stromness walkway is completed. Once the Stromness walkway is put back into service works to complete control system overhaul at Hatston will commence early in 2021.                                                                                                                                                                                                                          |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Stromness Terminal Passenger Walkway                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Jim Buck     | 128                     | 492                       | 492                       | 0                            | 0                        | 0                        | 128                     | 492                      | 492                          | 0                            |
| All revenue structural repairs are now complete allowing work on the control system to progress. An order for new control system was placed at end of July 2020. All material and components for new control system were shipped and delivered to Stromness in October 2020, with works on the pod commenced at the end of October. The programme for works is approximately 4 weeks to strip out and install new control system with a further 2 week period for test and commissioning works. The walkway will then be subject to load testing and re-certification for operation prior to putting back into service. |              |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| <b>Total Miscellaneous Piers</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              | <b>438</b>              | <b>2,020</b>              | <b>2,020</b>              | <b>0</b>                     | <b>300</b>               | <b>300</b>               | <b>1,088</b>            | <b>2,370</b>             | <b>2,370</b>                 | <b>0</b>                     |

| Approved Capital Programme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Project Lead  | Financial Year 2020/21  |                           |                           |                                 | Future Years                |                             | Total Project Summary   |                          |                              |                                 |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               | Spend to date<br>£000's | Approved Budget<br>£000's | Estimated Spend<br>£000's | Over/(Under)<br>Spend<br>£000's | Budget<br>2021/22<br>£000's | Budget<br>2022/23<br>£000's | Spend to Date<br>£000's | Project Budget<br>£000's | Estimated Out-turn<br>£000's | Over/(Under)<br>Spend<br>£000's |
| <b>Other Housing</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Housing Loans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Frances Troup | 126                     | 500                       | 500                       | 0                               | 500                         | 500                         | Annual Programme        |                          |                              |                                 |
| Due to the nature of the programme, spend against the annual programme will be solely dependent on the number of loan requests received and subsequently approved or not.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| <b>Total Other Housing</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               | <b>126</b>              | <b>500</b>                | <b>500</b>                | <b>0</b>                        | <b>500</b>                  | <b>500</b>                  | <b>0</b>                | <b>0</b>                 | <b>0</b>                     | <b>0</b>                        |
| <b>Housing Revenue Account</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| House Purchases                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Frances Troup | 174                     | 0                         | 174                       | 174                             | 0                           | 0                           | 1,114                   | 516                      | 1,114                        | 598                             |
| One house purchase has been actioned during financial year 2020/21 under delegated powers with the purchase part-funded by Scottish Government Grant.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Carness                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Frances Troup | 379                     | 2,661                     | 1,600                     | (1,061)                         | 84                          | 0                           | 2,370                   | 4,736                    | 4,736                        | 0                               |
| The new house build site was closed for three months, due to COVID-19. The Contractor has returned to site, but with restrictions in place due to social distancing. There was also additional time required on the programme to address planning conditions arising from the original acoustic test results which have now been resolved. Subsequently, this has had a knock-on effect on the programme and completion date. Acoustic alteration works to the adjacent Scottish Water pumping station are now complete, resulting in successful acoustic tests results being provided to discharge the Planning conditions for the entire site under this contract. The first 14 houses are nearing completion, a further 4 houses are 50-60% complete, and the remaining 14 houses have just commenced. All houses will be handed over on completion of all works, rather than in phases. OIC is yet to complete the purchase of land to permit the roadside footpath to be constructed, which is required to fulfil the conditions of Roads Construction Consent and discharge the planning condition. Negotiations are being led by the Estates and Legal teams and are anticipated to draw to a close shortly. Estimated completion for the total 32 houses and 14 serviced sites is currently August 2021, having slipped by one month since the last update. Due to additional sound proofing works, COVID-19, phased site handover, the estimated outturn cost could be exceeded. This will be assessed by the next update, and future years' budgets adjusted accordingly. |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Moar Road                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Frances Troup | 0                       | 260                       | 0                         | (260)                           | 342                         | 0                           | 0                       | 602                      | 602                          | 0                               |
| Unfortunately, the tenders expired in October/November and funding models are being investigated. These approvals are outstanding, and the delays have arisen due to post-tender dialogues with the Scottish Government over the overall funding package being below the level required to enable building to be affordable for the Housing Revenue Account. The outcome of these dialogues with the Scottish Government is being expedited, but in the meantime no expenditure is expected this financial year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Repeater Road                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Frances Troup | 4                       | 346                       | 346                       | 0                               | 18                          | 0                           | 4                       | 364                      | 364                          | 0                               |
| Procured and tender accepted on 10 July 2020. Planning Permission approved on 24 September 2020, Building warrant submitted 14 October 2020, and anticipate to start on site early December 2020. Minor changes to internal layout, changing from 3 apartments to 4 apartments, delays in issuing acceptance letters, making Planning submission all contributed towards the two month delay. Completion anticipated to be end of May 2021, two months later than planned. Project is on budget.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| McDonald Park                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Frances Troup | 0                       | 305                       | 305                       | 0                               | 13                          | 0                           | 0                       | 318                      | 318                          | 0                               |
| Procured and tender accepted on 29 June 2020. Planning Permission approved on 24 September 2020, Building Warrant submitted 11 September 2020, and anticipate approval in November 2020. Delays in responding to the Building Warrant, contractor holiday back logs and delays in responding to warrant all due to COVID-19. Anticipate being on site December 2020 with completion anticipated end of April 2021, a month later than initially planned due to holding off on ordering the house kits until Building Warrant is approved.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Garson                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Frances Troup | 18                      | 800                       | 400                       | (400)                           | 300                         | 0                           | 18                      | 1,100                    | 1,100                        | 0                               |
| Procured and tender accepted on 16 June 2020. Planning Permission submitted 28 July 2020 and validated on 13 August 2020. Building Warrant to be submitted once Planning approved, but due to Planning requirements (roads consultee and SUDS system) that may impact the final design. Initial completion anticipated to be mid-2021 however, this will depend on the outcome of statutory bodies' decisions on applications and impact of COVID-19 social distancing requirements on-site. Completion anticipated to be 29 weeks after Building Warrant is approved. Therefore, programme and budget slippage is anticipated, with the budget to be re-profiled.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Design and Build                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Frances Troup | 0                       | 1,620                     | 0                         | (1,620)                         | 1,780                       | 0                           | 0                       | 3,400                    | 3,400                        | 0                               |
| Unfortunately, the tenders expired in October/November and funding models are being investigated. These approvals are outstanding, and the delays have arisen due to post-tender dialogues with the Scottish Government over the overall funding package being below the level required to enable building to be affordable for the Housing Revenue Account. The outcome of these dialogues with the Scottish Government is being expedited, but in the meantime no expenditure is expected this financial year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| <b>Total Housing Revenue Account</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               | <b>575</b>              | <b>5,992</b>              | <b>2,825</b>              | <b>(3,167)</b>                  | <b>2,537</b>                | <b>0</b>                    | <b>3,506</b>            | <b>11,036</b>            | <b>11,634</b>                | <b>598</b>                      |
| <b>Education</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Extension to St Andrew's School                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | James Wylie   | 13                      | 400                       | 400                       | 0                               | 1,300                       | 1,167                       | 365                     | 3,232                    | 3,232                        | 0                               |

| Approved Capital Programme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Project Lead  | Financial Year 2020/21  |                           |                           |                              | Future Years             |                          | Total Project Summary   |                          |                              |                              |
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| <p>Tender documents returned in October and detailed evaluations currently progressing, this will be concluded in the weeks ahead. It is noted that market conditions have impacted quite significantly on price, this is under review with the client and it is expected that this will require a revised GPA report if any funding gap cannot be addressed within the service. The ongoing impact of COVID-19 may affect start dates and/or progress on site and thereby final costs. At present the project comprises phased completions with the new build extensions to be completed first, followed by the alteration works required to the existing areas, with the overall project due to be complete in August 2022, dependent on the actual on-site commencement. These tender and other additional cost pressure may mean the project scope (value engineering) needs to be reviewed further. In general the resources needed to delivery all major projects on the 2018-2023 capital programme has been reviewed at the capital programme board and a commitment made to strengthen the delivery teams to ensure the approved projects within the 2018 - 2023 programme are delivered. Work is underway to establish the necessary additional people resources, but these are not in place as yet. This is also in the context of recent capital slippage and project/programme management audits (Internal) and recommendations from the planning review (i.e. planning agent requirement). Equally given the state of the construction and civil engineering market (capacity and COVID supply chain constraints) the timing of release of work to seek the best price is also an ongoing issue to factor in.</p> |               |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |               | 13                      | 400                       | 400                       | 0                            | 1,300                    | 1,167                    | 365                     | 3,232                    | 3,232                        | 0                            |
| <b>Leisure &amp; Cultural</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |               |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Refurb. improve Scapa Flow Visitor Centre and Museum                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Peter Diamond | 294                     | 1,297                     | 1,297                     | 0                            | 1,531                    | 50                       | 1,112                   | 3,696                    | 4,524                        | 828                          |
| <p>Following the construction site being shut down for three months, due to the unprecedented COVID-19 lockdown restrictions, the contractor is back on-site with works recommencing with ongoing social distancing and travel restrictions. There will be delay in the overall project programme and the final completion date, and negatively the existing total project budget. A report will shortly be presented to Members that outlines the extent of these delays, risks to external grant funding expiry dates and the inevitable impacts on the overall project budget.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |               |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| St Magnus Cathedral Doors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Peter Diamond | 0                       | 160                       | 160                       | 0                            | 20                       | 0                        | 0                       | 180                      | 180                          | 0                            |
| <p>Tenders have been received for the external works, however there are delays in obtaining the listed building consent, due to issues raised by external stakeholders which were not expected from the initial feedback, and thus delayed the start of the works on site, along with the COVID-19 lockdown. Discussions are ongoing to resolve the issues with the listed building consent, with the full support and engagement of the Development Management team. The current application has been withdrawn, with a new application to be submitted following consultation with Historic Environment Scotland. It is expected that this will delay the external works into 2021. Tender returned October 2020 and is in the process of being assessed. Inter-relationships with external access being reviewed to minimise disruption. Tender report recommending acceptance to be issued in due course. There has been extensive engagement with the Friends of St Magnus Cathedral on this situation and the support of the Friends in progressing this to a final position has been invaluable.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| <b>Total Leisure &amp; Cultural</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |               | <b>294</b>              | <b>1,457</b>              | <b>1,457</b>              | <b>0</b>                     | <b>1,551</b>             | <b>50</b>                | <b>1,112</b>            | <b>3,876</b>             | <b>4,704</b>                 | <b>828</b>                   |

| Approved Capital Programme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Project Lead     | Financial Year 2020/21  |                           |                           |                              | Future Years             |                          | Total Project Summary   |                          |                              |                              |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                  | Spend to date<br>£000's | Approved Budget<br>£000's | Estimated Spend<br>£000's | Over/(Under) Spend<br>£000's | Budget 2021/22<br>£000's | Budget 2022/23<br>£000's | Spend to Date<br>£000's | Project Budget<br>£000's | Estimated Out-turn<br>£000's | Over/(Under) Spend<br>£000's |
| <b>Social Care</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| Replacement facilities St Peter's House                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Gillian Morrison | (337)                   | 924                       | 924                       | 0                            | 0                        | 0                        | 7,839                   | 9,100                    | 8,600                        | (500)                        |
| Project complete. Current credit balance is being created by the reversal of 2019/20 year-end accruals and will be eliminated before the end of this financial year, when the final retention account has been agreed and paid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                  |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| New Care Facility, Kirkwall                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Gillian Morrison | 0                       | 50                        | 50                        | 0                            | 4,340                    | 5,905                    | 575                     | 12,270                   | 12,270                       | 0                            |
| Approval for the specification by the Integration Joint Board (IJB) is being progressed through (1) a joint seminar with the IJB Members, OIC Members and NHS Orkney Board Members on 19 November and (2) further engagement with a range of clinicians and lead professionals. Depending on the outcome of these actions, the IJB should be in a position to agree the specification at its December meeting. At the present time this project is 'on hold' pending final approval of the specification, the knock-on effect of this is that once a decision is made, there will be a period needed for technical work. This is likely to delay the project circa 2 - 3 months depending on the extent of any changes to the specification following discussion. In general the resources needed to delivery all major projects on the 2018-2023 capital programme have been reviewed by the Capital Programme Board and a commitment made to strengthen the delivery teams to ensure the approved projects within the 2018 - 2023 programme are delivered. This is also in the context of recent capital slippage and project/programme management audits (Internal) and recommendations from the planning review (i.e. planning agent requirement). Equally given the state of the construction and civil engineering market (capacity and COVID-19 supply chain constraints) the timing of release of work to seek the best price is also an ongoing issue to factor in. |                  |                         |                           |                           |                              |                          |                          |                         |                          |                              |                              |
| <b>Total Social Care</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                  | <b>(337)</b>            | <b>974</b>                | <b>974</b>                | <b>0</b>                     | <b>4,340</b>             | <b>5,905</b>             | <b>8,414</b>            | <b>21,370</b>            | <b>20,870</b>                | <b>(500)</b>                 |

| Approved Capital Programme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Project Lead      | Financial Year 2020/21  |                           |                           |                                 | Future Years                |                             | Total Project Summary   |                          |                              |                                 |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   | Spend to date<br>£000's | Approved Budget<br>£000's | Estimated Spend<br>£000's | Over/(Under)<br>Spend<br>£000's | Budget<br>2021/22<br>£000's | Budget<br>2022/23<br>£000's | Spend to Date<br>£000's | Project Budget<br>£000's | Estimated Out-turn<br>£000's | Over/(Under)<br>Spend<br>£000's |
| <b>Central Administration and Asset Replacement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| IT replacement programme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Hayley Green      | 48                      | 340                       | 330                       | (10)                            | 420                         | 420                         | Annual Programme        |                          |                              |                                 |
| <p>Now that most of the work had been done to provide working from home access, work has now commenced on the proactive replacement of PC's. Initial purchase of £40K is done with further requirements being assessed. Technology options for the replacement of the Storage Area Network infrastructure has been considered which allows this to converge with the disaster recovery (DR) and server replacements – i.e. a system that replaces the current IT infrastructure as part of the planned replacement which also is mirrored at the DR site. This has allowed a recommended converged solution design to be completed and a vendor procurement specification to be drafted with a view to that going out in November 2020 looking towards delivery in December 2020 and implementation commencing and running into March 2021. There is a supply chain risk on all IT infrastructure due to COVID-19, Brexit and winter weather but at present these are the expected timescales. The other main replacement work on the wireless controllers is in progress which is due to complete in November.</p>                                                                                                                                                                                                                                           |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Plant & Vehicle Replacement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Darren Richardson | 6                       | 1,200                     | 1,224                     | 24                              | 1,200                       | 1,200                       | Annual Programme        |                          |                              |                                 |
| <p>As a result of industry shut down due to COVID-19, it was not possible to tender fleet purchases and little happened within the first three months of this financial year. As restrictions eased, and providers and manufacturers came back on line, so the delayed tendering process slowly began to start up. Whilst the reported spend to date is only £6k, fleet that has been delivered is either now paid or in process of payment at an estimated £208k, with a further £456k of fleet on order and awaiting delivery. There is a further £185k value awaiting award and an estimated £131k currently out to tender. So, while a late start as a result on the pandemic, there is confidence that things are back on track.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Alterations to Garden House                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Hayley Green      | (3)                     | 40                        | 40                        | 0                               | 517                         | 0                           | 95                      | 980                      | 980                          | 0                               |
| <p>Planning permission was obtained in August 2020. Design works have been progressing with contract documents preparation now underway, the planned start on site expected mid-2021. In general the resources needed to delivery all major projects on the 2018-2023 capital programme has been reviewed at the capital programme board and a commitment made to strengthen the delivery teams to ensure the approved projects within the 2018 - 2023 programme are delivered. This is also in the context of recent capital slippage and project/programme management audits (Internal) and recommendations from the planning review (i.e. planning agent requirement). Equally given the state of the construction and civil engineering market (capacity and COVID supply chain constraints) the timing of release of work to seek the best price is also an ongoing issue to factor in.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Disaster recovery and business continuity suite                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Hayley Green      | 0                       | 260                       | 260                       | 0                               | 0                           | 0                           | 0                       | 260                      | 260                          | 0                               |
| <p>An external facility has now been identified and an agreement in principle to host the OIC disaster recovery facilities at the new NHS Balfour Hospital has been reached. To be clear – this is not a merger of IT systems with NHS Orkney, it is an arrangement for co-location hosting of OIC systems in NHS Orkney's Datacentre. IT equipment requirements for disaster recovery have been assessed, with technologies from a number of manufacturers investigated and a converged solution has been identified, which allows for synchronisation of IT systems between the two locations. As mentioned in the IT replacement programme, professional services engineers have completed a review of our current operations and delivered an assessment report on the technical requirements. This has allowed a recommended converged solution design to be completed and a vendor procurement specification to be drafted with a view to that going out in November 2020 looking towards deployment commencing in December 2020. Again, there is a supply-chain risk on all IT infrastructure due to COVID-19, Brexit and winter weather, but at present these are the projected timescales.</p>                                                                                                                                                       |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Replacement audio-casting equipment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Karen Greaves     | 0                       | 15                        | 15                        | 0                               | 0                           | 0                           | 16                      | 31                       | 31                           | 0                               |
| <p>The replacement audio-casting equipment is in place and working well. Before the project can be marked as complete, further equipment is being considered to maximise the use of the system within the Chamber, including for remote attendance.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Replacement telephone system                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Hayley Green      | 0                       | 240                       | 240                       | 0                               | 0                           | 0                           | 0                       | 240                      | 240                          | 0                               |
| <p>A procurement specification has been developed and is due to go out in November 2020, with a view to implementation commencing in January 2021 and a completion date of 31 March 2021. Again, there is a supply-chain risk on all IT infrastructure due to COVID-19, Brexit and winter weather, but at present these are the projected timescales.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| <b>Total Central Administration and Asset Replacement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                   | <b>51</b>               | <b>2,095</b>              | <b>2,109</b>              | <b>14</b>                       | <b>2,137</b>                | <b>1,620</b>                | <b>111</b>              | <b>1,511</b>             | <b>1,511</b>                 | <b>0</b>                        |
| <b>Corporate Property Improvements</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |
| Corporate Improvement Programme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Darren Richardson | 517                     | 3,068                     | 1,769                     | (1,299)                         | 1,379                       | 1,351                       | Annual Programme        |                          |                              |                                 |
| <p>Delivery of the corporate improvement programme for 2020/21 has been delayed due to internal staff resourcing constraints, delayed decisions on whether or not to proceed with works as originally planned and delays with contractors not being on-site due to the 4 month COVID-19 lockdown. It is hoped that it will be possible to deliver half the planned works by the end of the financial year with a projected underspend of £1,300,000 largely due to delays with works relating to improvements to the Early Learning and Childcare nursery estate as a result of changes to project scope to comply with inspectorate requirements. In general the resources needed to delivery all major projects on the 2018-2023 capital programme has been reviewed at the capital programme board and a commitment made to strengthen the delivery teams to ensure the approved projects within the 2018 - 2023 programme are delivered. This is also in the context of recent capital slippage and project/programme management audits (Internal) and recommendations from the planning review (i.e. planning agent requirement). Equally given the state of the construction and civil engineering market (capacity and COVID supply chain constraints) the timing of release of work to seek the best price is also an ongoing issue to factor in.</p> |                   |                         |                           |                           |                                 |                             |                             |                         |                          |                              |                                 |

| <b>Approved Capital Programme</b>                                                                                                                                                                     | <b>Project Lead</b> | <b>Financial Year 2020/21</b>   |                                   |                                   |                                      | <b>Future Years</b>              |                                  | <b>Total Project Summary</b>    |                                  |                                      |                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|----------------------------------|----------------------------------|---------------------------------|----------------------------------|--------------------------------------|--------------------------------------|
|                                                                                                                                                                                                       |                     | <b>Spend to date<br/>£000's</b> | <b>Approved Budget<br/>£000's</b> | <b>Estimated Spend<br/>£000's</b> | <b>Over/(Under) Spend<br/>£000's</b> | <b>Budget 2021/22<br/>£000's</b> | <b>Budget 2022/23<br/>£000's</b> | <b>Spend to Date<br/>£000's</b> | <b>Project Budget<br/>£000's</b> | <b>Estimated Out-turn<br/>£000's</b> | <b>Over/(Under) Spend<br/>£000's</b> |
| SRF Property Maintenance                                                                                                                                                                              | Darren Richardson   | 0                               | 119                               | 3                                 | (116)                                | 119                              | 119                              | Annual Programme                |                                  |                                      |                                      |
| One carry over project from financial year 2019/20, accounting for a £3k commitment. This remains to be released with no other planned works and the 2020/21 budget is likely to be £116k underspent. |                     |                                 |                                   |                                   |                                      |                                  |                                  |                                 |                                  |                                      |                                      |
| <b>Total Corporate Property Improvements</b>                                                                                                                                                          |                     | <b>517</b>                      | <b>3,187</b>                      | <b>1,772</b>                      | <b>(1,415)</b>                       | <b>1,498</b>                     | <b>1,470</b>                     | <b>0</b>                        | <b>0</b>                         | <b>0</b>                             | <b>0</b>                             |

| <i>Approved Capital Programme<br/>Service Summary</i> | <i>Financial Year 2020/21</i>      |                                     |                                       |                                          | <i>Future Years</i>                  |                                      | <i>Total Project Summary</i>        |                                     |                                          |                                          |
|-------------------------------------------------------|------------------------------------|-------------------------------------|---------------------------------------|------------------------------------------|--------------------------------------|--------------------------------------|-------------------------------------|-------------------------------------|------------------------------------------|------------------------------------------|
|                                                       | <b>Actual<br/>Spend<br/>£000's</b> | <b>Annual<br/>Budget<br/>£000's</b> | <b>Estimated<br/>Spend<br/>£000's</b> | <b>Over/(Under)<br/>Spend<br/>£000's</b> | <b>Budget<br/>2021/22<br/>£000's</b> | <b>Budget<br/>2022/23<br/>£000's</b> | <b>Spend<br/>to Date<br/>£000's</b> | <b>Project<br/>Total<br/>£000's</b> | <b>Estimated<br/>Out-turn<br/>£000's</b> | <b>Over/(Under)<br/>Spend<br/>£000's</b> |
| <b>General Fund Summary</b>                           |                                    |                                     |                                       |                                          |                                      |                                      |                                     |                                     |                                          |                                          |
| Other Housing                                         | 126                                | 500                                 | 500                                   | 0                                        | 500                                  | 500                                  |                                     | Annual Programme                    |                                          |                                          |
| Social Care                                           | (337)                              | 974                                 | 974                                   | 0                                        | 4,340                                | 5,905                                | 8,414                               | 21,370                              | 20,870                                   | (500)                                    |
| Education                                             | 13                                 | 400                                 | 400                                   | 0                                        | 1,300                                | 1,167                                | 365                                 | 3,232                               | 3,232                                    | 0                                        |
| Leisure and Cultural                                  | 294                                | 1,457                               | 1,457                                 | 0                                        | 1,551                                | 50                                   | 1,112                               | 3,876                               | 4,704                                    | 828                                      |
| Roads                                                 | 185                                | 1,225                               | 1,167                                 | (58)                                     | 950                                  | 950                                  | 1,052                               | 1,221                               | 1,163                                    | (58)                                     |
| Transportation                                        | 109                                | 479                                 | 615                                   | 136                                      | 0                                    | 0                                    | 1,607                               | 2,113                               | 2,113                                    | 0                                        |
| Operational Environmental Services                    | 12                                 | 468                                 | 349                                   | (119)                                    | 215                                  | 0                                    | 996                                 | 1,667                               | 1,667                                    | 0                                        |
| Central Administration and Asset Replacement          | 51                                 | 2,095                               | 2,109                                 | 14                                       | 2,137                                | 1,620                                | 111                                 | 1,511                               | 1,511                                    | 0                                        |
| Corporate Property Improvements                       | 517                                | 3,068                               | 1,769                                 | (1,299)                                  | 1,379                                | 1,351                                |                                     | Annual Programme                    |                                          |                                          |
| Planning                                              | 10                                 | 250                                 | 250                                   | 0                                        | 0                                    | 0                                    | 391                                 | 631                                 | 631                                      | 0                                        |
|                                                       | <b>980</b>                         | <b>10,916</b>                       | <b>9,590</b>                          | <b>(1,326)</b>                           | <b>12,372</b>                        | <b>11,543</b>                        | <b>14,048</b>                       | <b>35,621</b>                       | <b>35,891</b>                            | <b>270</b>                               |
| <b>Non-General Fund Summary</b>                       |                                    |                                     |                                       |                                          |                                      |                                      |                                     |                                     |                                          |                                          |
| Housing Revenue Account                               | 575                                | 5,992                               | 2,825                                 | (3,167)                                  | 2,537                                | 0                                    | 3,506                               | 11,036                              | 11,634                                   | 598                                      |
| Scapa Flow Oil Port                                   | 6,270                              | 7,384                               | 7,384                                 | 0                                        | 150                                  | 150                                  | 14,411                              | 15,375                              | 15,375                                   | 0                                        |
| Miscellaneous Piers                                   | 438                                | 2,020                               | 2,020                                 | 0                                        | 300                                  | 300                                  | 1,088                               | 2,370                               | 2,370                                    | 0                                        |
| Strategic Reserve Fund                                | 0                                  | 119                                 | 3                                     | (116)                                    | 119                                  | 119                                  |                                     | Annual Programme                    |                                          |                                          |
|                                                       | <b>7,283</b>                       | <b>15,515</b>                       | <b>12,232</b>                         | <b>(3,283)</b>                           | <b>3,106</b>                         | <b>569</b>                           | <b>19,005</b>                       | <b>28,781</b>                       | <b>29,379</b>                            | <b>598</b>                               |
| <b>Total Capital Programme</b>                        | <b>8,263</b>                       | <b>26,431</b>                       | <b>21,822</b>                         | <b>(4,609)</b>                           | <b>15,478</b>                        | <b>12,112</b>                        | <b>33,053</b>                       | <b>64,402</b>                       | <b>65,270</b>                            | <b>868</b>                               |