

**CAPITAL PLAN MONITORING REPORT – 30 SEPTEMBER 2011: SUMMARY**

**1 INTRODUCTION**

1.1 This report summarises the position for all departments on the capital plan as at 30 September 2011. The report compares actual and budget expenditure for the period 1 April to 30 September 2011, forecast and budget expenditure for the whole of 2011-12 and total project forecast and budget expenditure.

- Forecast outturn is a variance of £66k
- Year to date actual is greater than the budget by £1,408k
- Total project costs forecast to exceed the budget by £471k

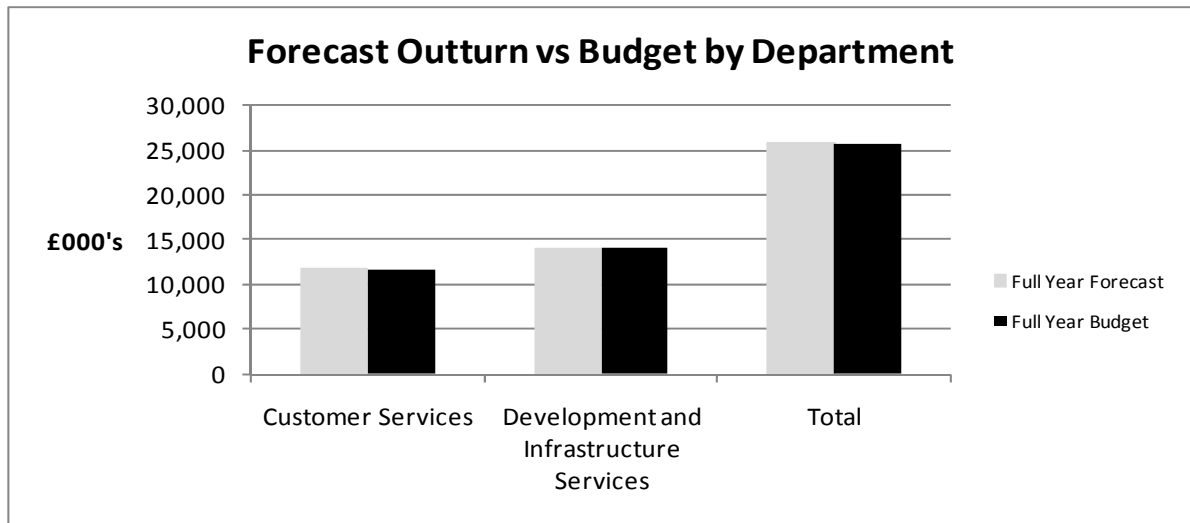
**2 FORECAST OUTTURN POSITION**

2.1 The current forecast outturn position as at the end of September 2011 is for a forecast variance of £66k. Forecast expenditure for the whole of 2011-12 is £25,695k compared to a budget of £25,629k.

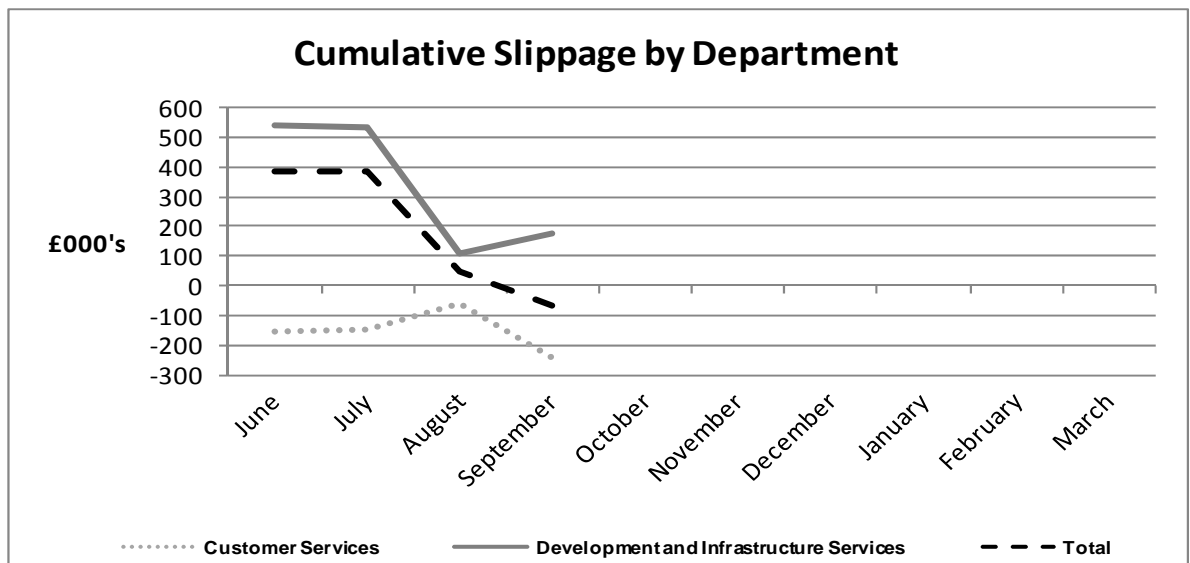
2.2 The main projects forecasting slippage are:

<b>Project</b>	<b>Variance £000s</b>	<b>Explanation</b>
Tiree Primary School	150	Work delayed as Contractor has gone into receivership
Applications Projects	122	Due to other work pressures for Strategic Finance and Financial Services, slippage of projects (and associated budget) from 2010 including the ORACLE upgrade, Commitment Accounting and integration of HR costing information and FMS have impacted on the range of projects that can be undertaken this year and budget required.
Dunclutha Bungalow	100	Delays due to the developers continued inability to progress the project. A building warrant has now been issued for the construction of the new home, however there are no indications of an early start to the work.
<b>Total</b>	<b>£372k</b>	

2.3 The graph below shows the forecast outturn and budget per department.

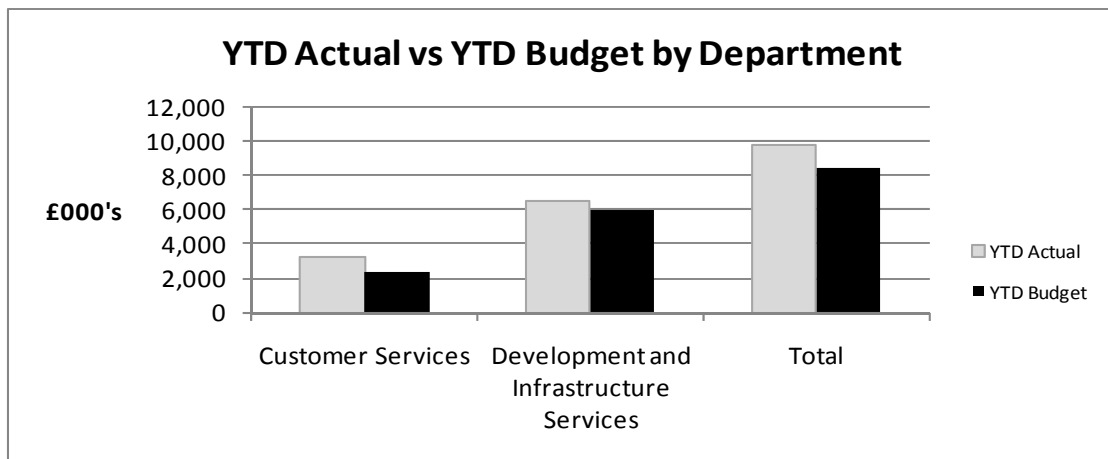


2.4 The graph below shows the trend as slippage.

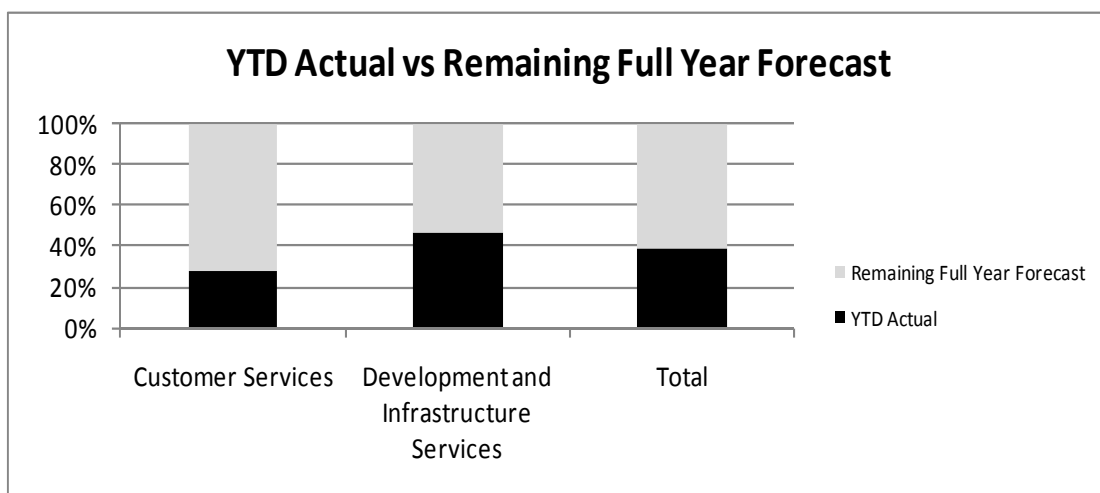


3 3.1 As at 30 September 2011, the year to date actual is greater than the budget by £1,408k. Actual expenditure is £9,832k compared to a budget of £8,424k.

3.2 The graph below shows actual expenditure compared to budget per department.



3.3 The graph below compares expenditure to date against forecast outturn to show the annual expenditure still to be incurred.

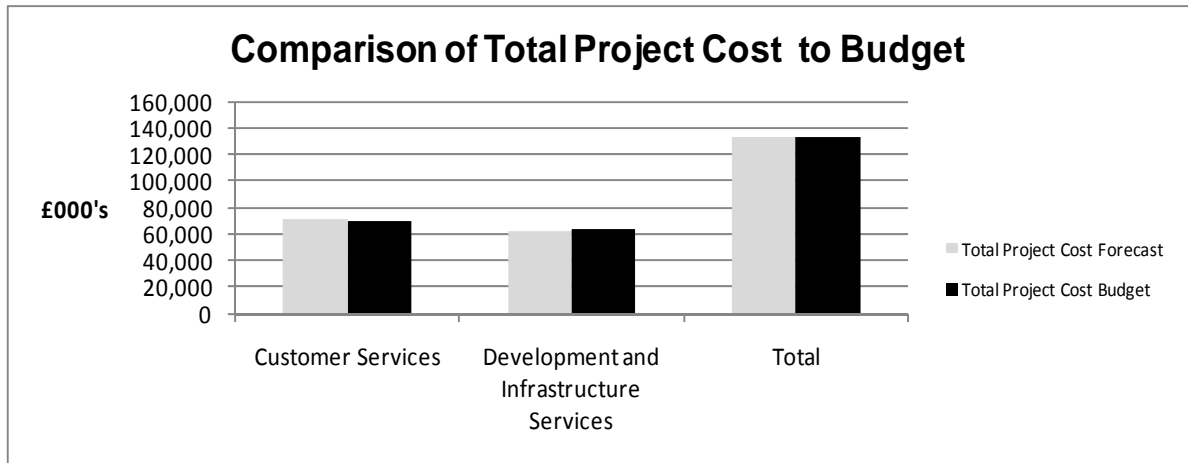


#### 4 TOTAL PROGRAMME

4.1 The current financial outturn position as at the end of September 2011 is for a total project cost overspend of £471k. Current forecast total project cost is £133,552k against a budget of £133,081k.

4.2 The main projects forecasting an overspend are Education residual projects. A report is provided in the Departmental Summary.

4.3 The graph below shows how the £471k overspend is distributed across the departments. The pale shade represents the forecast total project cost and the darker shade represents the total project cost budget.

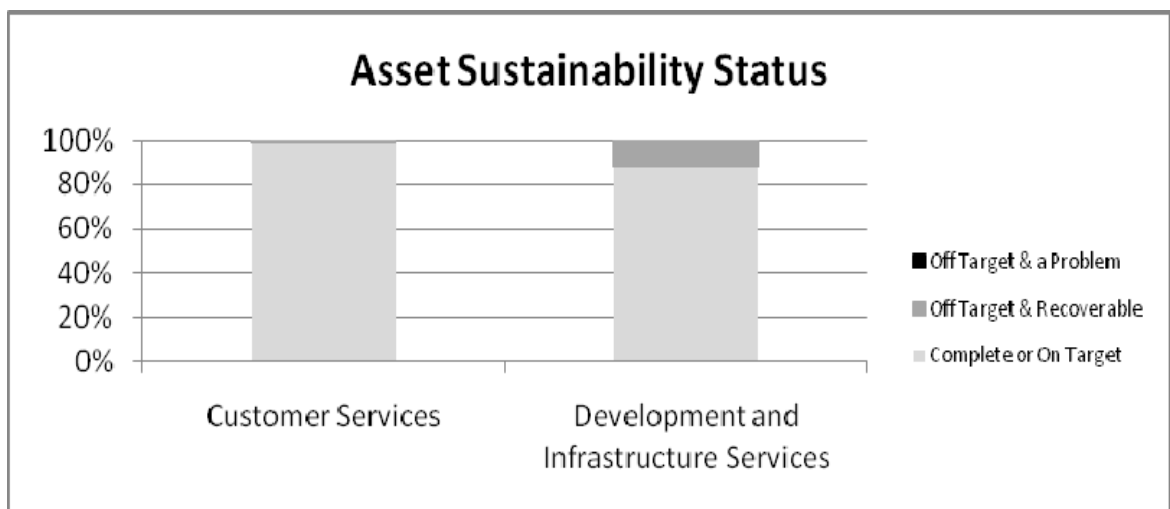


## 5 PROJECT PERFORMANCE

5.1 The graph below shows the status of asset sustainability projects shown as Complete or On Target, Off Target & Being Recovered or Off Target & a Problem. At 30 September the position was:

- 0 projects Off Target & a Problem
- 4 projects Off Target & Recoverable
- 172 projects On Target

Asset Sustainability



5.2 The graph below shows the status of service development projects shown as Complete or On Target, Off Target & Being Recovered or Off Target & a Problem. At 30 September the position was:

- 5 projects shown as Off Target & a Problem:

Applications Project – Due to other work pressures for Strategic Finance & Financial Services, slippage of projects has impacted on the range of projects that can be undertaken this year.

Dunoon Children’s Unit – Reluctance on behalf of the developer, who is constructing the home, to expedite matters.

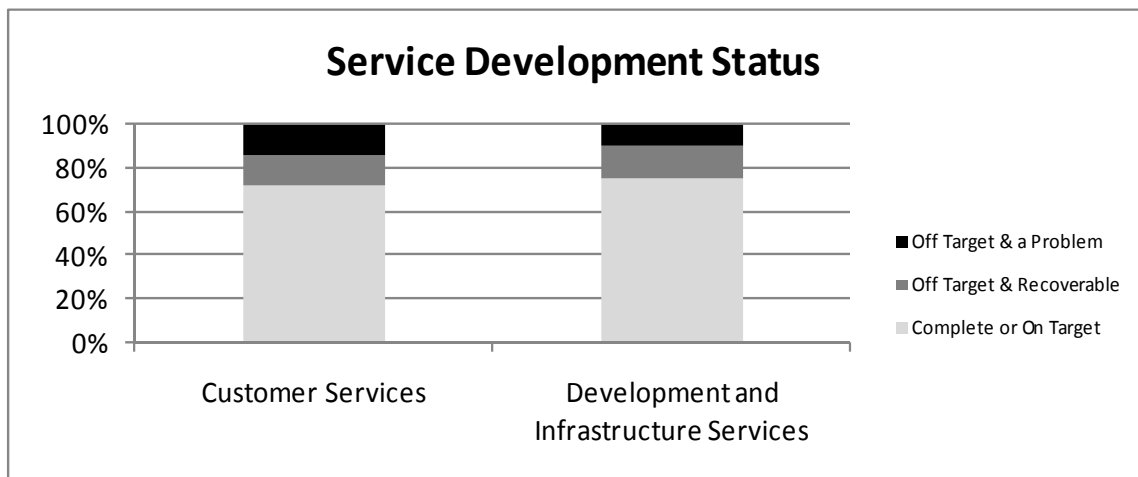
Dunclutha Bungalow – The developer’s continued inability to progress the project.

Milton Burn – Unforeseen ground conditions causing delays.

Tayinloan Ferry Berth Improvements – Delay caused by inability to obtain land permissions

- 6 projects shown as Off Target & Recoverable
- 30 projects shown as On Target

### Service Development



5.3 The graph below shows the status of strategic change projects shown as Complete or On Target, Off Target & Being Recovered, or Off Target & a Problem. At 30 September the position was:

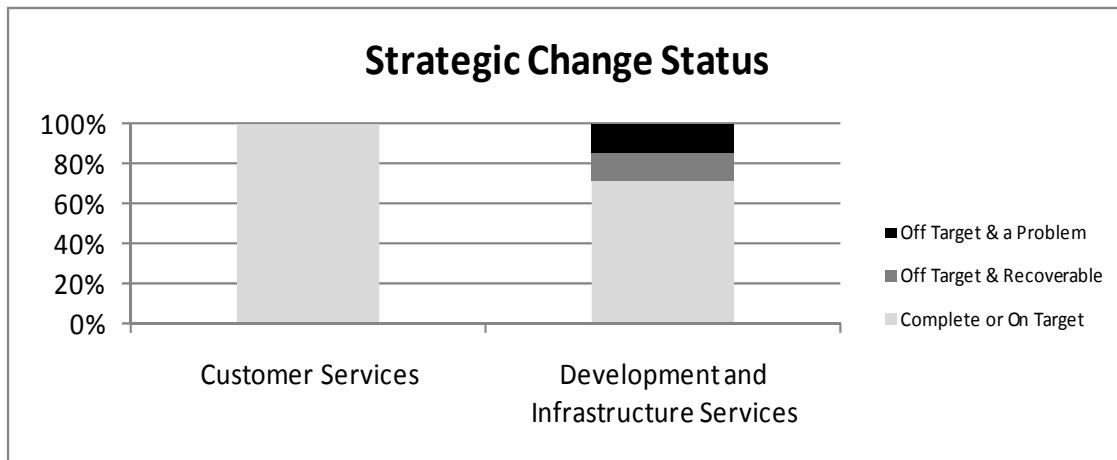
1 project shown as Off Target & a Problem:

Rothesay Harbour Ferry Berth Improvements – Awaits completion of remedial work before a Maintenance certificate can be issued.

1 project shown as Off target & Recoverable

19 projects shown as Green

## Strategic Change



For further information please contact Bruce West, Head of Strategic Finance 01546-604220

Bruce West  
Head of Strategic Finance  
12 October 2011

**ARGYLL AND BUTE COUNCIL - CAPITAL PLAN MONITORING REPORT - OVERALL COUNCIL FINANCIAL SUMMARY - 30 SEPTEMBER 2011**

	Current Financial Year To Date			Full Year This Financial Year			Total Project Costs		
	Actual £000s	Budget £000s	Variance £000s	Forecast £000s	Budget £000s	Variance £000s	Forecast £000s	Budget £000s	Variance £000s
<b>Asset Sustainability</b>									
Customer Services	2,731	1,549	-1,182	7,448	6,931	-517	45,710	44,695	-1,015
Development & Infrastructure Services	6,186	5,716	-470	10,625	11,023	398	30,830	30,861	31
<b>Asset Sustainability Total</b>	<b>8,917</b>	<b>7,265</b>	<b>-1,652</b>	<b>18,073</b>	<b>17,954</b>	<b>-119</b>	<b>76,540</b>	<b>75,556</b>	<b>-984</b>
<b>Service Development Projects</b>									
Customer Services	207	421	214	1,800	2,005	205	7,976	7,994	18
Development & Infrastructure Services	204	178	-26	1,944	1,694	-250	7,577	8,076	499
<b>Service Development Total</b>	<b>411</b>	<b>599</b>	<b>188</b>	<b>3,744</b>	<b>3,699</b>	<b>-45</b>	<b>15,553</b>	<b>16,070</b>	<b>517</b>
<b>Strategic Change Projects</b>									
Primary & Pre 5 Joint Campus in Dunoon	9	1	-8	100	132	32	375	375	0
Campbeltown Schools Redevelopment	4	0	-4	75	75	0	100	100	0
Oban Office Rationalisation	12	19	7	19	19	0	30	30	0
Dunoon Office Rationalisation	0	0	0	30	30	0	30	30	0
Kilmory Biomass Carbon Management	0	0	0	409	409	0	486	486	0
Islay HS/Bowmore PS Carbon Management	0	0	0	412	440	28	515	515	0
Oban HS Biomass Carbon Management	0	0	0	395	395	0	489	489	0
Dalintober PS Carbon Management	12	46	34	46	56	10	50	60	10
Campbeltown Grammar	0	0	0	5	5	0	5	5	0
Islay Wind Project	0	0	0	12	12	0	12	12	0
New Helensburgh Swimming Pool	2	0	-2	2	0	-2	154	152	-2
NPDO Capital Requirement - residual payments	1	0	-1	173	173	0	6,102	6,102	0
Aqualibrium - residual payments	0	0	0	10	10	0	6,191	6,191	0
Helensburgh Office Project	315	356	41	845	845	0	2,689	2,689	0
Kintyre Renewables Hub	130	82	-48	1,219	1,219	0	7,162	7,162	0
Oban Development Road	0	2	2	5	5	0	368	368	0
A848 Salen - Tobermory	0	2	2	5	5	0	273	273	0
Bruichladdich Pier	0	0	0	5	5	0	2,088	2,088	0
Rothesay Harbour Ferry Berth Improvements	3	4	1	10	10	0	6,434	6,422	-12
Port Askaig Pier	9	8	-1	40	70	30	3,802	3,802	0
Improvements to Landfill Sites Islay & Mull	7	40	33	61	61	0	4,104	4,104	0
<b>Strategic Change Total</b>	<b>504</b>	<b>560</b>	<b>56</b>	<b>3,878</b>	<b>3,976</b>	<b>98</b>	<b>41,459</b>	<b>41,455</b>	<b>-4</b>
<b>Total for all Departments</b>	<b>9,832</b>	<b>8,424</b>	<b>-1,408</b>	<b>25,695</b>	<b>25,629</b>	<b>-66</b>	<b>133,552</b>	<b>133,081</b>	<b>-471</b>

Year to date expenditure is £9,832k compared to the year to date budget of £8,424k, resulting in a variance of £1,408k. The forecast for the whole of 2011/12 is for expenditure of £25,695k compared to the budget of £25,629k, giving a variance of £66k. In terms of total project costs these are currently forecast to exceed the budget by £471k.

**ARGYLL AND BUTE COUNCIL - CAPITAL PLAN MONITORING REPORT - FINANCIAL PERFORMANCE -CUSTOMER SERVICES  
- 30 SEPTEMBER 2011**

	Current Financial Year To Date			Full Year This Financial Year			Total Project Costs		
	Actual £000s	Budget £000s	Variance £000s	Forecast £000s	Budget £000s	Variance £000s	Forecast £000s	Budget £000s	Variance £000s
<b>Asset Sustainability</b>									
Education	1,536	973	-563	3,368	3,291	-77	3,784	3,459	-325
Non Education	0	0	0	145	145	0	145	145	0
PC Replacement	372	205	-167	751	751	0	2,213	2,213	0
Planning Scanners Replacement	12	12	0	12	12	0	36	36	0
Argyll House Heating & Lighting Upgrade	11	1	-10	58	58	0	60	60	0
Campbeltown Registrars Office	11	1	-10	21	28	7	22	29	7
Kilmory CWS Tank & Lightning Protection	0	0	0	53	53	0	55	55	0
Capital Property Works	0	0	0	85	60	-25	100	100	0
Rothesay Leisure Pool	0	15	15	315	324	9	330	330	0
Residual Projects	789	342	-447	2,640	2,209	-431	38,965	38,268	-697
<b>Asset Sustainability Total</b>	<b>2,731</b>	<b>1,549</b>	<b>-1,182</b>	<b>7,448</b>	<b>6,931</b>	<b>-517</b>	<b>45,710</b>	<b>44,695</b>	<b>-1,015</b>
<b>Service Development Projects</b>									
Graham Williamson IT Centre	0	0	0	405	405	0	406	406	0
Property Management System	0	0	0	80	90	10	90	90	0
Education Domain Extension	20	141	121	170	145	-25	435	435	0
Consolidated Server Replacement	0	0	0	350	350	0	700	700	0
IT Enablement Process for Change	14	101	87	483	483	0	931	931	0
Applications Projects	0	0	0	135	257	122	703	703	0
Flexi System Ph 2 extra sites	0	0	0	14	14	0	33	33	0
Flexi System HRS Integration	0	0	0	0	37	37	37	37	0
Cash Receipting	0	0	0	1	1	0	86	86	0
Home Working /Mobile Working Pilot	0	0	0	11	11	0	72	72	0
Taynuilt Primary Additional Classroom	4	3	-1	140	175	35	155	200	45
Southend Primary School (Partial re-build)	0	0	0	0	-6	-6	86	80	-6
Class size reduction	2	21	19	20	60	40	580	620	40
Tobermory Early Years - Tobermory High	29	0	-29	55	10	-45	495	450	-45
Campbeltown Nursery	16	0	-16	16	0	-16	542	526	-16
Bowmore PS Gaelic Unit	1	5	4	5	5	0	25	25	0
Dunoon Family Mediation Centre	0	0	0	55	55	0	55	55	0
Ledaig Replacement of Mobile Home	0	0	0	5	5	0	61	61	0
Office Rationalisation	0	0	0	3	3	0	667	667	0
Mull & Iona Progressive Care Centre	121	50	-71	125	117	-8	792	792	0
Residential Respite Care Facility	0	0	0	10	10	0	498	498	0
Dunoon Childrens Unit	0	100	100	25	-14	-39	0	0	0
Dunclutha Bungalow	0	0	0	22	122	100	148	148	0



Oban High Community Facility	0	0	0	-330	-330	0	379	379	0
<b>Service Development Total</b>	<b>207</b>	<b>421</b>	<b>214</b>	<b>1,800</b>	<b>2,005</b>	<b>205</b>	<b>7,976</b>	<b>7,994</b>	<b>18</b>
<b>Strategic Change Projects</b>									
Primary & Pre 5 Joint Campus in Dunoon	9	1	-8	100	132	32	375	375	0
Campbeltown Schools Redevelopment	4	0	-4	75	75	0	100	100	0
Oban Office Rationalisation	12	19	7	19	19	0	30	30	0
Dunoon Office Rationalisation	0	0	0	30	30	0	30	30	0
Kilmory Biomass Carbon Management	0	0	0	409	409	0	486	486	0
Islay HS/Bowmore PS Carbon Management	0	0	0	412	440	28	515	515	0
Oban HS Biomass Carbon Management	0	0	0	395	395	0	489	489	0
Dalintober PS Carbon Management	12	46	34	46	56	10	50	60	10
Campbeltown Grammar	0	0	0	5	5	0	5	5	0
Islay Wind Project	0	0	0	12	12	0	12	12	0
New Helensburgh Swimming Pool	2	0	-2	2	0	-2	154	152	-2
NPDO Capital Requirement - residual payments	1	0	-1	173	173	0	6,102	6,102	0
Aqualibrium - residual payments	0	0	0	10	10	0	6,191	6,191	0
Helensburgh Office Project	315	356	41	845	845	0	2,689	2,689	0
<b>Strategic Change Total</b>	<b>355</b>	<b>422</b>	<b>67</b>	<b>2,533</b>	<b>2,601</b>	<b>68</b>	<b>17,228</b>	<b>17,236</b>	<b>8</b>
<b>Departmental Total</b>	<b>3,293</b>	<b>2,392</b>	<b>-901</b>	<b>11,781</b>	<b>11,537</b>	<b>-244</b>	<b>70,914</b>	<b>69,925</b>	<b>-989</b>

Actual expenditure to date is £3,293k compared to the year to date budget of £2,392k, resulting in a variance of £901k. At this stage it is forecast that actual expenditure this year will be £11,781k compared to a budget of £11,537k resulting in a variance of £244k. In terms of total project costs these are currently forecast to exceed the budget by £989k.

**ARGYLL AND BUTE COUNCIL - CAPITAL PLAN MONITORING REPORT - PROJECT PERFORMANCE -CUSTOMER SERVICES - 30 SEPTEMBER 2011**

Asset Sustainability Project Progress				Comments On Asset Sustainability Programmes
Complete or On Target No Of Projects	Off Target & Being Recoverd No Of Projects	Off Target & Problem No Of Projects		
Education	40	0	0	Out of 151 asset sustainability projects there are 150 on target or complete and 1 off target but being recovered.
Non Education	4	0	0	
Argyll House Heating & Lighting Upgrade	1	0	0	
Campbeltown Registrars Office	1	0	0	
Kilmory CWS Tank & Lightning Protection	1	0	0	
Capital Property Works	1	0	0	
Rothesay Leisure Pool	1	0	0	
Residual Projects	101	1	0	
<b>Asset Sustainability Total</b>	<b>150</b>	<b>1</b>	<b>0</b>	

Service Development Projects									
	Completion of OBC		Curr Year Exp RAG	Project Total Exp RAG	Benefits Expected RAG	Deliverability Of Project RAG	Project Risks RAG	Exception Report Yes/No	Comments
	Due Date	On Track							
Graham Williamson IT Centre	01-Apr-12		G	G	G	G	G	No	There is a red flag against 3 of the 22 service development projects. Applications Projects, is classed as red against current year spend. Dunoon Children's Unit and Dunclutha Bungalow are classed as red against all categories.
Property Management System			A	G	G	G	G	No	
Education Domain Extension	22/12/2009	Yes	A	G	G	G	G	No	
Consolidated Server Replacement			G	G	G	G	G	No	
IT Enablement Process for Change Applications Projects	Residual projects already approved, no OBC required		R	G	G	G	G	Yes	
Flexi System Ph 2 extra sites			G	G	G	G	G	No	
Flexi System HRS Integration			A	G	G	G	G	No	
Cash Receipting			G	G	G	G	G	No	
Home Working /Mobile Working Pilot			G	G	G	G	G	No	
Tobermory Early Years - Tobermory High			G	G	G	G	G	No	
Southend Primary School (Partial re-build)			G	G	G	G	G	No	
Class size reduction			G	G	G	G	G	No	
Campbeltown Nursery - Capital Fund			G	G	G	G	G	No	
Bowmore Gaelic Unit			G	G	G	G	G	No	
Ledaig Replacement of Mobile Home	G	G	G	G	G	No			
Office Rationalisation	G	G	G	G	G	No			
Mull & Iona Progressive Care Centre	G	G	G	G	G	No			

Residential Respite Care Facility		G	G	G	G	G	No	
Dunoon Childrens Unit		R	R	R	R	R	Yes	
Dunclutha Bungalow		R	R	R	R	R	Yes	
Oban High Community Facility		G	G	G	G	G	No	

### Strategic Change Projects

	Completion of OBC		Completion of FBC		Curr Year	Project Total	Benefits	Deliverability	Project
	Due Date	On Track	Due Date	On Track	Exp RAG	Exp RAG	Expected RAG	Of Project RAG	Risks RAG
Primary & Pre 5 Joint Campus in Dunoon	01-Nov-10	Yes			G	G	G	G	G
Campbeltown Schools Redevelopment	01-Nov-10	Yes			G	G	G	G	G
Oban Office Rationalisation	01-Oct-10	Yes			G	G	G	G	G
Dunoon Office Rationalisation	2011/12	Yes			G	G	G	G	G
Kilmory Biomass Carbon Management					G	G	G	G	G
Islay HS/Bowmore PS Carbon Management					G	G	G	G	G
Oban HS Biomass Carbon Management					G	G	G	G	G
Dalintober PS Carbon Management					G	G	G	G	G
Campbeltown Grammar					G	G	G	G	G
Islay Wind Project					G	G	G	G	G
Helensburgh Office Project	Mar-09	Approved	Jun-10	Yes	G	G	G	G	G
NPDO Capital Requirement - residual payments	Residual projects already approved, no OBC required		Residual projects already approved, no FBC required		G	G	G	G	G
New Helensburgh Swimming Pool					G	G	G	G	G
Aqualibrium - residual payments					G	G	G	G	G

### Capital Plan Commentary - Key Successes

Letting of over 20 contracts with a value in excess of £2 million, to ensure that essential works are carried out to schools over the summer holiday.

### Capital Plan Commentary - Key Challenges

Programme remaining educational and non educational projects to the end of the financial year.

### Capital Plan Commentary - Key Actions

Review overall spend.

### Decisions/Approval Required

None

<b>Project Name –</b> Applications Project					
<b>First Added to Capital Plan –</b> 2011/12					
<b>Project Manager –</b> J Stewart / Craig Welsh					
	Tender Issue	Tender Return	Works Start	Works Complete	Cost £
Original Plan: Gross Exp Income Net Exp	n/a	n/a	January 2011	March 2011	£257,000 in 2010-11
Current Forecast: Gross Exp Income Net Exp	n/a	n/a	January 2010	June 2011	£135,000 in 2010-11
Variance: Gross Exp Income Net Exp					£122,000 in 2011-12
Contractor :	Expert services to be procured for implementation of Commitment Accounting;				
<b>What is this project?</b>					
Two areas of project expenditure: <ul style="list-style-type: none"> <li>• The purchase and implementation of the Oracle Commitment Accounting module for which a licence has been purchased but requires specialist services for its implementation.</li> <li>• Software and services associated with a Personnel Cost Planning solution.</li> </ul>					
<b>How is this project funded?</b>					
IT Capital Programme.					
<b>Why is this project classified as red?</b>					
Both projects have slipped. Licences have been purchased for the Commitment Accounting module within Oracle however no services have been secured for its implementation. Progress has not been as expected for securing a Personnel Cost Planning solution.					

**What has caused the issue outlined above?**

Due to other work pressures for Strategic Finance and Financial Services, slippage of projects (and associated budget), from 2010 including the ORACLE upgrade, Commitment Accounting and integration of HR costing information and FMS have impacted on the range of projects that can be undertaken this year and budget required.

**What action will be taken to rectify this issue?**

Early engagement with Finance and Strategic Finance in 2011/12.

**What are the implications of the action proposed?**

Slippage to 2011/12 and 2012/13.

**Project Name** – Education and Non Educational  
**First Added to Capital Plan** – 2010/2011 Residual Projects  
**Project Manager** – A S Redpath

**What project?**  
Education and Non Education Capital programme

**How is this project funded?**  
From the above mentioned Programmes

**Why are projects classified as red?**

Residual commitments are as follows

Educational £630k  
Non Educational £50k

**What has caused the issue outlined above?**

Costs have increased due to work on projects being extended with client agreement.  
Unforeseen costs have come to light during work in progress.  
Additional commitments have been entered into where the works are being carried out on isolated island sites where access is expensive for additional future contracts

**What action will be taken to rectify this issue?**

Expenditure in the year to the 31 March 2012 will be kept under review prior to contracts being let.  
We will be reviewing our commitments to further expenditure for this year over the next few weeks and where necessary will commit only such expenditure as required to match overall budgets.

**What are the implications of the action proposed?**

Reduced or amended capital expenditure in the year to 31 March 2012 and 2013  
Review and reallocate budgets within Education and Non Education programmes.  
Revised budget spend on certain individual projects.

<b>Project Name – Dunoon Childrens Unit</b> <b>First Added to Capital Plan – 04/05</b> <b>Project Manager – A S Redpath</b>					
	Tender Issue	Tender Return	Works Start	Works Complete	Cost £
Original Plan: Gross Exp Income Net Exp	n/a	n/a	July 2005	March 2006	464,000 464,000 0
Current Forecast: Gross Exp Income Net Exp	n/a	n/a	Unknown See note a	Unknown See note b	464,000 464,000 0
Variance: Gross Exp Income Net Exp					0 0 0
Contractor	Ecos Construction				
<b>What is this project?</b> The replacement of the existing unit.					
<b>How is this project funded?</b> The construction of the home is free of charge to the council as part of the offer for the larger Dunclutha site.					
<b>Why is this project classified as red?</b> The deliverability and project risks are currently classified as high given the Developers continued inability to progress the project in addition the forecast “expenditure” and corresponding income for the current financial year have been reduced to £25,000. A building warrant has now been issued for the construction of the new home, however there are no indications of an early start on the works.					
<b>What has caused the issue outlined above?</b> Reluctance on the behalf of the developer, who is constructing the home, to expedite matters.					
<b>What action will be taken to rectify this issue?</b> Legal continue to press the Developer to submit a final/revised construction programme for the construction of the facility and to settle on the basis of previous agreements.					
<b>What are the implications of the action proposed?</b> The completion of the facility shall be delayed. A new completion date is currently awaited.					

#### Notes

- a) Dates awaited from Governance and Law
- b) Dates awaited from Governance and Law

<b>Project Name – Dunclutha Bungalow</b> <b>First Added to Capital Plan – 2009/2010</b> <b>Project Manager – Allan Redpath</b>					
	Tender Issue	Tender Return	Works Start	Works Complete	Cost £
Original Plan:	Oct 2009	Dec 2009	January 2010	March 2010	
Gross Exp					148,000
Income					0
Net Exp					148,000
Current Forecast:	Nov 2009	Dec 2009	Unknown See note a	Unknown See note b	
Gross Exp					148,000
Income					0
Net Exp					148,000
Variance:					
Gross Exp					0
Income					0
Net Exp					0
Contractor	Not yet appointed.				
<b>What is this project?</b> The conversion of a derelict bungalow adjacent to Dunclutha Children's Home, into a new Social Work Day centre. Access into the new facility is gained from a new entrance road being constructed by the developer who is constructing the new and adjacent children's home.					
<b>How is this project funded?</b> From the Social Work Capital programme					
<b>Why is this project classified as red?</b> The deliverability and project risks are currently classified as high given the Developers continued inability to progress the project, in addition expenditure in the current year has been reduced to £22,000. A building warrant has now been issued for the construction of the new home, however there are no indications of an early start on the works.					
<b>What has caused the issue outlined above?</b> Access to the new Day Centre is gained from an extended access road and car park which serves the new Children's Home. The new home is being constructed by a Developer and construction work is substantially behind programme. (Work has not yet started). Revised timescales are currently awaited from Legal and Protective Services.					
<b>What action will be taken to rectify this issue?</b> Legal continue to press the Developer to submit a final/revised construction programme for the construction of the facility and to settle on the basis of previous agreements.					
<b>What are the implications of the action proposed?</b> The opening of the facility continues to be delayed.					

#### Notes

- a) Dates awaited from Governance and Law
- b) Dates awaited from Governance and Law



**ARGYLL AND BUTE COUNCIL - CAPITAL PLAN MONITORING REPORT - FINANCIAL PERFORMANCE - DEVELOPMENT & INFRASTRUCTURE SERVICES - 30 SEPTEMBER 2011**

	Current Financial Year To Date			Full Year This Financial Year			Total Project Costs		
	Actual £000s	Budget £000s	Variance £000s	Forecast £000s	Budget £000s	Variance £000s	Forecast £000s	Budget £000s	Variance £000s
<b>Asset Sustainability</b>									
Flood Prevention	119	88	-31	170	522	352	1499	1499	0
Bridge Strengthening	250	174	-76	420	420	0	2349	2349	0
Roads Reconstruction	4685	4082	-603	7120	7120	0	15720	15720	0
Lighting	198	350	152	600	600	0	1800	1800	0
Environmental	42	75	33	252	252	0	597	597	0
PC Upgrades	11	40	29	80	100	20	190	200	10
HITRANS	202	250	48	250	250	0	933	933	0
Traffic Management	71	40	-31	206	206	0	406	406	0
Zero Waste Fund	0	0	0	51	51	0	221	221	0
Port Askaig Berth Protection	0	0	0	20	20	0	300	300	0
Kidston Park PC	2	1	-1	100	100	0	123	123	0
Fleet Management	222	208	-14	769	769	0	5451	5451	0
Residual Projects	384	408	24	587	613	26	1241	1262	21
<b>Asset Sustainability Total</b>	<b>6,186</b>	<b>5,716</b>	<b>-470</b>	<b>10,625</b>	<b>11,023</b>	<b>398</b>	<b>30,830</b>	<b>30,861</b>	<b>31</b>
<b>Service Development Projects</b>									
A83 South of Muasdale	34	9	-25	60	17	-43	590	590	0
A849 Pennyghael Bridge Mull	2	0	-2	3	3	0	135	135	0
A816 Oude Bridge Realignment	0	0	0	3	3	0	135	135	0
A816 Tibertich No 1 Bridge	0	0	0	1	3	2	40	40	0
A816 Ford Rd End to Mill Brae	0	0	0	1	1	0	273	273	0
Tayinloan Slip	1	11	10	1,000	1,011	11	2,150	2,650	500
Preliminary design for Regional Transport projects	0	0	0	5	5	0	221	221	0
A814 Bend at Mollandhu	2	0	-2	2	2	0	153	153	0
Cycleways	1	0	-1	1	0	-1	-312	-313	-1
Milton Burn	145	153	8	750	501	-249	2,300	2,300	0
Dunoon Town Centre Regeneration	0	0	0	0	0	0	501	501	0
Bowmore Town Centre Regeneration	0	0	0	0	0	0	480	480	0
Campbeltown Old Quay	3	5	2	30	60	30	800	800	0
Portnacroish to Inverfolla cycle route	0	0	0	7	7	0	0	0	0
Safe Streets, Walking and Cycling	0	0	0	11	11	0	0	0	0
B836 Sandbank - Dunoon	0	0	0	8	8	0	0	0	0
Sealife Cnt to Creagan Br Ph 2A	0	0	0	1	1	0	0	0	0
Kilmartin to B840 Cycleway	0	0	0	39	39	0	0	0	0
Taynuilt Footbridge	0	0	0	3	3	0	0	0	0
Marine Access to Nat. Park	0	0	0	2	2	0	0	0	0
Ganavan - Park PS Cycleway	0	0	0	3	3	0	0	0	0

Garelochhead - 3 Lochs Way Path	0	0	0	1	1	0	0	0	0
Helensburgh Pier	0	0	0	0	0	0	111	111	0
SPFT	16	0	-16	13	13	0	0	0	0
<b>Service Development Total</b>	<b>204</b>	<b>178</b>	<b>-26</b>	<b>1,944</b>	<b>1,694</b>	<b>-250</b>	<b>7,577</b>	<b>8,076</b>	<b>499</b>
<b>Strategic Change Projects</b>									
Kintyre Renewables Hub	130	82	-48	1,219	1,219	0	7,162	7,162	0
Oban Development Road	0	2	2	5	5	0	368	368	0
A848 Salen - Tobermory	0	2	2	5	5	0	273	273	0
Bruichladdich Pier	0	0	0	5	5	0	2,088	2,088	0
Rothesay Harbour Ferry Berth Improvements	3	4	1	10	10	0	6,434	6,422	-12
Port Askaig Pier	9	8	-1	40	70	30	3,802	3,802	0
Improvements to Landfill Sites Islay & Mull	7	40	33	61	61	0	4,104	4,104	0
<b>Strategic Change Total</b>	<b>149</b>	<b>138</b>	<b>-11</b>	<b>1,345</b>	<b>1,375</b>	<b>30</b>	<b>24,231</b>	<b>24,219</b>	<b>-12</b>
<b>Departmental Total</b>	<b>6,539</b>	<b>6,032</b>	<b>-507</b>	<b>13,914</b>	<b>14,092</b>	<b>178</b>	<b>62,638</b>	<b>63,156</b>	<b>518</b>

Actual expenditure to date is £6,539k compared to the year to date budget of £6,032k, resulting in a variance £507k. At this stage it is forecast that actual expenditure this year will be £13,914k compared to the budget of £14,092k resulting in a slippage of £178k. In terms of total project costs these are currently forecast to come in under the budget by £518k.

**ARGYLL AND BUTE COUNCIL - CAPITAL PLAN MONITORING REPORT - PROJECT PERFORMANCE -DEVELOPMENT & INFRASTRUCTURE SERVICES - 30 SEPTEMBER 2011**

Asset Sustainability Project Progress				Comments On Asset Sustainability Programmes
Complete or On Target No Of Projects	Off Target & Being Recoverd No Of Projects	Off Target & Problem No Of Projects		
Flood Prevention	0	1	0	Out of 25 asset sustainability projects there are 22 on track and 3 off track but being recovered.
Bridge Strengthening	1	0	0	
Roads Reconstruction	1	0	0	
Lighting	1	0	0	
Environmental	1	0	0	
PC Upgrades	0	1	0	
Ulva ferry PC	1	0	0	
Fionnophort PC	1	0	0	
HITRANS	1	0	0	
Traffic Management	1	0	0	
Zero Waste Fund	0	0	0	
Port Askaig Berth Protection	1	0	0	
Kidston Park PC	1	0	0	
Fleet Management	1	0	0	
Residual Projects	11	1	0	
<b>Asset Sustainability Total</b>	<b>22</b>	<b>3</b>	<b>0</b>	

Service Development Projects									
	Completion of OBC		Curr Year Exp RAG	Project Total Exp RAG	Benefits Expected RAG	Deliverability Of Project RAG	Project Risks RAG	Exception Report Yes/No	Comments
	Due Date	On Track							
A83 South of Muasdale			A	G	G	A	A	No	There are red flags against 2 of the 19 service development projects. Milton Burn and Tayinloan Slip are flagged as red for current year's costs. Tayinloan Slip is also flagged as red for total project cost.
A849 Pennyghael Bridge Mull	Dec-12	Yes	G	G	G	G	G	No	
A816 Oude Bridge Realignment	Dec-12	Yes	G	G	G	G	G	No	
A816 Tibertich No 1 Bridge	Dec-13	Yes	A	G	G	G	G	No	
A816 Ford Rd End to Mill Brae	Aug-09	Yes	G	G	G	G	G	No	
Tayinloan Slip	Dec-10	Yes	R	R	G	G	G	Yes	
Preliminary design for Regional Transport projects			G	G	G	G	G	No	
A814 Bend at Mollandhu			G	G	G	G	G	No	
Cycleways			A	G	G	G	G	No	
Milton Burn			R	G	G	G	R	Yes	
Dunoon Town Centre Regeneration			G	G	G	G	G	No	
Bowmore Town Centre Regeneration			G	G	G	G	G	No	
Portnacroish to Inverfolla cycle route			G	G	G	G	G	No	

Safe Streets, Walking and Cycling	already approved, no OBC required	G	G	G	G	G	No
B836 Sandbank - Dunoon		G	G	G	G	G	No
Sealife Cnt to Creagan Br Ph 2A		G	G	G	G	G	No
Kilmartin to B840 Cycleway		G	G	G	G	G	No
Taynuilt Footbridge		G	G	G	G	G	No
Marine Access to Nat. Park		G	G	G	G	G	No
SPFT 08/09		G	G	G	G	G	No

**Strategic Change Projects**

	Completion of OBC		Completion of FBC		Curr Year	Project Total	Benefits	Deliverability	Project
	Due Date	On Track	Due Date	On Track	Exp RAG	Exp RAG	Expected RAG	Of Project RAG	Risks RAG
Kintyre Renewables Hub	Jan-00		Sep-10		G	A	G	G	G
Oban Development Road	Residual projects already approved, no OBC required		Residual projects already approved, no FBC required		G	G	G	G	G
A848 Salen - Tobermory					G	G	G	G	G
Bruichladdich Pier					G	G	G	G	G
Rothesay Harbour Ferry Berth Improvements					R	A	G	G	G
Port Askaig Pier					G	G	G	G	G
Improvements to Landfill Sites Islay & Mull					G	G	G	G	G

**Capital Plan Commentary - Key Successes**

Major programme of road reconstruction is being successfully delivered through a combination of in house and external partner resources

**Capital Plan Commentary - Key Challenges**

Increased road reconstruction programme has resulted in a work load over and above that planned for with current structure

**Capital Plan Commentary - Key Actions**

External assistance being procured through framework agreement. This assistance will concentrate on project management

**Decisions/Approval Required**

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**Project Name – Milton Burn, Dunoon – Flood Prevention Scheme**

First Added to Capital Plan – 2000

Project Manger: Arthur McCulloch

	Tender Issue	Tender Return	Works Start	Works Complete	Cost £
Original Plan:	John St.	John St.	John St.	John St.	
Gross Exp	Mar 11.	April 11.	May 11.	Dec 11.	2,300,000
Income	Milton	Milton	Milton	Milton	
Net Exp	Burn	Burn	Burn	Burn	2,300,000
	Oct 11	Nov 11	Jan 12	Sept 12	
Current Forecast:	John St.	John St.	John St.	John St.	
Gross Exp	Mar 11.	April 11.	June	Dec 11.	2,300,000
Income	Milton	Milton	11.	Milton	0
Net Exp	Burn	Burn	Milton	Burn	2,300,000
	Oct 11	Nov 11	Burn	Sept 12	
			Jan 12		
Variance:	None	None	John	None	
Gross Exp			Street 1		0
Income			month		0
Net Exp					0
Contractor	Storie (Argyll) Ltd for first phase completed in 2009. George Leslie Ltd for John Street and not appointed yet for Milton Burn works.				

**What is this project?**

Flood alleviation measures for the Milton Burn in Dunoon.

**How is this Project Funded?**

Council's Capital Budget

**Why is this project classified as red?**

Acceleration of expenditure from future years into 11-12, hence predicted overspend in 11-12, also a project risk with ground conditions has been realised and therefore potential overall increase in expenditure.

**What has caused the issue outlined above?**

Unforeseen ground conditions were encountered in the sewer diversion. This has necessitated a change to the contractor's method of working, causing delays and disruption to his programme which will result in a claim for additional costs to be reimbursed.

**What action will be taken to rectify this issue?**

The contractor and Engineer's staff have been working closely together to continue to provide the sewer diversion given the unstable nature of the running sand encountered. This has resulted in an auger drilling method has been used to install the sewer rather than the trench construction envisaged. The sewer is 4 metres below ground just a few metres in front of a tenement building so caution is being exercised with the works at this location. There continue to be difficulties with this section of the work and though the financial consequences are not yet clear it is possible that the allowance for contingencies may be exceeded. As soon as the financial position is clearer, the figures will be reported. At present, the anticipated additional budget for Milton Burn in 11-12 will be sourced from forecast Flood Prevention underspend in 11-12 and repaid in 12-13.

**What are the implications of the action proposed?**

It is expected that the completion date for the John Street contract will extend beyond December and into January 2012. Also, the budget for flooding projects overall can be fully utilised on flooding projects including Milton Burn in 2011/12.

**Project Name – Tayinloan ferry berth improvements****First Added to Capital Plan – 2008/9****Project Manger: Martin Gorringe**

	Tender Issue	Tender Return	Works Start	Works Complete	Cost £
Original Plan: Gross Exp Income Net Exp	Jan 2010	Feb 2010	March 2010	October 2010	2,650,000 0 2,650,000
Current Forecast: Gross Exp Income Net Exp	June 2011	August 2011	October 2011	May 2012	2,650,000 500,000 2,150,000
Variance: Gross Exp Income Net Exp	17 months	18 months	19 months	19 months	0 -500,000 500,000

Contractor Not appointed

**What is this project?**

The construction of a suspended slab access-way and a sand bypass which will extend the width of the slipway and prevent future silting. The project will improve the connectivity and resilience of the life line ferry service provided by Calmac to the island of Gigha.

**How is this Project Funded?**

Funded from Council's Capital Budget and an award of £500,000 has been made from the ERDF.

**Why is this project classified as red?**

Delay in project associated with inability to secure required land permissions from key landowners. The project has been awarded £500,000 of ERDF funding.

**What has caused the issue outlined above?**

Inability to obtain land permissions has delayed the project.

**What action will be taken to rectify this issue?**

Given the delay in securing land permissions and consequent potential cost/market implications, a Full Business Case (FBC) Addendum was completed in May 2011 to confirm construction methodology, pre-tender cost estimates and the assessment of project risk. The tender has been completed and the successful contractor has been informed it is planned start on site during October 2011. The current completion date is May 2012. Legal/Estates have issued the finalised legal agreement to the key landowners for land permissions to allow works to proceed.

**What are the implications of the action proposed?**

The tender cannot be accepted until the legal agreement which is required for access for construction is signed by the key landowners.