

Meeting	Finance and Investment Committee
Date and Time	Monday 8 February 2016
Location	Pacific Quay, Glasgow
Title of Paper	Capital Plan 2015/2016 - Physical Resources - (Period 9 - End December 2015)
Item Number	4.1
Presented By	Ch Supt Billy Gordon, Head of Physical Resources
Recommendation to Members	FOR CONSULTATION
Appendix Attached:	Appendix 1 - Breakdown of Physical Resources Capital Spend

PURPOSE

1.1 To provide members with information on the current spend profile in respect of the Physical Resources Capital Plan for 2015/16.

This paper is being submitted to the Committee in accordance with Section 9 of the Scheme of Administration.

1. BACKGROUND

1.1 The SPA, at its meeting on 31 March 2015, approved a 2015/16 Capital Plan.

1.2 Fleet

The original Capital Programme for 2015-16, approved by the Scottish Police Authority, was £7.80M (including VAT). It was intended that this amount was used to replace 419 vehicles. The SPA Board, at its meeting on 27 October 2015, approved a revision to this sum to £7.587M (including VAT). Further to the approval of the Financial Recovery Plan by SPA at its Board meeting on 16 December 2015, an under-spend on the capital programme (as previously approved on 27 October 2015) has been agreed. Therefore, monitoring of actual spend, as presented in this report, is now in accordance with the revised planned spend required to meet the capital underspend action within the Recovery Plan. In relation to Fleet, this figure is £6.80M (including VAT). This reduction is as a consequence of further competition efficiency savings and moving some vehicle conversion work to 2016-17 after the contractor ceased to operate.

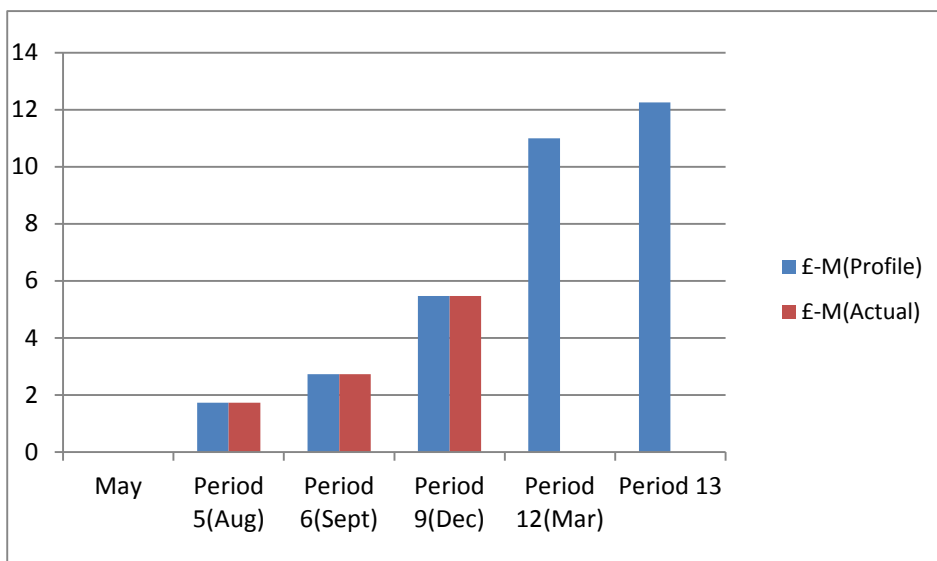
1.3 Estates

The original Capital Programme of 2015/16, approved by the Scottish Police Authority, was £5.46M (including VAT). There are separate Capital Lines for Criminal Justice Bill Works and Craigmillar in the Capital Plan (which do not form part of this paper). Under the Financial Recovery Plan, the area of Estate Spend (Excluding Criminal Justice Bill Works and Craigmillar) remains virtually constant at £5.445M (including VAT).

1.4 It was identified that £3.34M of the Estates allocated Capital budget would be used for ongoing Estate Capital projects continuing into 2015/16. In relation to the remaining sum of £2.105M, this was allocated to various Estate projects, based on a scoring Matrix. This Matrix took account of various scoring criteria including operational, environmental, cost, asset management and delivery factors.

2. FURTHER DETAIL ON REPORT TOPIC

2.1. At the end of Period 9 (31 December 2015), the actual spend through the ledger relating to the (revised) proposed budget £12.245M of Physical Resources Capital spend is £5.475M (£2.556M of Fleet spend and £2.919M of Estates spend). The spend profile of various fleet vehicle purchases and estates capital projects is detailed in Appendix 1.



2.2 Fleet

Following approval at full SPA Board for further competition of vehicles, to date 413 vehicles are on order with a further 162 received by the Fleet department with 251 on order. The remaining 6 (SCD specialist vehicles) will be ordered and delivered by end March 2016 (See Appendix 1 for a detailed breakdown)

2.4 The Horse Boxes, Cell Vans and Protected vehicles will be delivered and invoiced in financial year 2015-16. Due to the contractor ceasing to operate, a further revised procurement competition for the required

conversion work to the vehicles will now be carried out. It is anticipated that the capital cost of this conversion work will be in the order of £588K and this will occur in financial year 2016-17. This will be budgeted for in the proposed 2016/17 Capital Plan to be approved by the SPA.

2.5 Estates

The large majority of the £3.34M continuing projects, which carried over from 2014/15 (as per the % profile in Appendix 1), are complete, paid/or awaiting invoicing.

2.6 Over the last two months, since the last report to the Finance and Investment Committee, the new project work has significantly progressed and the large majority of this work is expected to be completed this financial year.

2.7 Two project lines are shown as Amber at Alloa and Stirling. While the work in relation to these projects has been designed and the necessary consents obtained, it is proposed, given the prevailing budget parameters, to postpone these projects meantime. Their priority will be re-assessed in the Estates 2016/17 Capital Allocation having regard to other projects.

2.8. Overall, the spend at the end of December 2015 of £2.91M represents 53% of the £5.45M budget which has been spent. This spend is on profile and considerably ahead of previous years spend at this stage.

2.9 Working with Finance colleagues, Estates will closely monitor the ongoing projects against the remaining budget prior to the end of the financial year. Appendix 2 details a number of contingency/fall-backs that could, or in some instances still can, be delivered within a short timeline to counteract any slippage.

3. FINANCIAL IMPLICATIONS

3.1 The status of the proposed Physical Resources Capital spend (Fleet - £6.8M and Estates - £5.45M) is as detailed in Appendix 1.

3.2 With the approved contractor for the vehicle conversion work ceasing to operate, it is proposed that the conversion work will move to 2016/17 financial year reducing the proposed spend on Fleet in 2015/16 under the Budget Action Plan to £6.80M.

4. PERSONNEL IMPLICATIONS

4.1 There are no direct personnel implications from this report. The Fleet and Estate Departments will manage and allocate staff resources to deliver these projects.

5. LEGAL IMPLICATIONS

5.1 There are legislative requirements in relation to a number of areas of spend (i.e. spend to remove non-compliant R22 refrigeration, works following a fire risk assessment in West Bell Street, Dundee).

6. REPUTATIONAL IMPLICATIONS

6.1 There are no legal implications associated with this report.

7. SOCIAL IMPLICATIONS

7.1 There are no social implications as a consequence of this report.

8. COMMUNITY IMPACT

8.1 There are no community impact implications as a consequence of this report.

9.1 EQUALITIES IMPLICATIONS

9.1 There are no equality implications as a consequence of this report.

10. ENVIRONMENTAL IMPLICATIONS

10.1 In accordance with aims of the Carbon Management Plan, it is important that new, low CO₂ vehicles are purchased. This is the case with the new Ford Focus and Vauxhall Astra at sub 100 g/km CO₂, which, along with driver behaviour, has the biggest impact on fuel consumption.

10.2 The strategy is to reduce the vehicle and engine size further within the Home Office Categories. Testing is currently ongoing by UK Police Forces on Hybrid and Electrical to show the fuel cost savings.

10.3. A number of Carbon Management Projects (i.e. boiler replacements) will also reduce CO₂ emissions and running costs.

RECOMMENDATIONS

To invite Members to:

1. Note the current position of the spend profile in respect of the Physical Resources Capital Plan for 2015/16.

Project: Capital Programme Physical Resources 2015/16		
2015/16 Budget (Fleet and Estates)	£	£12,245,000*
2015/16 Actual Expenditure (as at Month 9- 30/12/15)	£	£5,475,000
2015/16 Year End Forecast	£	£12,245,000

* Under Financial Recovery Plan

Fleet Replacement Programme 2015 /2016

Vehicle Type	Number to be Replaced	On Order/Progress	Received	Budget Allocation (£)	Budget Spend Invoiced 15/16 (£)	Comments/Risks on Deliverability in 15/16
MARKED RESPONSE TURNKEY	123	98	25	1,465,422	258,933.84	No risk in achieving this spend has been identified.
UNMARKED GP LOW PERFORMANCE	110	26	84	979,904	750,938.23	No risk in achieving this spend has been identified.
MARKED OP VAN	56	56	0	657,757.52		No risk in achieving this spend has been identified. Cell Conversion moved to 2016-17
MARKED 4X4	20	19	1	290,309	14,515.44	No risk in achieving this spend has been identified.
UNMARKED	24			338,142	115,658	No risk in achieving this spend

NOT PROTECTIVELY MARKED

SURVALANCE		16	8			has been identified.
TRAFFIC HIGH PERFORMANCE COMPACT	15	3	12	330,338	263,803.74	No risk in achieving this spend has been identified.
TRAFFIC HIGH PERFORMANCE STANDARD	9	Complete	9	202,398	202,398	No risk in achieving this spend has been identified.
PSU'S/CBRN	6	Complete	6	156,000	156,000	No risk in achieving this spend has been identified. Conversion has been moved to 2016-17
MARKED TRAFFIC 4X4	6	Complete	6	185,203	185,203	No risk in achieving this spend has been identified.
LGV/HGV HORSE BOX	2	Complete	2	113,460	113,460	Chassis have been delivered No risk in achieving this spend has been identified. Conversion moved to 2016-17
ARV	8	5	3	239,281.10	89,737.56	No risk in achieving this spend has been identified.
VIP PLANNING	2	1	1	56,658	23,516.78	No risk in achieving this spend has been identified.
DOG	8	8	0	145,500.60		No risk in achieving this spend has been identified.
FORENSIC	9	8	1	135,356.36	16,046.24	No risk in achieving this spend has been identified.
GENERAL VANS	11	11	0	90,781		No risk in achieving this spend has been identified.

NOT PROTECTIVELY MARKED

NOT PROTECTIVELY MARKED

MARKED M/CYCLE	0	N/A	0	0		N/A
UNMARKED M/CYCLE	0	N/A	0	0		N/A
TRAILERS	0	N/A	0	0		N/A
GENERATORS	0	N/A	0	0		N/A
OTHER	10	6	4	274,422	94,421.68	No risk in achieving this spends has been identified.
TOTAL	419	251	162	£5,660,932	£2,284,633	
TOTAL INC VAT				£6,793,118	£2,556,953	

NOT PROTECTIVELY MARKED

NOT PROTECTIVELY MARKED

Estates- Continuing Projects into 2015/16(commenced in 2014/15)

Title	Anticipated End Date	Budget Allocation c/f	% of Contract(s) Complete-Delivery against programme	Aligned to Objective	Comments/Risks on Deliverability in 15/16
Stornoway Residential Accommodation	3/8/15	£339,000	100%	The shortage of such accommodation has been identified by the Division (Demand Led). It will assist in the recruitment of officers in this location	Completed. Awaiting final account.
Portree Residential Accommodation	3/8/15	£271,000	100%	The shortage of such accommodation has been identified by the Division (Demand Led). It will assist in the recruitment of officers in this location	Completed. Awaiting final account.
Benbecula Office Upgrade	16/10/15	£301,000	100%	This project meets the aims of the Estates strategy and will strengthen community policing in the Uists	Completed. Awaiting final account.
Kirkwall Residential Accommodation	04/09/15	£302,000	100%	The shortage of such accommodation has been identified by the Division (Demand Led). It will assist in the recruitment of officers in this location	Completed. Awaiting final account.
Boiler Replacement Programme (9 Locations)	31/5/15	£362,000	100%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Works complete. Awaiting final account.
Lighting Replacement Programme	25/03/16	£143,000	10%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Delayed start due to vetting issues. Project started in mid- September. Duration 12 weeks. Expected to be on budget.

NOT PROTECTIVELY MARKED

NOT PROTECTIVELY MARKED

Replace Boilers at Tulliallan	25/03/16	£267,000	75%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Expected to be on budget.
Windows at Stirling	29/01/16	£13,000	98%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Majority of works complete. Final works delayed due to vetting procedures for asbestos removal contactors. Approval now achieved. Completion date Jan 16. Expected to be on budget.
Roof at Paisley	29/06/15	£15,000	100%	These works will modernise the Estate at this key Divisional/Custodial office.	Works complete. Final account to be agreed.
London Road, Roof	29/05/15	£20,000	100%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Works complete. Awaiting Final Account
Repair External Fabric System at Paisley	09/10/15	£1,031,000	100%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Works completed. Awaiting final account.
Cell Call, Dundee	14/2/15	£78,000	75%	This essential work will modernise the Estate in relation to the welfare of Custodies.	Works ongoing. Expected to complete on budget.
Portlethen, Range	01/09/15	£191,000	98%	This new Range is collaboration, demand led and will modernise the Estate. It will reduce firearm officer abstractions	Follow sign off by range inspectors the Completion Certificate issued on 7th September, 2015. Only external landscaping works remain.

NOT PROTECTIVELY MARKED

NOT PROTECTIVELY MARKED

New Projects 2015/2016

Title	Anticipated End Date	Budget Allocation c/f	% of Contract(s) Complete-Delivery against programme	Aligned to Objective	Comments/Risks on Deliverability in 15/16
Levenmouth office	25/03/16	£100,000	75%	These works will enable the demand led redeployment of officers in Fife Division to take place.	These works have been scheduled to meet operational requirements. Completion date Mar 16. Expected to be on budget.
Paisley office	18/12/15	£100,000	95%	A collaborative project	Maximum capital contribution towards creation of CCTV suite at Paisley Station. Awaiting account from Renfrewshire Council.
Stirling office works	25/03/16	£100,000	10%	Demand led works to modernise the Estate	Project has been designed and will not proceed having regard to budgetary considerations.
Custody Works (Various)	25/03/16	£500,000	60%	Various essential works to modernise the Custody estate	These works comprise of Stewart St windows, Paisley & Stirling cell doors. Works will be completed this year on budget.
Electrical Works (Tulliallan)	25/03/16	£100,000	80%	Essential works to modernise the estate	Procurement underway. Completion date March 16.
Dundee office (Bell Street - Works)	25/03/16	£175,000	40%	Essential works to modernise the estate to comply with identified Health and Safety Requirements	Procurement underway. Expected to be completed this financial year.
Alloa office (Minor Works)	25/03/16	£45,000	10%	Works to modernise the Estate	Project has been designed and will not proceed having regard to budgetary considerations.

NOT PROTECTIVELY MARKED

NOT PROTECTIVELY MARKED

Lift Replacements (Various)	25/03/16	£200,000	75%	These essential works will modernise the estate	On programme to deliver 3 replacement lifts proposed at Motherwell, Motherwell, Hamilton and Clydebank. Completion date March 16.
M/E Works (Various)	25/03/16	£100,000	80%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Completion date March 16. Expected to be on budget.
Boiler/Heating Systems (Various)	25/03/16	£330,000	75%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Proposed upgrades at Baird Street, Castlemilk, Maryhill. Project underway. Completion date March 16.
Water Saving Technologies (Various)	25/03/16	£50,000	30%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Design works complete, Procurement underway. Expected to be complete this financial year
LED Lighting (Various)	25/03/16	£50,000	35%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Design works complete, Procurement underway. Expected to be complete this financial year
R22 Refrigeration (Various)	25/03/16	£50,000	50%	These works will modernise the Estate as part of a Legislative Requirement	Works underway. Expected to be completed this financial year.
Small Scale Solar Panels	25/03/16	£100,000	50%	These works will modernise the Estate and reduce CO2 Emissions as part of the CMP	Works underway. Expected to be completed this financial year.

NOT PROTECTIVELY MARKED

Action Number - FIC20151110003

Capital Spend Projects: List of projects that have been identified as suitable for alternative spends if there is any slippage in the Capital Spend to be presented to Members for consideration.

The 2015/16 Estates Capital Plan consists of a number of various projects that were either carried over from the previous financial year or identified and selected using the approved Scoring Matrix, with a significant weighting placed on the criteria “Project Deliverability”, which reflects the ability to deliver the project within the Financial Year. This heavily influenced the type of projects that were brought forward for approval to the Scottish Police Authority, with the majority of projects sitting with the Minor Works (Custody Related Projects; Heating & Boilers; Windows; Health and Safety Works; Lift Replacements; Roofing and Mechanical & Electrical Upgrades) and Carbon Management (Lighting; Cooling; Solar and Water Saving Technology) categories.

As with all Construction Projects, external factors can delay projects. In relation to the Police Estate: vetting, operational priorities, abnormal asbestos issues and contract acceptance, have been significant factors in affecting project programmes. These delays may be so significant that the project becomes unfeasible to be delivered within the required fiscal timescale.

Fall-back Projects

As such a contingency or fall-back list of projects is prepared that can be delivered within a short timeline to counteract any slippage.

These projects require to meet the following criteria:

1. Score highly on the Capital Plan Matrix
2. Be deliverable under existing procurement arrangements (Term Contracts etc.)
3. Be deliverable within 3 months or less (including lead in time, CDM statutory periods and be non-disruptive to operational requirements).

NOT PROTECTIVELY MARKED

The following projects were selected as the Fall Back Projects for the Capital Plan Programme 2015/16:

Asset Management

Ref	Project	Location	Division	TOTAL SCORE	Comment	Total Project Cost (inc vat)
12	Additional Storage at Helen Street Complex	Helen Street Complex	G	202	This will enable centralisation of SCD accommodation and knock on rationalisation of G Division Estate in Glasgow	100,000

Minor Works

12	Install fifth back up generator at Gartcosh	Gartcosh	SCD	197	Additional generator for resilience	160,000
14	Electrical Infrastructure upgrade at Fettes	Fettes	E	195	Additional demands on the electrical infrastructure of this building due to office rationalisation require upgrade of existing building services infrastructure	110,000
20	Electrical Upgrade MCB's/RCD's	Queen Street	A	194	Upgrade electrical distribution to provide MCB's and RCD's on all floor except 6th floor which was done during Control Room upgrade	114,000
23	Replace Generator	Queen Street	A	189	Replace Generator so that it has capacity for entire building load.	72,000
33	External re-rendering	Forfar Station	D	180	Existing render to walls is delaminating, particularly on east elevation, requires to be fully stripped back and replaced.	45,000

Carbon Management

1	Boiler and Heating System Replacement	Various	Various	230	Boiler replacement will be prioritised in terms of AMP requirements and condition identified within the consolidated Fabric Condition Surveys	330,000
---	---------------------------------------	---------	---------	-----	---	---------

NOT PROTECTIVELY MARKED