

**THE HIGHLAND COUNCIL**  
**EDUCATION, CULTURE AND SPORT COMMITTEE**

**15 January 2009**

Agenda Item	
Report No	

**Capital expenditure - monitoring report for the 8 months to November 2008**

**Report by Director of Education, Culture and Sport**

**SUMMARY**

This report provides details of the actual net expenditure position as at 30 November 2008 and the projected year-end estimates based upon the current approved ECS Capital programme. The report also seeks member approval for a number of developments related to the current approved Capital programme.

**1.0 Introduction**

1.1 Appendix 1 contains details of the actual net expenditure position for the 8 months to 30 November 2008 and the related year-end net expenditure estimates.

1.2 **Budgeted Expenditure** - identified by columns A, B and C as set out below:-

Column A	Budget Gross Expenditure as per capital programme	£30.185M
Column B	Income from External Bodies (i.e. money we expect to draw down from External Funding Bodies such as sportscotland ERDF etc)	£3.289M
Column C	Budgeted Net Expenditure (i.e. the net cost to the Council)	£26.896M

1.3 **Actual Expenditure** – identified by columns D and E as set out below:-

Column D	Net expenditure to date (i.e. the amount paid out after income from External bodies)	£16.191M
Column E	Net estimated outturn (i.e. the full year projected amount to be paid out based upon project costs less projected income)	£26.591M

1.4 **Variance** – Column E minus Column C shows a projected under-spend of £306,000 at this point in the financial year.

1.5 Discussions with the Housing and Property and Finance Services are ongoing regarding the management of the Capital programme slippage and to identify which alternative projects can be undertaken at relatively short notice during the final quarter of this financial year. The slippage in the Capital programme is due

to a combination of factors ranging from resource availability, project progress due to site and weather conditions and project turn around times. The challenge during the remaining quarter of the financial year will be to initiate and complete the appropriate number of minor works within a relatively short time-scale.

## 2.0 **PPP2 – progress report.**

- As reported previously this 11 school contract was signed on 29<sup>th</sup> March 2006. The contract is operating satisfactorily with the construction programme now completed and the remaining ground works progressing as planned. The handover of the final school, Millburn Academy, took place on 6<sup>th</sup> October 2008, with staff starting in the new school on 27<sup>th</sup> October 2008 and pupils on 3<sup>rd</sup> November 2008 as planned.
- Monthly performance meetings with Alpha Schools are held in respect of the operational part of the contract.
- Expenditure on PPP2 Curricular Equipment will largely be complete by year end, but there will be a small carry forward to allow in particular Millburn Academy, which only opened recently, to complete their spend.

2.1 As the building construction part of the PPP2 contract is largely complete to the agreed timescale, with only external works remaining, it is proposed that future reporting to Members be reduced to twice yearly, with the first report due in March 2009.

## 3.0 **Other Capital Matters**

3.1 The Service is committed to maximising expenditure within the approved Capital programme. This includes progressing the following projects which members are requested to approve.

### 3.2 **Emergency repairs to Poolewe Swimming Pool:**

Poolewe Swimming Pool is owned and operated by a community company, though the facility manager is employed by the Highland Council as part of the assistance and grant aid provided. Following a Health and Safety inspection, the facility has recently closed pending repairs to electrical installations and a leaking roof.

The repairs required to bring the facility back into operation have been assessed by Council staff, and amount to £24,000. The community company owning the facility has negligible resources to undertake this work and has approached the Council for funding assistance. Members are requested to approve the funding required to bring the facility back into operation. This will be met from the current approved Community Learning and Leisure Capital budgets and from the local Ward discretionary budget.

### **3.3 Queens Park Athletics Stadium, Inverness**

The Queens Park Athletics stadium and track is no longer of a sufficient standard to host regional athletics competitions due to the condition of the track and the throwing area (the nearest alternative facilities capable of hosting regional competitions are at Perth and Aberdeen). Completing a number of repairs at an estimated cost of £125,000 will restore it to competition standard.

An application for £62,500 (50%) funding has already been submitted to the Inverness Common Good Fund. Members are requested to approve that the remaining £62,500 be funded by bringing forward a limited amount of the approved £2.0M capital expenditure already allocated for remedial work at the Inverness Leisure facility in financial year 2011/12. It is anticipated that, subject to the appropriate funding being in place, the remedial works at the stadium and track could be completed by the end of March 2009.

### **3.4 Craft Design Technology Classroom Dust Extraction Systems**

Members are requested to note that the 3 year contract for installation of dust extraction systems has been awarded to Active Education Solutions, a company with a strong track record in design, installation and maintenance of this equipment. The contract will start with full installations at Nairn Academy, Inverness Royal Academy, Kingussie High School and Charleston Academy. Members are requested to note that the installation programme, which excludes schools built under PPP contracts, will be managed by ECS officials in consultation with practitioner groups in the remaining Secondary schools.

### **3.5 Lochaline Primary School Replacement**

Members will be aware that the replacement of Lochaline Primary School is part of the capital programme for 2009 and beyond and that positive and co-operative discussion has been taking place with both the Highlands and Islands Fire and Rescue Service and Coastguard agencies with respect to delivering multiple Services from the replacement building.

The outline plans for the project have been developed and discussions have been concluded with the Highlands and Islands Fire and Rescue Service and Coastguard Agencies with respect to accommodation needs. The replacement building will be on the current sloping site with the Fire Station integrated into the lower part of the building complete with a separate access for fire appliances and car parking. Initial indications are that the building cost contribution for this accommodation is approximately £300,000 exclusive of the specialist fit out costs for the fire station. The Coastguard requirements are minimal and these will be met through the Fire Station accommodation.

Members are requested to approve the replacement Lochaline Primary School as a multi agency development on a basis of a £300,000 (approx 10% of project value) contribution from the Fire Board. This will allow the project to be reported to the Highlands and Islands Fire and Rescue Service Board for consideration and approval. Thereafter, subject to approval by the Fire Board, a further report will be

brought to the ECS Committee seeking member approval for the proposed future joint working arrangements.

### 3.6 **Future development of the ECS Estate – Greater Fort William Area**

Members will be aware that the review of Pre School and Primary educational provision in the Greater Fort William Area is ongoing. The current position is that some preparatory work has been completed in relation to:

- Demographic trends and the impact on future school rolls.
- The identification of potential sites for new schools.
- An assessment of the condition and suitability of the existing Pre School and Primary school provision.
- The development of a dedicated Gaelic School for Lochaber has been approved following a statutory consultation.

Members are requested to note that the scale of the project required to identify future Pre School and Primary educational provision within the Greater Fort William area is both significant and resource intensive. It is therefore proposed that members approve the appointment of an external consultant in order to progress this project. The terms for this appointment are outlined at **Appendix 2** of this report and will be progressed in accordance with the Council's Contract Standing Orders.

The consultant appointed, subject to members approval, will co-ordinate the production of a report which will outline future Pre-School and Primary Educational Provision within the Greater Fort William area. This report will be available for consideration by elected members at the ECS Committee on the 21<sup>st</sup> May 2009. It is anticipated that the approach adopted for considering future educational provision in the Greater Fort William area could be adopted in the other main urban centres within the Highlands.

It is envisaged that the funding for the above consultancy will be met from the feasibility study heading within the ECS Revenue budget over 2 financial years. However the precise funding arrangements will be agreed in conjunction with the Director of Finance.

### 3.7

#### **Major Fabric Improvement Allocation (schools)**

The approved ECS Capital Programme includes a Major Fabric Improvement allocation of £1.2M per annum from financial year 2009/10. Members requested that the following actions be progressed by officials in relation to the operation of this annual allocation:

- The need to consult and communicate at Ward Level
- To ensure that sufficient projects were identified and approved in advance to meet both the annual allocation and also projects that could be commenced at relatively short notice if there was slippage identified elsewhere within the approved Capital programme.

Officials from the ECS Service and Housing and Property Service have produced a proposed project list. In accordance with the above principles, Members are requested to approve the following:-

- Officials discuss the proposed programme with local members at the appropriate Ward Business Meetings.
- Thereafter the project list is refined as part of the feedback from those meetings and is submitted to the ECS Committee for approval.
- That progress with the approved list is reported through the Capital programme monitoring report presented to each ECS Committee.

#### **4.0 RECOMMENDATION**

4.1

Members are requested to:

- i) Note the content of the report
- ii) Approve the following as per paragraphs 3.2, 3.3, 3.5, 3.6, and 3.7 of the report:-
  - Emergency Repairs to Poolewe Swimming Pool
  - Repairs to Queens Park Athletics Stadium and Track
  - Multi Agency development of Lochaline Primary School
  - Appointment of consultants to identify the future needs for pre school and primary education provision within the Greater Fort William Area
  - The Major Fabric Improvement Allocation discussion and reporting process.

Signature:

Designation: Director of Education, Culture & Sport

Date: 5<sup>th</sup> January 2009.

Ref:

Joint authors Ron MacKenzie, Head of Support Services and Brian Hemming, Estate Strategy Manager. ECS

Background papers: Capital programme monitoring report as 30 November 2008. Specification for the future Greater Fort William Pre School and Primary School educational provision



THE HIGHLAND COUNCIL  
MONITORING OF CAPITAL EXPENDITURE - NOVEMBER - 2008-2009

SERVICE: EDUCATION, CULTURE & SPORT

Project Description	Project Code	BUDGET			ACTUAL		VARIANCE
		A	B	C	D	E	F
		Gross Expenditure £(000)	Income £(000)	Net Expenditure £(000)	Net Expenditure to date £(000)	Net Estimated Outturn £(000)	Col E minus Col. C £(000)
<b>Community Learning &amp; Leisure</b>							
<b>Community</b>							
Eden Court ( latent defects and development grant)	21929/21347	200	0	200	399	399	199
Nairn Community Centre	22487	100	894	(794)	21	(344)	450
Village Halls (includes halls developed under Cap Disc Fund)	14811/21338	100	0	100	11	11	(89)
Village Hall Arnisdale - CDF	EC041	50	0	50	48	50	0
Village Hall Keiss - CDF	EC042	25	0	25	0	0	(25)
Village Hall Mey - CDF	EC076	132	0	132	68	132	0
Village Hall Minginish - CDF	EC077	150	0	150	45	150	0
Village Halls Waternish - CDF	EC078	30	0	30	0	0	(30)
Village Halls Raasay - CDF	EC052	0	0	0	(19)	(19)	(19)
Inshes District Park	23042	0	0	0	1	1	1
<b>CLL Facilities</b>							
Leisure Facilities	15785/22690	783	0	783	151	395	(388)
Minor Works - Public Licences etc.	EC072	50	0	50	14	63	13
Golspie Leisure Centre (Sutherland Pool emergency repairs)	EC005	10	0	10	1	1	(9)
Golspie Leisure Centre (Sutherland Pool upgrade)	EC051	449	0	449	296	399	(50)
NOF Facilities Programme - Various Retentions	689/21563/EC0	225	0	225	169	178	(47)
Cricket Pavilion Fraser Park	EC092	0	0	0	3	5	5
Pool Maintenance	EC007	10	0	10	2	10	0
Halkirk Sports Facility - Contribution to development	0	100	0	100	0	0	(100)
Barrowgill Hall Contribution to Northern College Skills for Work Fac.	0	90	0	90	0	90	0
Kilchuimen Multi Use Games Area	EC011	150	0	150	0	100	(50)
Skye Multi Use Games Area	EC003	0	0	0	68	68	68
Tailrace Project - Fort William	EC106	0	0	0	3	( )	0
Queens Park track resurfacing	EC137	0	0	0	0	52	52

<b>Highland 2007 Legacy Projects</b>								
Highland Gallery and Museum (Inverness City funding)	EC080	100	0	100	29	50	(50)	
Highland Folk Museum	22633	100	0	100	3	25	(75)	
Highland Archive and Registration Centre	22633	6,147	2,250	3,897	3,004	3,897	0	
<b>Highland 2007 Core Programme</b>								
Highland Archive Network	22633	95	0	95	0	0	(95)	
Lochaber Spoke (Fort William)	22633	0	0	0	2	10	10	
Skye & Lochalsh Spoke	22633	0	0	0	6	120	120	
Caithness Spoke (Wick)	22633	0	0	0	0	3	3	
Highland 2007 Grant Scheme/Projects Carried Forward	22633	130	0	130	0	0	(130)	
Highland 2007 Grant Scheme	22633	0	0	0	57	57	57	
FAS/SMO	22633	0	0	0	40	79	79	
Ferrycroft/Lairg Auction Mart	22633	0	0	0	42	59	59	
Sutherland Sports Facility	22633	80	0	80	5	80	0	
<b>EDUCATION</b>								
<b>Major Projects</b>								
Lochaber High School Refurbishment, Phase 1	22241	1,012	0	1,012	755	1,012	0	
Lochaber High School Refurbishment, Phase 2	EC114	221	0	221	0	221	0	
Mallaig Hostel	22891	1,800	0	1,800	933	1,800	0	
<b>Secondary Schools Programme</b>								
Thurso High - Refurbishment of Extension Block and ScienceLabs)	EC020	1,308	0	1,308	317	1,100	(208)	
Nairn Academy - SEN Extension	EC021	670	0	670	719	719	49	
Farr High/Primary Roadworks (H&S)	22892	40	0	40	8	40	0	
Nairn Academy Demountable Unit	0	0	0	0	0	25	25	
Plockton High - Games hall roof and Future Upgrade	EC022	55	0	55		55	0	
Plockton High School, Hostel - Alterations to Showers	EC107	83	83	0	6	0	0	
Wick High School Toilet Block	EC138	0	0	0	15	50	50	
Technical Room Dust Extraction Rolling Programme	EC006	25	0	25	13	25	0	
<b>Primary Schools Programme</b>								
Acharacle Primary Replacement	22108	4,500	0	4,500	2,922	4,500	0	
Aviemore Primary Replacement	EC018	522	0	522	128	637	115	
Conon Bridge/Maryburgh Primary	EC019	211	0	211	0	50	(161)	

Cradlehall Primary Drop Off - Health and Safety	EC124	150	0	150	0	150	0
Lochaline Primary School	EC001	0	0	0	0	100	100
Milton Primary School Refurbishment - Kildary	23040	12	0	12	0	12	0
Milton of Leys P S - Inverness	EC121	375	0	375		200	(175)
Tomnacross Primary Extension	EC087	900	50	850	296	850	0
<b>PPP2</b>							
21st Century Schools - (Includes PPP2 land purchase)	22072	0	0	0	6	6	6
Inshes Primary School Extension	EC104	448	0	448	444	475	27
PPP2 Consultancy	20894	0	0	0	65	70	70
PPP2 Change Orders	EC081	0	0	0	(350)	(50)	(50)
<b>Curricular Equipment</b>							
New Schools Curricular Equipment	EC025/EC066	3,302	0	3,302	2,333	3,649	347
<b>Asset Management</b>							
Roll Pressures	20812	700	0	700	525	700	0
SEN Early Years Improvement/adaptations	21528/22573	712	12	700	642	641	(59)
Health & Safety	790/22386/225	300	0	300	245	300	0
School Security	21141	50	0	50	10	10	(40)
Major Fabric Improvement Projects	20743/EC135	350	0	350	278	450	100
Area Devolved Funding (H&S, Care Commission & HMle reports)	78/EC129-EC	500	0	500	229	500	0
Office Accommodation (Ness, Ruthven, Townhouse)	21784	235	0	235	191	235	0
Retentions (Various)	Various	50	0	50	13	20	(30)
Transfer of Plant from redundant schools	EC111	85	0	85	51	85	0
Purchase of CHP Plant at Inverness Lesiure	EC117	125	0	125	125	125	0
Avoch P.S. and Community Centre Servitude to Broadland Properties	EC110	0	0	0	(5)	(5)	(5)
Black Isle Education Centre Replacement (estimated cost)	EC123	68	0	68	3	0	(68)
Former Achintore School - Remedial Works	0	100	0	100	0	50	(50)
Inverness High School - Fire	EC133	0	0	0	7	0	0
<b>Catering and Cleaning</b>							
Catering Equipment Repair	20789	50	0	50	35	40	(10)
Floor Upgrades	22036	90	0	90	7	75	(15)
Dining Room Upgrades	EC048	150	0	150	4	150	0
Capital Equipment Replacement	EC073	50	0	50	6	40	(10)
Cashless Payment Systems	EC079	160	0	160	31	160	0

<b>ICT</b>							
Schools ICT Integrated Programme	15699/EC026	620	0	620	302	637	17
Telephone exchange replacements	EC098	50	0	50	0	50	0
<b>Miscellaneous Projects</b>							
Early Years Childcare & Play	EC083	600	0	600	356	400	(200)
Gaelic Signage to Schools	EC118	50	0	50	0	0	(50)
Synthetic Turf Pitch Rejuvenation	EC108	100	0	100	57	100	0
Grass Pitch Condition and improvement	EC119	50	0	50	0	10	(40)
<b>OVERALL TOTAL</b>		<b>30,185</b>	<b>3,289</b>	<b>26,896</b>	<b>16,191</b>	<b>26,591</b>	<b>(306)</b>

Notes:

Additional income realised during financial year must be reported to Service Committee and thereafter Columns A and B adjusted

The Overall Total figure for Column C must always equal the Service's approved Capital Budget.

## **CONSULTANT SPECIFICATION**

### **OPTIONS APPRAISAL – Greater Fort William Pre School and Primary School educational provision**

The Highland Council Education, Culture and Sport (ECS) Service is seeking bids from suitably qualified and experienced Consultants to produce options for future Pre School and Primary School educational provision in the Greater Fort William Area

An outline approach is set out below for information and consideration by perspective bidders. It is anticipated that this initial outline will be expanded and modified in conjunction with the successful bidder.

#### **1:0 Options Appraisal Approach**

##### **1:1 Introduction**

1:2 The ECS Service has undertaken a degree of preparatory work in relation to this project, including:-

- Assessing demographic trends and the related impact on future school rolls
- Assessing the condition and suitability of each of the 7 Primary Schools within the Greater Fort William area
- Identifying potential sites for new schools within the existing area

1:3 The purpose of this option appraisal exercise is to build upon the work already done and to produce options for the future provision of Pre School and Primary School educational provision. The completed report will be in a suitable format for consideration by elected members to enable decisions to be taken re future educational provision.

1:4 The methodology adopted in the preparation of the options to be considered by elected members should be sufficiently robust as to form a template for similar urban centre reviews to be carried out in future elsewhere within the Highland Council area.

1:5 The following sections set out the following in relation to the option appraisal exercise:-

- The scope
- The objectives
- The potential options to be examined
- The information gathering process
- The co-ordination and reporting of options

- A suggested framework for the analysis of options

1:6 As intimated above the initial project outline may be modified in conjunction with the successful bidder.

## **2.0 Conduct of Options Appraisal**

2:1 The Scottish Government has recently published policy documents associated with development of the School Estate under the heading “Building our future; Scotland’s School Estate”. This policy document includes guidance on the production of option appraisals. One of the main purposes of this option appraisal report is to further inform the ECS Service’s School Estate Management Plan and future Capital programme to bring bringing about the following:-

- Corporate requirement for improved asset management
- Improved Demographic trend forecasts
- The creation of an improved educational environment taking into account current educational policies and priorities – a curriculum for excellence, class size reduction and additional special needs
- The opportunity to create community facilities within the Primary school
- The inevitably that future investment will be required on the existing school estate within the greater Fort William area
- An opportunity to address the requirements of the approved Gaelic Plan for the area
- An opportunity to create a template for improved school asset management that could be used in other locations.

2:2 Highland Council’s School Estate Management plan and the published Scottish Government options appraisal publication will be used as the lead guidance document for

- Definition of objectives
- Development of options
- Information gathering
- Assessment of options
- Analysis of options
- Consultation
- Selection of preferred option
- Reporting requirements

2:3. The CIPFA Options Appraisal Guidance is also to be considered as part of the development of this appraisal as this is seen to be a lead document for future asset management within the Council.

## **3:0 Defining Objectives**

3:1 The primary objective of the options appraisal is to establish the appropriate action for the development of the schools within the Greater Fort William school catchment areas taking into account the following.

- Current building condition
- Demographic trends to 2018 (low, medium and high development projections)
- Educational Benefit
- The creation of educational and community facilities that will result in category A facilities for both condition and suitability
- Financial information and appropriate modelling\* for the options that:
  - a) Sets out the revenue consequences over a 60 year period with cost projected at 1 year, 5 years, 10 years, 15, 20 and 60 years.
  - b) includes capital cost modelling, life cycle costing and carbon footprint assessment.
  - c) That includes the impact of loan charges based up the Local Authority Fixed Asset Management financial system.

\* the financial information will largely be provided from internal sources

- Capital budget costs as defined by outline proposals for the options as developed through professional consultancy services.
- Community Benefits/disbenefits
- Need for temporary accommodation during any building works.
- Safer Routes to school for pedestrian and vehicular traffic, Health and Safety implications and traffic management issues
- Matching the appropriate criteria of the Administration's programme for the Highland Council 'Strengthening the Highlands'

3:2 It is essential that as part of this appraisal that the objectives are seen to be specific, measurable, agreed, realistic and that the output is time bound in order that the appraisal can be undertaken in an open and transparent manner. The Objectives therefore have been approved by the highland Councils administration and will be shared with the relative communities and stakeholders.

#### **4:0 Options to be examined**

4:1 Amalgamation of the existing Fort William PS and Upper Achintore PS

- Amalgamate the 2 schools within the existing Upper Achintore PS with refurbishment to category A for condition and suitability. Allow for 80% capacity initially to allow for growth. Rename amalgamated school. Dispose of the Fort William PS site including the former Secondary school.
- New community school on existing Upper Achintore PS site (2 storey). Issues with access and construction processes and decanting. Disposal of existing Fort William PS site including the former Secondary school.
- New community school behind the Angus Centre, Lundavra Road. Disposal of former school sites. However need to acquire the site for the new school.
- For each option take into account Pre School facilities (including wraparound childcare) and what other community facilities should be included within the refurbished/new school.

#### 4:2 Amalgamation of the existing Caol PS and Banavie PS

- Amalgamated school on existing Caol PS site with refurbishment to category A for condition and suitability. Disposal of former Banavie PS school site
- New community school on the site adjacent to the BMX track in Caol. Disposal of former school sites
- New community school on a site adjacent to Lochaber High School. Disposal of former school sites
- For each option take into account Pre School facilities (including wraparound childcare) and what other community facilities should be included within the refurbished/new school.

#### 4:3 Amalgamation of the existing Fort William RC PS and Lochyside PS

- Amalgamate the denominational schools within the existing Lochyside PS campus with refurbishment to category A for condition and suitability. Dispose of Fort William RC PS site.
- Take into account Pre School facilities (including wraparound childcare) and what other community facilities should be included within the refurbished school.

#### 4:4 Consultation outcomes regarding the development of Gaelic Medium Education are currently being reported upon and the outcome of that reporting will require to be factored into the options appraisal process. The following identifies the terms of the consultation:-

To develop a dedicated Gaelic school for the Greater Fort William area which will accommodate 120 pupils plus pre-school provision with wraparound childcare and will act as a hub for Gaelic related activity within the area by:

- i) the adaptation of an existing building for a dedicated Gaelic school to category A for condition and suitability; or
- ii) building a free standing new school on a new site; or
- iii) building a free standing Gaelic school as part of a campus arrangement with a new primary school for the Greater Fort William area the nature and location of which would be identified as part of the option appraisal.

4:5 Inverlochy PS is not within the scope of this project

## **5:0 Gathering of Information**

5:1 There is a requirement for packaged sets of information to be gathered for each option. The main challenge will be how best to present these in a form suitable for analysis and assessment, a process that will be led by the successful bidder. It is considered that the work breaks into four elements, namely:-

- Technical
- Financial
- Programming
- Communication and Consultation

Further breakdown into discrete work packages will take place upon appointment of the successful bidder based upon the knowledge and information held within the Council and that of the consultant.

5:2 The objectives set out in section 3 above have been established to provide a clear statement and they align themselves well with the requirements of the information gathering process. However, there is a requirement for management of the project timescale, oversight and an approvals framework of the information gathering process. Given the Resources available within the Council the Consultancy will have a important roll in managing the programme, reporting progress, resolving problems.

5:3 It is essential that there is effective communication with stake-holders throughout the option appraisal exercise. The successful bidder will be expected to work closely with Council officials in this regard.

## **6:0 Co-ordination and Reporting of Information**

6:1 The successful bidder will be responsible for the production of a report that presents the information in a format that can be readily assessed. This will include the development of a risk management framework that can be factored into the evaluation process.

## **7:0 Analysis of Options**

- 7:1 It is essential that an appropriate framework is produced for the analysis of the various options. The successful bidder will be responsible for the creation of this framework taking into account current best practice within the industry.
- 7:2 The following Matrix is proposed but is recognised that it will require further development associated with the various outcomes of the options.

Objectives	Weighting	Option 1		Option 2	
		Basic	Weighted	Basic	Weighted
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					

**8:0 Choosing the Preferred Options**

- 8:1 The final part of the analysis is to combine non financial and financial factors. A value for money approach is proposed to be undertaken in order to facilitate the selection of a preferred option.
- 8:2 The VFM approach is simply the total weighted score divided by the total financial cost. The project with the highest for value money rating should be the preferred option. For the purposes of this exercise it is considered that the most effective approach to VFM would be to use the ratings for 10, 15, 20 and 60 year costs.

**9:0 The Report**

- 9:1 The heads of terms of the report will be established once the key team members have been engaged and discussion has taken place with respect to the Committee reporting cycle.

**Background Papers**

Scottish Government  
 MCC Options Appraisal document (Westbrook)  
 CIPFA Guidance  
 Etc.

