

THE HIGHLAND COUNCIL
ADULT & CHILDREN'S SERVICES COMMITTEE
21st August 2013

Agenda Item	6ii.
Report No	ACS/66/13

Capital Expenditure – Final Outturn 2012/13 and Monitoring 2013/14

Report by Director of Health and Social Care

Summary

This report updates Members on progress to date with the Health and Social Care Capital Programme and provides:

1. A report on the Final Out-turn 2012/13 and Monitoring 2013/14
2. An update on work being undertaken on fire safety and other health and safety capital works.

1. Capital Expenditure – Final Out-turn 2012/13 and Monitoring 2013/14

1.1 2012/13 Near-final out-turn

The near-final outturn shows a projected underspend of £1.170m as shown in **Appendix 1**.

- 1.2 An underspend of £0.098m relates to the Children's Residential Unit in Wick, with contractors now on site and with minor underspends totalling £0.005m on other units.

- 1.3 An overall underspend of £1.067m is shown in relation to the Care Home Investment project, due to delays in works commencing on site and due to difficulties with the fabric of the building in particular at Ach An Eas.

2 Capital Budget Monitoring Report – 1 April 2013 to 30th June 2013

- 2.1 This report sets out the capital monitoring position for the period ended 30th June 2013, and the projected year end position as shown in **Appendix 2**.

2.2 Budget

The budget for 2013/2014 is made up of the allocation awarded by the Council of £1.679m. £1.170m has been carried forward from 2012-13. Subsequent adjustments were approved by Highland Council on 27 June 2013 £0.100m for Family centres and Children's Services Investments, £0.080m towards avoiding out of area Children's placements and Adult Services NHS Baseline of £1m.

- 2.3 In addition to these items, some re-profiling of projected spend on existing projects to reflect actual projected spend in the year was approved with a reduction of £0.500m on the new children's unit in Wick, a reduction of £0.036m on the refurbishment at Grant House, and an increase of £0.421m for Invernevis House. This provides a working budget total of £3.914m.

2.4 **Current Position**

The expenditure is £0.380m and represents 10% of the budget.

2.5 **Year End Position**

At this early stage of the year, it is anticipated that the budget will be fully spent.

3. **Projects**

3.1 **Grant House**

The final account for Grant House is not yet available but the figures below show the most recent estimate. Any further adjustment will be reported to the next Committee.

Phase 1	£000
Project cost after tender (most work postponed until Phase 2)	64
Final cost	81
Phase 2	£000
Project cost after tender (including some of Phase 1)	908
Estimated final cost	1,205
Estimated final cost - Phases 1 & 2 (including fees)	1,286

The overspend is as a result of additional essential work being identified, the general difficulty of working in phases within an occupied building and the additional time taken to complete the contract as a result. The final figure will be reported to Committee once it has been confirmed.

3.2 **Invernevis House**

Residents have now moved into the first completed section and are enjoying the improved surroundings and facilities. The second section is due for completion in late August. Staff, residents and their families are being kept informed of progress.

Contract completion is being planned for the end of December. Colleagues from the Housing and Property Service (HAPS) have established the additional costs associated with the extended contract period and these are reflected in the figures below. Figures will be updated for future committees as costs become clearer.

Phase 1	£000
Project cost after tender and enabling works	187
Final cost	270
Phase 2	£000
Project cost after tender	1,977
Estimated final cost	2,724
Estimated final cost - Phases 1 & 2 (including fees)	2,994

The overspend is as a result of an early delay because of bats, additional essential work being identified, the general difficulty of working in phases within an occupied building and the additional time required to complete the contract as a result. The final figure will be reported to Committee once it is confirmed.

3.3 **Ach an Eas**

Work is continuing to provide en-suite showers where possible and it now seems likely that about 50% of rooms will have one. An additional assisted shower will also be installed in one of the assisted bathrooms. A car park will be created once the contractor's compound has been removed at the end of the work.

Completion is now scheduled for the end of November, which should take account of any further delays as a result of bats. Colleagues from HAPS have established with the contractor the additional cost of the additional contract time and these are included below.

Staff, residents and their families are being kept informed of progress.

Expenditure on the two phases of work and projected costs to completion at Ach an Eas is shown below. Figures will be updated for future committees as costs become clearer.

Phase 1	£000
Project cost after tender and enabling works	285
Total	361
Phase 2	£000
Project cost after tender	1,088
Estimated final cost	1,330
Estimated final cost - Phases 1 & 2 (including fees)	1,691

The overspend is as a result of additional essential work being identified, working around the residents bats, the general difficulty of working in phases within an occupied building, and the additional time required to complete the contract as a result. The final figure will be reported to Committee once it is confirmed.

3.4 **New Children's Unit, Caithness**

The tender lowest tender received for this contract was £1,379,471 and the successful contractor was McGregor Construction Ltd., who started work on site in early August. Completion is due at the end of June 2014

4 Fire Safety, Asset Improvement and Other Health & Safety Capital Items.

- 4.1 At its meeting on 27th June, Highland Council agreed an investment of £1m per year for Adult Services. This will cover a range of requirements. Discussions are being held with NHS Highland colleagues regarding how this money should best be used.

4.2 Essential health and safety items for other Health and Social Care services will continue to be the subject of discussion with colleagues in HAPS.

4.3 HAPS are involved in the following projects:

Unit	Project	Status
Care Homes, Day Centres and other premises.	Fire safety work.	Work is in various stages of progress at a number of sites.
The Wade Centre, Kingussie.	Improvement to toilet and sluice facilities.	Work due to finish in June 2010.
Dalneigh Family Resource Centre, Inverness.	Create informal meeting and play area.	Out to tender.
Thor House, Thurso	To separate children's respite unit from adult day care service. Provide staff bedroom.	Feasibility study progressing.
The Mackintosh Centre, Mallaig	Improve assisted bathing facilities	Out to tender.

5. Implications arising from the Report

5.1 Resource Implications

Resource implications are set out in the report. All refurbishment works consider energy saving and improving insulation of buildings.

5.2 Legal Implications

There are no legal implications.

5.3 Equality Implications

There are no equality implications.

5.4 Climate Change Implications

There are no climate change implications.

5.5 Risk Implications

There are risks in ensuring that buildings meet all fire regulations and that work is carried out within a short timescale.

Recommendations

Members are asked to approve the report and the budgetary position.

Bill Alexander
Director of Health & Social Care

Date: 9 August 2013

Author/Reference: Fiona Palin, Head of Social Care

HEALTH & SOCIAL CARE CAPITAL MONITORING REPORT						Appendix 1
March 2013						
	BUDGET			ACTUAL		VARIANCE
	A	B	C	D	E	F
Project Description	Gross Expenditure £(000)	Income £(000)	Net Expenditure £(000)	Net Expenditure to date £(000)	Net Estimated Outturn £(000)	Col. E minus Col. C £(000)
Children's Services						
Residential unit, Caithness, Sutherland & East Ross	239		239	141	141	(98)
Children's Unit, Dingwall	11		11	7	7	(4)
Residential Unit Leault at Abriachan	0		0	3	3	3
Fostering Adaptations	7		7	3	3	(4)
Total for Childrens Services	257		257	154	154	(103)
Older People						
Dornie Development	7		7	8	8	1
An Acarsaid - roof	46		46	46	46	-
Care of the Elderly Investment - Ach An Eas	781		781	516	516	(265)
Care of the Elderly Investment - Duthac House	0		0	39	39	39
Care of the Elderly Investment - Grant House	935		935	888	888	(47)
Care of the Elderly Investment - Invermevis House	1,723		1,723	926	926	(797)
Care of the Elderly Investment - Urray House				2	2	2
Total for Older People	3,492		3,492	2,425	2,425	(1,067)
OVERALL TOTAL	3,749		3,749	2,579	2,579	(1,170)

HEALTH & SOCIAL CARE CAPITAL MONITORING REPORT						Appendix 2
June 2013						
	BUDGET			ACTUAL		VARIANCE
	A	B	C	D	E	F
Project Description	Gross Expenditure £(000)	Income £(000)	Net Expenditure £(000)	Net Expenditure to date £(000)	Net Estimated Outturn £(000)	Col. E minus Col. C £(000)
Children's Services						
Residential unit, Caithness, Sutherland & East Ross	704		704	0	704	-
Fostering Adaptations	4		4	2	4	-
Childrens Services (HSC) Investment	100		100	0	100	-
Avoiding out of area Children's Placements	80		80	0	80	-
Total for Childrens Services	888		888	2	888	-
Older People						
Care of the Elderly Investment - Ach An Eas	626		626	137	626	-
Care of the Elderly Investment - Duthac House	3		3	1	3	-
Care of the Elderly Investment - Grant House	28		28	1	28	-
Care of the Elderly Investment - Invernevis House	1,369		1,369	239	1,369	-
Adult Services (NHS) (Baseline Bid)	1,000		1,000		1,000	-
Total for Older People	3,026		3,026	378	3,026	-
OVERALL TOTAL	3,914		3,914	380	3,914	-