

## **General Services Capital Plan 2019/20 Quarter 3 Monitoring, and 2020/21 to 2023/24 Budgets**

**Report by Gary Fairley, Chief Officer, Corporate Solutions**

### **1 Purpose of Report**

The purpose of this report is to provide Council with:-

- An update of the General Services Capital Plan incorporating information on further additions to the Capital Plan for approval (Section 2);
- Information on the projected performance against budget for 2019/20 (Section 3);
- Forecast expenditure and income for the General Services Capital Plan for 2019/20 through to 2023/24 (Section 4)
- Update on the capital fund (Section 5).

### **2 Update of General Services Capital Plan**

#### **2.1 Approved Projects**

Since the previous report to Council on 12 November 2019, the following projects have received approval by Council for inclusion in the General Services Capital Plan.

#### **Council 1 October 2019**

- **A701 High School:-** Construction of new High School at the A701 site as a replacement for the existing Beeslack High School Establishment of initial capital expenditure budget of £0.500 million to facilitate the development of this priority project, funded initially from a combination of Prudential Borrowing and already collected developer contributions. Funding from Scottish Government through SFT with funding model still to be fully developed.

#### **Council 17 December 2019**

- **Low Emission Zone: Edinburgh & Midlothian:** Various Low Emission Zone mitigation measures including the upgrading of bus shelters on radial routes in Edinburgh, installation of rapid electrical charging equipment at Sheriffhall Park, the purchase of electric pool cars and the provision of a toucan crossing on the A6106 Old Dalkeith Road included a widened footpath. Capital expenditure budget of £0.813 million fully funded by Scottish Government grant.

## 2.2 Projects presented at today's Council meeting for approval

The following projects, or amendment to existing project budgets, are being presented to Council on today's agenda for approval in the General Services Capital Plan:-

- **Learning Estate Strategy:** Inclusion in the Plan for the following projects, *in principle*, with approval to proceed for each project being subject to a detailed report on each project being presented to the Capital Plan and Asset Management Board using the Gateway Review approach (which would also require being subsequently presented to Council for approval):-

Facility	Nature of Works	Capital Expenditure Budget £000's	Funding £000's	Phasing Of Expenditure
Kippielaw Primary School	New 2 stream (15 class) primary school	14,756	9,398*	2022/23-2024/25
Hopefield Farm 2 Primary School	New 2-stream (15 class) primary school on the Hs12 site	13,469	13,470*	2022/23-2024/25
Mauricewood Primary School	Refurbishment of existing school and extension to 3 stream (22 class) primary school	9,923	6,667*	2020/21-2024/25
King's Park Primary School	Refurbishment of existing school and extension to 3 stream (22 class) primary school	7,449	0	2020/21-2022/23
Rosewell Primary School	Extension to 2 stream (15 class) primary school	7,647	7,111*	2022/23-2024/25
Newtongrange Primary School	Refurbishment of existing school and extension to 2 stream (15 class) primary school	2,581	2,119*	2021/22-2022/23
St. David's Primary School	4 classroom extension	1,639	1,153* 389**	2020/21-2021/22
Penicuik High School	Complex Needs to be established in the community wing at Penicuik High School	250	0	2020/21
Burnbrae Primary School	Internal refurbishments: convert nursery to General Purpose space	67	0	2020/21
<b>Total</b>		<b>57,779</b>	<b>40,308</b>	

\* Developer Contribution Funding

\*\* Early Years Funding

## 2.3 Projects Presented for Inclusion in the Plan

The following new projects are being presented for inclusion in the General Services Capital Plan:-

- **Roslin Wheeled Sports Facility:** A wheeled sports facility in Roslin Park which can be used by mountain bikes, scooters and skateboards and will have access for wheelchair users. Capital expenditure budget of £0.060 million approved by Capital Plan and Asset Management Board on 19 November 2019, funded £0.049 million by already collected developer contributions and £0.011 million of community fundraising.

## 2.4 Adjustments to existing project budgets

The following adjustments to existing project expenditure and income budgets are being presented for inclusion in the General Services Capital Plan:-

- **Digital Services Projects:** Following review of the contractual arrangements for Microsoft Office, Mosaic & Idox, it has been identified that the full solution for each of these needs to be classified as revenue expenditure, resulting in the following capital expenditure budgets requiring to be removed from the capital plan:-

Software/solution	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's
Microsoft Office	308	308	308	308
Idox	73	0	0	0
Mosaic	105	0	0	0
<b>Total</b>	<b>486</b>	<b>308</b>	<b>308</b>	<b>308</b>

Software/solution	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's
Front Office – Hardware, Software & Services	280	280	280	280
Back Office – Hardware, Software & Services	185	28	28	28
Business Applications	21	0	0	0
<b>Total</b>	<b>486</b>	<b>308</b>	<b>308</b>	<b>308</b>

- **OPAS:** Following receipt of the tenders for the project, the entire solution is classified as revenue expenditure and as such the existing £0.228 million capital expenditure budget (phased £0.057 million in 2019/20 and £0.171 million in 2020/21) requires to be removed from the Capital Plan;
- **Penicuik THI:** Additional expenditure budget of £0.106 million phased in 2020/21 for the Stonework & Roof element of the Penicuik Town Hall Penicuik THI Priority Project, fully funded by £0.106 million of National Heritage Lottery Fund and Historic Environment Scotland funding, complementing the Scottish Government Town Centre Capital Fund money secured for the project.

### 3 2019/20 Projection against budget

#### 3.1 2019/20 Budget

The 2019/20 capital plan budget of £43.254 million, has been rephased to £38.002 million (a decrease of £5.252 million) to account for updated expenditure profiles provided in the period, as shown in the table below:-

*Table 2: Rephasing of project expenditure budgets*

<b>Project</b>	<b>Description of amendment to budget</b>	<b>Previous 2019/20 Budget £000's</b>	<b>Revised 2019/20 Budget £000's</b>	<b>2019/20 Budget Movement £000's</b>
<b>Shawfair Town Centre Land Purchase</b>	Based on current agreed Heads of Terms with Shawfair LLP which now includes staged payments in 2019/20, 2020/21 and 2021/22 (fully funded through back-to-back agreement with Shawfair LLP)	2,653	150	-2,503
<b>Woodburn Primary School</b>	Placement of pupils at neighbouring schools has facilitated the required opening date for the new Woodburn Primary School to be delayed to August 2020	2,200	500	-1,700
<b>Early Years Grant Funded Projects</b>	Rephased to reflect revised project delivery timescales and amendments to plan for expansion of capacity in light of updated information on individual settings' potential and parental choice	1,950	442	-1,508
<b>Property Upgrades</b>	Unable to progress number of projects due to lack of resource	1,171	645	-526
<b>Town Centre Regeneration Fund</b>	Work has commenced on all projects with all work expected to be complete over the forthcoming 6-9 month period which will result in expenditure being incurred in 2020/21, which will still meet the deadlines set by Scottish Government	910	455	-455
<b>Lasswade High School Expansion</b>	Difficulty in finding an acceptable location for the special needs provision has resulted in delay to commencement of project	189	0	-189
<b>Saltersgate Playground Alterations</b>	Works now due to start in April 2020	126	0	-126
<b>Burnbrae Extension, St. David's &amp; Mayfield</b>	Projects progressing quicker than expected	553	794	+241
<b>Rosewell Development Trust</b>	Construction progressing on site with no delays, and expected completion in April 2020. Remainder of Council grant funding will be released in 2019/20	1,064	1,385	+321
<b>Danderhall hub</b>	Progress with construction continues to perform ahead of planning assumption	5,186	6,367	+1,181
<b>Others</b>	Minor variances	2,952	2,962	+10
<b>Total</b>		<b>18,954</b>	<b>13,702</b>	<b>-5,252</b>

In line with this, the expected level of funding available to finance the plan has also been rephased and totals £23.900 million, a decrease of £4.281 million.

This reduces the projected in-year borrowing requirement from £15.073 million to £14.102 million. The projected performance against budget for 2019/20 is shown in table 3 below:-

**Table 3: General Services Capital Plan Projected Performance against Budget 2019/20 – as at Quarter 3**

Item	2019/20 Budget £000's	2019/20 Rephased Budget £000's	Actual To 08/12/19 £000's	2019/20 Projected Outturn £000's	2019/20 Variance £000's	2019/20 Carry Forward £000's
<b>Expenditure</b>	43,254	38,002	18,865	37,642	-360	-5,252
<b>Funding</b>	28,181	23,900	12,445	23,900	0	-4,281
<b>Borrowing Required</b>	<b>15,073</b>	<b>14,102</b>	<b>6,420</b>	<b>13,742</b>	<b>-360</b>	

### 3.2 Expenditure

Expenditure to 08 December 2019 is £18.865 million with a projected expenditure outturn of £37.642 million, an underspend of £0.360 million against the revised budget of £38.002 million.

At this stage it is anticipated that budgets for the projects detailed in Appendix 2 will be fully spent in the current year other than for the following:-

- **Loanhead hub:** Release of £0.321 million of project contingencies. Final retention payment to be made and final account expected to be closed off prior to 31 March 2020, with any remaining contingencies returned at that point;
- **Gorebridge Development Trust:** Final retention payment made by the Trust to the Contractor, resulting in a final account with a project underspend of £0.037 million against Council's funding share of £1.077 million;
- **Arniston Park Synthetic Pitch:** Project now complete with a £0.002 million saving against £0.045 million budget

### 3.3 Funding

The funding available to finance the Capital Plan in 2019/20 is expected to total £23.900 million, in line with the revised budget of £23.900 million. Funding of £12.445 million has been received to 08 December 2019.

### 3.4 Borrowing

The budgeted level of borrowing for 2019/20 is £13.742 million. Based on the forecast expenditure and funding levels as noted above, the revised estimate of the level of borrowing required for 2019/20 is in line with budget at £13.742 million. The impact on the Council's borrowing

costs is reflected in the Financial Monitoring 2019/20 General Fund Revenue report elsewhere on today's agenda.

## **4 Capital Plan 2020/21 to 2023/24**

### **4.1 Rephasing**

In addition to the rephasing of project expenditure and funding from 2019/20 to/from 2020/21 as reported in Section 3, expenditure and income forecasts covering the remainder of the period of the plan have been rephased to reflect the most recent information available from project managers and service leads. These expenditure and income forecasts are the budgets that project managers and service leads are working towards as targets.

However, it has been observed for a number of years that “rephasing” occurs beyond even these forecasts due to a variety of issues including but not limited to supply chain pressures, issues arising during the consultation process, and internal capacity issues. To address this, any new project that is proposed to be included in the General Services Capital Plan that is over £1 million in expenditure must first complete a Gateway Review report to the Capital Plan & Asset Management Board. A note of the Gateway Review requirements are included in Appendix 3. The Gateway Review process will allow the Capital Plan & Asset Management Board to scrutinise both the project budget and programme, from the very outset of each project's life, and will help mitigate against the rephasing seen across the General Services Capital Plan in previous years. In addition to an initial Gateway Review report, Project Managers will be required to carry out a Gateway Review at each of the key milestones in their project's life, to ensure that the project scope, budget and programme forecasts remain accurate.

In advance of this process becoming fully embedded in the General Services Capital Plan budget setting, high level planning assumptions have been included for all projects where total expenditure for that project exceeds £1 million. This has considered, for each project in turn, the current progress of the project, the current in-house and external capacity to deliver projects, expected delays, and estimates of other delays that may occur such as those that arise during the consultation process. These assumptions are reflected in the expected profile of expenditure for each project as outlined in Appendix 2.

It should be noted that Service Leads and Project Managers will still be monitoring their project expenditure budgets against the original budgeted expenditure forecasts they have provided. This information will be used to assist in-year and future year rephasing of project expenditure during quarterly General Services Capital Plan monitoring, outturn and future year budget setting reports.

## 4.2 Expenditure

In addition to the inclusion of new projects listed in sections 2.1-2.3, the adjustments to project budgets listed in section 2.4, and the rephrasing of project expenditure as noted in section 3.1 and 4.1, the plan has also been extended by one year to cover the financial year 2023/24, with project expenditure budgets and asset management plan budgets updated accordingly. Expenditure budgets of £33.571 million in 2023/24 have been added to the plan, including the following additions to the Council's core asset management plans:-

<b>Asset Management Strand</b>	<b>2023/24 Budget £000's</b>
Digital Services	2,000
Business Applications	300
Street Lighting/Traffic Signals	1,000
Road Upgrades	1,500
Footways & Footpaths	500
Property Upgrades	1,000
Assistive Technology	150
<b>Total</b>	<b>6,450</b>

The forecast level of expenditure over the life of the plan therefore totals £241.312 million.

## 4.3 Funding

The planning assumption for the level of General Capital Grant funding from the Scottish Government over the period 2020/21 to 2023/24 is that the grant will be cash flat at 2019/20 levels, equating to £8.836 million per annum. The exact level of General Capital Grant funding for 2020/21 will not be known until the Local Authority share of the Scottish Government Budget is published on 6 February 2020.

The funding of the plan has also been extended by one year to cover the financial year 2023/24, with income budgets updated accordingly. Income budgets of £13.568 million in 2023/24 have been added to the plan.

Overall, the funding available to finance the planned expenditure therefore totals £131.540 million. A more detailed breakdown is shown in Appendix 1.

## 4.4 Borrowing

As a result of these revised expenditure and funding forecasts, the forecast level of borrowing over the period 2019/20 to 2023/24 is £109.772 million.

**Table 4: General Services Capital Plan 2019/20 to 2023/24**

<b>Item</b>	<b>2019/20 Budget</b>	<b>2020/21 Budget</b>	<b>2021/22 Budget</b>	<b>2022/23 Budget</b>	<b>2023/24 Budget</b>	<b>Total Budget</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>Expenditure</b>	37,642	63,765	62,397	43,936	33,571	<b>241,312</b>
<b>Funding</b>	23,900	41,790	37,774	14,508	13,568	<b>131,540</b>
<b>Borrowing Required</b>	<b>13,742</b>	<b>21,975</b>	<b>24,624</b>	<b>29,428</b>	<b>20,003</b>	<b>109,772</b>

## **5. Capital Fund**

The Capital Fund at the start of the 2019/20 financial year was £20.168 million. £2.437 million of this is earmarked to fund the new Hopefield Primary project in 2019/20 (utilising the insurance receipt), with a further £7.694 million currently earmarked to fund City Deal projects

£9.513 million of receipts from sales are expected to be transferred into the capital fund across the period 2019/20 to 2023/24.

In addition to the use of the remainder of the Capital Fund balance to support investment identified in the Capital Plan, consideration will also be given to the Capital Receipts Flexibility Scheme to use Capital Receipts to fund severance costs associated with service redesign.

## **6. Report Implications**

### **6.1 Resource**

The borrowing required to finance the planned investment in 2019/20 to 2023/24 is currently £109.772 million and is reflected in the medium term financial strategy.

### **6.2 Risk**

The inherent risk in the Capital Plan is that projects will cost more than estimated thus resulting in additional borrowing. The monitoring procedures ensure that significant variations are reported at an early stage so that remedial action can be taken to mitigate this risk.

An additional risk is the timing of capital expenditure being delayed and the failure to deliver new assets and infrastructure on time. In addition, overly aggressive projections of expenditure being incurred may lead to borrowing being taken in advance of need. The rephasing assumptions outlined in Section 4.1 have been included in the plan to reflect a more realistic assessment of the timing of capital expenditure, based on historic evidence, and therefore mitigate the potential for borrowing to be taken in advance of need.



In developing the strategy and taking cognisance of the longer term affordability gap it is clear that a number of potential projects which are currently included will only be able to be progressed if they can be delivered on a spend to save basis (i.e. where income or cost savings more than offset the cost of funding the investment) or where they can be delivered on a cost neutral basis. In addition it will be challenging to progress potential additional projects such as Dalkeith town centre redevelopment and master planning proposals for Newtongrange and Stobhill unless these are on a spend to save basis.

### **6.3 Single Midlothian Plan and Business Transformation**

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☐ Getting it right for every Midlothian child
- ☐ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☐ Business transformation and Best Value
- ☐ None of the above

### **6.4 Impact on Performance and Outcome**

There are no issues arising directly from this report.

### **6.5 Adopting a Preventative Approach**

There are no issues arising directly from this report

### **6.6 Involving Communities and Other Stakeholders**

No external consultation has taken place on this report.

### **6.7 Ensuring Equalities**

There are no equalities issues arising directly from this report.

### **6.8 Supporting Sustainable Development**

There are no sustainability issues arising directly from this report.

### **6.9 Digital Services Issues**

There are no Digital Services implications arising from this report.

## 7 Recommendations

Council is asked to:

- a) Approve the addition of the projects listed in Section 2.1 to be added to the General Services Capital Plan: (a) A701 High School and (b) Low Emission Zone: Edinburgh & Midlothian
- b) Approve the addition of the nine Learning Estate Strategy projects totalling £57.779 million of capital expenditure listed in Section 2.2 to be added to the General Services Capital Plan in principle, with each to be subject to a Gateway Review report to be presented to Capital Plan & Asset Management Board in order to receive a recommendation for full approval in the General Services Capital Plan;
- c) Approve the inclusion of the Roslin Wheeled Sports Facility as outlined in Section 2.3 to be added to the General Services Capital Plan;
- d) Approve the adjustment to the digital and customer service led project budgets and the Penicuik THI project budget as outlined in Section 2.4;
- e) Approve the revised expenditure and funding levels in the General Services Capital Plan 2019/20 to 2023/24 (as shown in appendices 1 and 2).

**Date 28 January 2020**

**Report Contact:**

Name Gary Thomson

Tel No 0131 271 3230

[gary.thomson@midlothian.gov.uk](mailto:gary.thomson@midlothian.gov.uk)

**Background Papers:**

Appendix 1 – Summary General Services Capital Plan 2019/20 to 2023/24

Appendix 2 – Detailed General Services Capital Plan Expenditure 2019/20 to 2023/24

Appendix 3 – Gateway Review Requirements for all capital projects over £1 million

## Appendix 1: Summary General Services Capital Plan 2019/20 to 2023/24

<b>GENERAL SERVICES CAPITAL PLAN</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Total</b>
<b>2019/20 to 2023/24</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'001</b>	<b>£'000</b>
<b>EXPENDITURE</b>						
Resources	9,643	22,158	22,429	23,017	11,585	<b>88,832</b>
Education, Community & Economy	26,784	36,173	23,676	15,448	22,766	<b>124,848</b>
Health & Social Care	1,213	1,214	7,473	1,724	318	<b>11,941</b>
Council Transformation	2	5,161	10,414	5,308	0	<b>20,884</b>
Provision for return of contingencies	0	-941	-1,594	-1,560	-1,098	<b>-5,194</b>
<b>Total Approved Expenditure</b>	<b>37,642</b>	<b>63,765</b>	<b>62,397</b>	<b>43,936</b>	<b>33,571</b>	<b>241,312</b>
<b>FUNDING</b>						
Government Grants - General Capital Grant	11,105	8,957	8,957	8,957	8,957	<b>46,933</b>
Government Grants - Early Years	2,560	6,799	7,004	466	0	<b>16,828</b>
Government Grants - Others	1,695	1,415	0	0	0	<b>3,109</b>
Schools for the Future Funding Rounds	0	0	0	0	0	<b>0</b>
City Deal Funding (Scottish Government)	0	5,126	5,774	0	0	<b>10,900</b>
City Deal Funding (Capital Fund)	0	0	7,694	0	0	<b>7,694</b>
Receipts from Sales	2,758	2,305	4,450	0	0	<b>9,513</b>
Receipts from Sales transferred to Capital Fund	-2,758	-2,305	-4,450	0	0	<b>-9,513</b>
Transfer from Capital Fund to Capital Plan	2,437	2,000	3,000	2,000	0	<b>9,437</b>
Land Transfers from HRA Applied to Capital Plan	0	2,120	0	0	0	<b>2,120</b>
Developer Contributions - GSCP Committed	5,904	4,581	1,942	814	2,186	<b>15,427</b>
Developer Contributions - LES New	0	7,165	2,978	1,846	2,000	<b>13,988</b>
Developer Contributions - A701/702	0	425	425	425	425	<b>1,700</b>
Developer Contributions - Other Projects	0	0	0	0	0	<b>0</b>
Other Contributions	199	3,203	0	0	0	<b>3,402</b>
<b>Total Available Funding</b>	<b>23,900</b>	<b>41,790</b>	<b>37,774</b>	<b>14,508</b>	<b>13,568</b>	<b>131,540</b>
<b>Approved Borrowing Required</b>	<b>13,742</b>	<b>21,975</b>	<b>24,624</b>	<b>29,428</b>	<b>20,003</b>	<b>109,772</b>

## Appendix 2

### Detailed General Services Capital Plan Expenditure 2019/20 to 2023/24

GENERAL SERVICES CAPITAL PLAN 2019/20 to 2023/24	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	Total Spend £'000
<b>RESOURCES</b>						
<b>Finance &amp; Integrated Service Support</b>						
Newbattle Centre of Excellence	479	43	-	-	-	521
Business Applications	192	82	39	8	333	654
DS Corporate Solutions	105	274	321	254	333	1,289
Front Office - Hardware, Software & Services	116	357	381	155	333	1,343
Back Office - Hardware, Software & Services	16	485	549	840	333	2,224
Network, Software & Services	252	377	449	238	333	1,649
Schools - Hardware, Software & Services	236	896	877	1,008	333	3,350
Online Payments & Services	-	-	-	-	-	-
F&ISS Transactions	6	-	-	-	-	6
Civica Automation	55	-	-	-	-	55
<b>Commercial Operations</b>						
Street Lighting Upgrades	1,464	1,000	1,000	-	-	3,464
Street Lighting and Traffic Signal Upgrades - New	-	-	-	1,186	1,000	2,186
Footway & Footpath Network Upgrades	456	500	500	-	-	1,456
Footway & Footpath Asset Management Plan - New	-	-	-	913	500	1,413
Road Upgrades	1,554	1,500	1,500	-	-	4,554
Roads Asset Management Plan - New	-	-	-	2,443	1,500	3,943
Roads Asset Management Plan - Temple Ground Stabi	-	309	-	-	-	309
B6372 Ariston Embankment Stabilisation	-	-	-	593	-	593
Zero Waste Capital Contribution	-	7,380	-	-	-	7,380
Cycling, Walking & Safer Streets Projects	172	98	108	204	120	702
Ironmills Park Steps	-	7	-	-	-	7
New recycling facility - Penicuik	0	-	-	-	-	0
Vehicle & Plant Replacement Programme	1,980	1,866	1,876	1,639	1,414	8,775
Outdoor Play Equipment - Rosewell	-	46	-	-	-	46
Outdoor Play Equipment - Gorebridge	2	38	-	-	-	40
Roslin Wheeled Sports Facility	-	60	-	-	-	60
Mauricewood Bing Cycling and Walking Path	4	4	-	-	-	8
Mauricewood Road Bus Shelter	13	-	-	-	-	13
Riverside Park Paths & Woodland	-	30	-	-	-	30
Birkenside Grass Pitch Drainage	-	12	18	-	-	30
Open Spaces - Midlothian Wide Play Areas	-	-	-	338	-	338
Low Emission Zone Edinburgh & Midlothian	407	407	-	-	-	813
<b>Property &amp; Facilities Management</b>						
Stobhill Depot Upgrade	0	-	-	568	-	568
New Depot: EWiM Phase III	100	370	4,000	4,000	1,014	9,484
Property Upgrades	645	1,000	1,000	-	-	2,645
Property Asset Management Plan - New General	-	-	-	593	500	1,093
Property Asset Management Plan - New Carbon Reduc	-	-	-	593	500	1,093
Property - Poltonhall Astro & Training Area Resurfacing	-	-	464	-	-	464
Property - Penicuik Astro Resurfacing	62	247	-	-	-	309
Property - King's Park Tennis Courts Resurfacing	-	-	82	-	-	82
Property - Penicuik Centre Flooring, Cardio & Equipme	-	-	155	23	23	200
Property - Lasswade Centre Flooring	-	-	33	64	115	212
Property - Gorebridge Leisure Centre	-	-	7	41	67	115
Property - Loanhead Centre	-	-	-	2	144	145
Property - Shawfair Leisure/Library Provision	-	-	-	2,411	2,411	4,822
Shawfair Town Centre Land Purchase	150	3,050	2,115	-	-	5,315
Purchase of 49 Abbey Road, Dalkeith	6	6	-	-	-	12
Hillend Preparatory Works	81	-	-	-	-	81
Destination Hillend	656	1,000	6,956	4,903	278	13,793
32-38 Buccleuch Street Ground Floor Redevelopment	175	175	-	-	-	351
Leisure Management System (Legend)	20	-	-	-	-	20
Cashless Catering	68	68	-	-	-	135
Non-Domestic Energy Efficiency Projects	172	172	-	-	-	344
Demolition of Danderhall Primary	-	300	-	-	-	300
<b>TOTAL RESOURCES</b>	<b>9,643</b>	<b>22,158</b>	<b>22,429</b>	<b>23,017</b>	<b>11,585</b>	<b>88,832</b>

Those projects shaded are included in the Capital Plan "in principle" and require a report to Capital Plan & Asset Management Board and/or Council in order to achieve full adoption in the General Services Capital Plan

Those projects shaded are included in the Capital Plan "in principle" and require a report to Capital Plan & Asset Management Board and/or Council in order to achieve full adoption in the General Services Capital Plan



### **Appendix 3: Gateway Review Requirements for all Capital Projects over £1 million**

- **Detailed programme/timeline to be provided:-**
  - Listing key milestones (design/consultation/planning (all stages)/tender/construction);
  - Include lead-in times;
  - Include contingencies/delays/time-led optimism bias where appropriate;
  - All interdependencies to be listed (*use Highbank & link to St. Mary's / Hopefield as example*);
  - Vacant site planning – engagement with Elected Members.
- **Detailed cost plan to be provided:-**
  - Confirmation that scope of project has been signed off by client;
  - Detailed information regarding the proposed GIFA/area of new facility (benchmarked?) and rate/m2 (benchmarked?);
  - Elemental breakdown of capital expenditure based on standard RICS cost plan – to RIBA Stage 3/4;
  - Confirmation of approach to contingency/risk and optimism bias where applicable;
  - Inflation assumptions used/applied;
  - List of any exclusions and reasons for exclusions;
  - Link across to other Council services – Digital etc.
- **Options Appraisal:-**
  - If applicable, to Treasury Green Book standard;
  - Sensitivity analysis undertaken.
- **Procurement Route:-**
  - Detail of proposed approach to procurement route and confirmation of rationale for choosing preferred procurement route.
- **Budget Implications:-**
  - Capital expenditure budget requirements;
  - Realistic phasing of capital expenditure on a monthly basis based on programme;
  - Capital receipt forecasts & proposed approach to marketing/masterplanning site (where applicable) – linked to programme/timeline;
  - Annual revenue expenditure budget requirements including loan charges;
  - Any start up / one-off revenue resource requirements;
  - Confirmation of changes to staffing
  - Annual revenue income forecasts – benchmarked, and market testing information provided;
- **Risk:-**
  - Identify risks related to delivery of project;
- **Equality Assessment:-**
  - Required at early stage to ensure all issues flagged early in process