

Proposed Capital Amendment 2019/20

Committee Chairs

Date of meeting 23 March 2020

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Report by Assistant Chief Executive

1. Object of report

1.1 To seek approval for a proposed amendment to the 2019/20 capital programme.

2. Background

2.1 Table 1 below provides a summary of the 2019/20 capital programme position as approved by the Strategy & Programmes Committee on 7 February 2020.

Table 1: 2019/20 Capital programme position approved by the Strategy & Programmes Committee, 7 February 2020

Ref	Category	Subway Modernisa tion £000	General Capital £000	Total £000
1	Capital Programme 2019/20 as at 7 February 2020	43,639	21,914	65,553
2	Scottish Government general capital grant	1,189	21,911	23,100
3	Scottish Government specific capital grants	42,450	-	42,450
4	Other grants and contributions	-	3	3
5	Available capital funding 2019/20	43,639	21,914	65,553
6	Projected variance	-	-	-
7	Projected variance of general capital as a percentage of funding		0%	

3. Proposed amendments

3.1 At its meeting on 6 March 2020, the Partnership approved an award of contract to Airwave Solutions Ltd for the continuation of the Airwave Secure Communications Radio Service. This includes a one-off cost of up to £1,161,420 for the necessary infrastructure upgrades. At the time, it had been assumed that this cost would be funded entirely from the 2020/21 capital budget.

- 3.2 Subsequently, a milestone payment plan has been negotiated with the supplier which would include a payment of 30% on order in March 2020.
- 3.3 Additional funding of £350,000 is therefore requested in 2019/20 for Subway Operations project “Secure Mobile Operational Communications System (10552)” to facilitate this first milestone payment. The proposed total 2019/20 budget would be £450,000.
- 3.4 If the proposed amendment is approved by the Chairs Committee, then the impact on the 2019/20 programme will be as detailed in Table 2 below.

Table 2: 2019/20 Revised capital programme position, including proposed amendment

Ref	Category	Subway Modernisation £000	General Capital £000	Total £000
1	Capital Programme 2019/20 as at 7 February 2020	43,639	21,914	65,553
2	Proposed amendment	-	350	350
3	Revised 2019/20 capital programme	43,639	22,264	65,903
4	Available capital funding 2019/20 (as at Table 1)	43,639	21,914	65,553
5	Changes in general capital grant	-350	350	-
6	Changes in specific capital grant	350	-	350
7	Revised 2019/20 funding	43,639	22,264	65,903
8	Projected variance	-	-	-
9	Projected variance of general capital as a percentage of funding		0%	

4. Committee action

The Committee is recommended to:

- approve the proposed amendment to the 2019/20 capital programme for Subway Operations project “Secure Mobile Operational Communications System (10552)”, as outlined in the report.

5. Consequences

Policy consequences	<i>Dependent on particular scheme.</i>
Legal consequences	<i>None.</i>
Financial consequences	<i>Further work to quantify and manage risk, advance savings and re-phase existing projects is being undertaken to balance spend against budget.</i>
Personnel consequences	<i>None.</i>
Equalities consequences	<i>Dependent on particular scheme, each project will be reported on in terms of the social inclusion agenda.</i>
Risk consequences	<i>Risk will be quantified and closely monitored during the course of the financial year.</i>

Name Valerie Davidson

Name Gordon MacLennan

Title **Assistant Chief Executive**

Title **Chief Executive**

For further information on this report please contact Neil Wylie, Director of Finance, on 0141 333 3380.