

CAPITAL PLAN NOTES

1 Section 1 – Local Development Plan and other Council policies

- 1.1 Moray Growth Deal (MGD) – as approved for the Capital Plan 2018-2028 a notional amount of £5m per annum for 8 years is included in the Capital Plan. As MGD progresses details of projects and required Council contributions will be developed. No spend is currently included in the plan for 2019/20.
- 1.2 3G synthetic pitch in Forres - in accordance with the Council's policy on provision of pitches. Developer obligations have been taken for this proposed facility. No spend is included in the plan for 2019/20.
- 1.3 Cemetery provision in Moray – in accordance with the policy on provision of cemeteries approved by Economic Development and Infrastructure Services Committee on 4 December 2018.
- 1.4 New primary school at Findrassie – the Masterplan for Findrassie includes a new primary school.
- 1.5 Linkwood Primary School – currently under construction.
- 1.6 New primary school in south west Elgin – the requirement for a new school in south west Elgin is based on currently new build projections, metrics for estimates of children per new build house, and current policy on maximum school roll.
- 1.7 Elgin Transport Strategy – the draft plan does not include any expenditure for 2019 -2022 as no projects are yet developed in detail. However, it is anticipated that projects will be developed during that timeframe and brought forward individually to committee for consideration for approval.
- 1.8 Domestic and trade waste bins – for new housing developments and in response to economic development. An annual sum of £35,000.

2 Section 2 – Asset Management Planning

- 2.1 Bridges – planned bridge refurbishments based on condition surveys. The Engineering Consultancy section review planned works on a regular basis and individual projects are included following the assessment of a project mandate by the Asset Management Working Group. Projects planned for 2019/20 are: new Craigellachie Bridge on the A941 (this project has been split across 2 phases to curtail expenditure in 2019/20); Arthur's bridge (approved by Moray Council on 28 June 2018); Glenlivet Bridge on the B9136 (approved by Moray Council on 22 November 2017); and an allowance of £68,000 for remote footbridges.

- 2.2 Car parks – a programme of works over 4 years to replace waterproofing and expansion joints at multi-storey car parks. £228,000 expenditure is proposed in 2019/20.
- 2.3 Corporate expenditure – the main item is the vehicle and plant replacement programme, which is based on replacing items at the most economic point in their life-cycle, taking into account cost of maintenance and downtime. £3.7 million is proposed for 2019/20, including £1.2 million deferred in 2018/19 due to uncertainty about future operational budgets and to minimise expenditure in that year. Expenditure of £0.9 million on depot refurbishment is proposed, based on condition surveys. This will be targeted taking into account the Property Asset Management Appraisal approved by Council on 18 December 2018. The amount includes expenditure deferred in 2018/19. An annual allowance is made within the capital plan for replacement of office furniture (£10,000) and cleaning and catering equipment (£8,000). An additional allowance of £6,000 is made in 2019/20 for replacement of webcasting equipment within the council chamber. This is based on the expected life of the equipment and will not be used unless required.
- 2.4 Harbours – a programme of replacement of life-expired elements and upgrade has been developed for the council's 2 commercial and 4 leisure harbours, based on asset condition. Expenditure of £1.2 million is proposed for 2019/20 across 5 harbours.
- 2.5 ICT – the capital plan for 2019/20 includes provision of £0.2 million for the desktop and mobile devices replacement programme; £0.1 million for network infrastructure, including security measures in response to Public Sector Network (PSN) requirements, equipment for schools and the corporate network and telephone system upgrades in schools; £0.2 million servers infrastructure, which includes £0.1million deferred from 2018/19 following the adoption of a national server maintenance contract, which has extended the life of some servers; and £0.1 million for software upgrades in response to end of life notifications from suppliers and any risks highlighted in the annual PSN security check or internal risk assessment for the system. In addition to these rolling programmes £0.2million is included for telephony and £0.1 million for a Unix server replacement.
- 2.6 Industrial Estate – there is a rolling programme of refurbishment of industrial units and £0.2 million is included in the capital plan for 2019/20.
- 2.7 Libraries and leisure facilities – the capital plan includes an annual amount for replacement swimming equipment (£50,000) and replacement fixtures, fittings and furniture (£10,000). In addition to this a one-off sum of £0.3 million is proposed for the replacement of the Combined Heating and Power (CHP) unit at Moray Leisure Centre. This piece of equipment is life-expired and Moray Leisure Ltd is operating with the risk that they will have to purchase electricity at a considerably increased rate if the plant is not replaced. Replacement of the plant arises from an asset management requirement but will generate future savings to the council as the operating budget can be reduced when the risk of plant failure has been mitigated.

- 2.8 Parks and open spaces – an annual amount of £35,000 is included in the capital plan to allow for refurbishment of children's play areas. This sum is estimated to allow for one area to be refurbished each year.
- 2.9 Road Improvements – this covers budgetary provision of £2 million in 2019/20, reflecting the council's agreement to reduce the standard of Moray's roads to (check); £0.75million for drainage and other work, including £0.3 million deferred in 2018/19, and £0.3 million for footways. This represents a reduction of £0.1 million from previous capital plans. £0.25 million is also included for upgrading roads anticipated to carry heavy timber traffic as a result of timber felling.
- 2.10 Road safety – an annual budget of £37,000 is included for new road signs and markings.
- 2.11 Schools – an on-going programme to bring all schools to a standard of B for condition and B for suitability was jettisoned in favour of Make Do and Mend. In order to allow for a lead-in time to develop a refurbishment programme based on a current assessment of the requirements of the School Estate and up-to-date conditions surveys, the draft plan proposes a continuation of Make Do and Mend only in as much as a planned programme of refurbishment has not been developed. Development of the programme will take place within the context of the Improvement and Modernisation Programme. A sum of £3.2 million is included in the plan for 2019/20. The plan also includes £21 million for the new Lossiemouth High School and community facilities.
- 2.12 Street lighting – an annual amount of £0.6 million is included for replacement columns and lights.
- 2.13 Traffic – an annual amount of £7,000 is included for replacement traffic data collection equipment. The council has a duty to collect traffic data, and equipment requires to be replaced as it becomes life-expired.
- 2.14 Waste Management – the programme of capping cells and reinstatement will continue until the landfill site is closed and £0.65 million is included in the 2019/20 capital plan for this purpose. Scottish Government have advised that there will be no derogation of the landfill ban which is due to come into effect in 2021, and so no further cell construction is planned. The pattern of work is heavily weather dependent. One off budgets in 2019/20 are proposed: to upgrade the materials recovery facility (£0.1 million); a replacement baler for recyclable materials (£0.1 million) – this has the effect of keeping transport costs of recyclates to a minimum; replacement green waste shredder (£0.2 million) ; upgrade recycling centres (£0.3 million). The construction of a replacement recycling centre in Elgin is included with £0.5 million expenditure projected for 2019/20.

3 Section 3 – Legislative requirements

- 3.1 Building Health and Safety - an annual amount of £40,000 is included for work on corporate buildings arising from legionella inspections and Fire Risk Assessments (FRA). An annual amount of £25,000 is included for work at schools arising from FRAs and £15,000 for legionella works in schools. Recent FRAs in schools implied the need for additional work to be carried out above the annual provision and a sum of £140,000 is included for 2019/20.
- 3.2 Flood Risk Management and coastal protection – the residual approved budgets for Elgin and Findhorn and Pilmuir flood alleviation schemes are included in the ten year plan. Coastal protection studies / schemes at Portgordon and Lossiemouth Seatown are included in the Flood Risk Management Plan and are thus committed by statute. Construction of the proposed schemes will be dependent on the timing of grant funding being made available from Scottish Government.
- 3.3 Road safety – an annual amount of £61,000 is included for the provision of dropped kerbs and disabled parking spaces as identified from requests from members of the public. The criteria for providing disabled parking is set in the Disabled Persons' Parking Places (Scotland) Act 2009, which requires each application to be measured against those criteria and if met obligates the installation of a disabled parking bay. £136,000 is included in 2019/20 for the provision of traffic islands, pelican crossings and minor junction alterations to improve road safety. £30,000 of the budget is allocated to improving skid resistance. The Council has a statutory duty to improve road safety.
- 3.4 Waste Management – as mentioned in paragraph 2.14 local authorities will be unable to landfill biodegradable waste from 2021, which effectively means a ban on landfill. The Council has entered into a partnership with Aberdeen City and Aberdeenshire to construct an energy from waste plant in Aberdeen. Moray's share of that project in 2019/20 is expected to be £10 million and that sum is included in the capital plan. Provision of £2.3 million for an integrated waste facility at Moycroft, as approved by Moray Council on (date) is also included.

4 Section 4 – Improvement and Modernisation Programme and other efficiencies

- 4.1 The capital plan includes an annual amount of £15,000 to fund small scale energy efficiency projects.
- 4.2 The development of Digital Services is part of the I&M Programme and £75,000 is included in the capital plan for 2019/20 to compete the first tranche of development.
- 4.3 Funding of £0.2 million for the School ICT Strategy is included in 2019/20.

- 4.4 The programme of replacing SOX and SON street lighting units with LED units is planned to be completed in 2019/20 and a budget of £1.1 million is included for the final stages of this programme.
- 4.5 Moray Leisure Ltd has 2 dehumidifiers for use at the ice rink, one of which is leased at a cost of £1,500 per month. The other unit is leaking refrigerant and requires replacement. Two gas dehumidifiers could be purchased for £57,000. These would be more environmentally friendly and more efficient, with projected running costs £10,000 less than the current units. If the Council purchase these at an estimated annual loans charge of £5,000, there is an opportunity to make revenue savings of £28,000 pa from the operating grant for Moray Leisure Centre. Accordingly £57,000 is included in the draft capital plan.

5 Section 5 - Funded Government priorities

- 5.1 Scottish Government I provided significant funding for the expansion of Early Learning and Childcare and the grant funding awarded to Moray Council for 2019/20 is included in the capital plan, along with the balance of funding received in 2018/19 not expected to be spent in that year – a total of £4 million.
- 5.2 The only other specific capital grant which Moray Council receives from Scottish Government is for Cycling, Walking, Safer Streets and expenditure of the amount of grant awarded in 219/20 of £130,000 is included in the capital plan.

6 Section 6 – Other development

- 6.1 The Council has a long-standing programme of Industrial Estate development to support its priority of Economic Development. The capital plan for 2019/20 includes £0.25 million for land acquisition, £0.9 million for new units and £1.9 million for site servicing, all in Forres.

7 Section 7 – Responsive expenditure

- 7.1 Remedial works in Portknockie to ground affected by the landslip was approved by council and is included in the capital plan for 2019/20 at £1 million.
- 7.2 An annual amount of £0.1 million for provision of road safety barriers in response to assessed need is included in the capital plan.

8 Budget pressures

- 8.1 £300,000 has been included in the indicative capital plan for 2021/22 for a replacement pilot boat. An options appraisal will be developed and this item is included as a budget pressure but will not be considered for addition to the capital plan until the options appraisal exercise has been carried out.

