

RIBBLE VALLEY BOROUGH COUNCIL DECISION
REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No

meeting date: 26 JANUARY 2010
title: REVISED CAPITAL PROGRAMME 2009/10 AND PROPOSED PROGRAMME 2010/15
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To approve the revised programme for the current year and also the future five-year capital programme for this committee.

2 BACKGROUND

- 2.1 This report will review the following:

- i) The current year's programme.
- ii) Draft programme of schemes to be carried out in the following five years (2010/11 to 2014/15).

3 ORIGINAL PROGRAMME 2009/10 – CURRENT FINANCIAL YEAR

- 3.1 The original capital programme for the current year included one new scheme for £10,000.
- 3.2 Unfinished schemes from 2008/09 totalled £1,610,320 and included the proposed joint scheme for the Roefield extension and changing rooms. This total was added to the original programme and is shown in Annex 1 as slippage.

4 REVISING THE CURRENT YEAR'S PROGRAMME

- 4.1 We have now discussed in some detail each scheme in the programme with budget holders and revised the programme to reflect likely expenditure this year. This is shown in Annex 1, alongside the original estimate.
- 4.2 As members will be aware, a joint decision was made with Roefield Leisure Centre in December, as a result of escalating costs, to no longer continue with the Roefield extension and changing rooms scheme. However, the Council intends to refurbish the football changing rooms at Edisford and hopes this will be complete by the start of the next football season.
- 4.3 Therefore, shown at Annex 1 under additional approvals, members will see that the joint Roefield scheme has been reduced and now represents the abortive costs of the scheme. Additionally, there is now a scheme for the Council's Edisford football changing rooms together with the budget that was first assigned for this purpose.
- 4.3 Updated capital evaluation forms completed by the responsible officers for all these schemes were reported to committees in the previous cycle.

4.4 In summary, the revised programme is:

Total Approved Budget £	Revised Estimate for Current Year £	Expenditure to Date £
456,130	442,130	198,170

5 DRAFT PROGRAMME 2010/11 TO 2014/15

5.1 Officers have been asked to update the current 5 year programme and submit any new schemes for consideration. The attached booklet shows the schemes for this Committee in detail and how each particular scheme links to the Council's ambitions.

5.2 It should be noted that this is a possible programme that will require further consideration by the Budget Working Group and this Committee in order to make sure that it is affordable, both in capital and revenue terms.

5.3 Members should therefore consider the forward programme as attached and put forward any amendments you may wish to make at this stage.

5.4 A summary of the five-year programme for Policy and Finance Committee is shown below:

2010/11 £	2011/12 £	2012/13 £	2013/14 £	2014/15 £	Total £
64,000	40,000	20,000	42,750	20,000	186,750

6 RECOMMENDED THAT COMMITTEE

6.1 Approve the revised capital programme for 2009/10 as set out in Annex 1.

6.2 Consider the future five-year programme for 2010/11 to 2014/15 as attached and agree any amendments you wish to make.

FINANCIAL SERVICES MANAGER

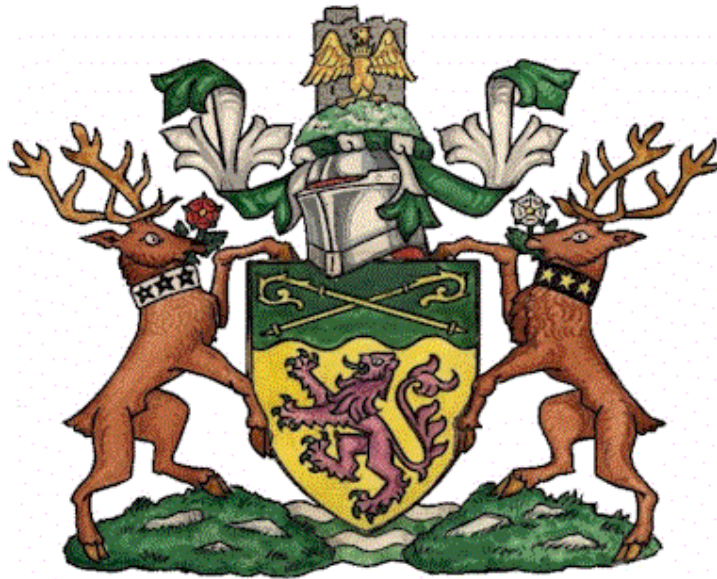
PF1-10/LO/AC
14 January 2010

**POLICY AND FINANCE COMMITTEE
REVISED CAPITAL PROGRAMME 2009/10**

Cost Centre	Schemes	Budget Analysis					Expenditure Analysis
		Original Estimate 2009/10 £	Slippage £	Additional Approvals £	Total Approved Budget £	Revised Estimate 2009/10 £	Actual and Commitments to date £
CIVLF	Civic Suite - Energy Efficiency Replace Light Fittings		10,300		10,300	10,300	10,271
EGIIV	E Government Initiative		23,140		23,140	10,360	9,463
OFCEI	Council Offices - Energy Efficiency		21,710		21,710	21,710	13,139
PCIDS	PCI DSS Card Security - Hosted Solution			25,000	25,000	23,780	23,847
REVRS	Replacement Server for Revenues and Benefits			17,980	17,980	17,980	17,979
ROEEX	Roefield Extension & Changing Rooms		1,547,170	-1,422,170	125,000	125,000	106,117
EDFCR	Football Changing Rooms Refurbishment			215,000	215,000	215,000	0
SERVB	Computer Servers and Bulk Printer Replacement	10,000	8,000		18,000	18,000	17,354
	Total Policy and Finance Committee	10,000	1,610,320	-1,164,190	456,130	442,130	198,170

RIBBLE VALLEY BOROUGH COUNCIL

POLICY AND FINANCE COMMITTEE SCHEMES



**DRAFT FIVE YEAR CAPITAL PROGRAMME
2010/11 TO 2014/15**

**NEW SCHEMES AS PROPOSED BY
SERVICE MANAGERS**

December 2009

DRAFT FIVE-YEAR CAPITAL PROGRAMME: 2010/11 – 2014/15

New Schemes as Proposed by Service Managers

Service managers have been asked to submit bids for new capital schemes so that they can be considered for inclusion in the council's five-year capital programme.

The bid form asked service managers a range of questions with regard to their proposed schemes in order to aid decision-making. Details of the responses are shown in the following sections.

SCHEME DESCRIPTIONS AND AMBITION LINKS

Here a description of the scheme is given, together with any links to the council's ambitions. It is also highlighted if there is a Statutory or Legal obligation for the council to complete the scheme.

Scheme Title	Brief Description of Scheme	Link to Ambitions	Any Statutory or Legal Obligation?
POLICY AND FINANCE COMMITTEE			
<u>Central Services</u>			
Replacement Risograph	Replace the Riso RN200 machine in the print room	To be a well managed council providing efficient services based on identified customer needs	None
<u>Council Chamber</u>			
Replacement furniture in Council Chamber	Replace the 22 tables and 50 chairs in the main council chamber	To be a well managed council providing efficient services based on identified customer needs	No guidelines. The tables and chairs have been in use for 20 years and are becoming increasingly worn and damaged.
<u>Estates</u>			
External Repairs – Longridge Youth Centre	<p>The property is owned by the council but it has been occupied by Lancashire County Youth Service for a number of years. The council has decided to renew the lease however the building is in a state of disrepair and the council have external repairing obligations.</p> <p>The proposal is to carry out external repairs and redecorations to bring the property back into to good condition.</p>	To be a well managed council providing efficient services based on identified customer needs	CDM Regulations may be applicable.

Scheme Title	Brief Description of Scheme	Link to Ambitions	Any Statutory or Legal Obligation?
<p align="center">Legionella Abatement Works</p>	<p>All water has the potential to contain Legionella bacteria particularly where the water is stagnant, at a temperature of between 20 – 45 degrees C or is in an aerosol form. The council has a duty of care to control the risks and take appropriate measures.</p> <p>While the council has approved a policy for the management of Legionella the practical application of these principles is necessary in the form of this proposal.</p> <p>While not a Legionella incident, the outbreak of Cryptosporidium at one of our sites in 2000 led to 58 reported cases of diarrhoea and demonstrates that this has the potential to occur in the councils properties.</p>	<p align="center">To be a well managed council providing efficient services based on identified customer needs</p>	<p>HSC's Approved Code Of Practice and guidance "Legionnaires disease: the control of Legionella bacteria in water systems. Published in 2000.</p> <p>Health and Safety at Work Act 1974</p> <p>Control of substances hazardous to health 1999</p>
<p align="center">Asbestos Abatement Works</p>	<p>The councils properties contain a limited amount of asbestos material which if poorly managed could pose a risk to employees, customers and the general public.</p> <p>The asbestos abatement works would look to identify and mitigate the risk associated with asbestos containing materials (ACMs).</p> <p>It is proposed that a programme of asbestos surveying, sampling, encapsulation and removal would enable the council to demonstrate our management of the material.</p>	<p align="center">To be a well managed council providing efficient services based on identified customer needs</p>	<p>The Control of Asbestos Regulations 2006 came into force on 13 November 2006 (Asbestos Regulations - SI 2006/2739) and brings together three previous sets of Regulations covering the prohibition of asbestos, the control of asbestos at work and asbestos licensing.</p>
<p><u>ICT Services</u></p>			
<p align="center">Contact Customer relationship management (CRM) Replacement</p>	<p>The Shared Services Contact Centre agreement (LCC and 6 districts) finishes in November 2011 and we need to consider a replacement system. Our current expenditure on the agreement is £53,000 per annum, but this can be drastically reduced if we were to implement an in house solution when the current arrangements terminate. It will be another 12 months before more detailed quotes would be sought.</p>	<p align="center">To be a well managed council providing efficient services based on identified customer needs</p>	<p align="center">-</p>
<p align="center">Computer Server & Bulk Printer Replacement <u>FINAL YEAR OF A THREE YEAR PROGRAMME</u></p>	<p>Three year project to rationalise the council's server utilisation and replacement of the bulk printers. This project was originally approve as a three year project covering 2008 to 2011</p>	<p align="center">To be a well managed council providing efficient services based on identified customer needs</p>	<p align="center">-</p>

PERFORMANCE, EFFICIENCY AND CONSULTATION

Service managers were asked for details of performance indicators that would be impacted by the proposed schemes, how the general performance of the service would be changed, any efficiency or value for money identified and any consultation that has been carried out, or is planned.

Scheme Title	Performance Management	Efficiency and Value for Money	Consultation
POLICY AND FINANCE COMMITTEE			
<u>Central Services</u>			
Replacement Risograph	-	Newer machine likely to offer improved printing facilities making printing jobs speedier and better quality, thereby improving value for money and quality	-
<u>Council Chamber</u>			
Replacement furniture in Council Chamber	New furniture will improve the comfort and appearance of the council chamber for members and public.	-	-
<u>Estates</u>			
External Repairs – Longridge Youth Centre	The youth service would continue and the appearance of the centre may attract more visitors.	The external repairs scheme could be progressed without any external consultancy input. This is due to the historic specification which was prepared as part of the report for the site.	The poor condition of external elevations and roof has been highlighted as part of the surveying sections internal condition survey programme.
Legionella Abatement Works	The benefit would be the reduced risk of an incident or outbreak and the associated costs.	The management of water quality will reduce the risk of inhalation and subsequent illness for employees and the general public.	The proposal has been developed in consultation with our Health and Safety advisors.
Asbestos Abatement Works		The management of ACMs will reduce the risk of claims from employees and visitors.	The proposal has been developed in line with advice from Health and Safety consultants and Phil Dodd our in house specialist.
<u>ICT Services</u>			
Contact Customer relationship management (CRM) Replacement	Continue to enhance the customer service levels already achieved by the current arrangements	The revenue costs of the Contact Centre should reduce by approximately £50,000 per annum	Discussions are taking place with existing partners to see if a further partnership arrangement could match the projected costs of running the scheme in house
Computer Server & Bulk Printer Replacement <u>FINAL YEAR OF A THREE YEAR PROGRAMME</u>	Ensure replacement of outdated servers before any failures	Reduce risks of systems downtime	-

KEY DATES, ENVIRONMENTAL IMPACT AND ADDITIONAL INFORMATION

Here key project dates are provided and the expected life of the asset. Service managers were asked to provide details of what measures they would put in place to minimise the impact of their proposed scheme on the environment. Where additional supporting information was provided this is also shown here.

Scheme Title	Start Date and Milestones	Useful Economic Life	Environmental Impact	Additional information
POLICY AND FINANCE COMMITTEE				
<u>Central Services</u>				
Replacement Risograph	Start date April 2010 – to be installed within 6 months subject to availability	5 Years	-	-
<u>Council Chamber</u>				
Replacement furniture in Council Chamber	Start date April 2010 – new furniture to be installed in time for Mayor Making in May 2010.	New furniture likely to last for minimum 10 years.	-	-
<u>Estates</u>				
External Repairs – Longridge Youth Centre	July 2010 and would take an 8 week period.	The redecorations would be required every five years. The windows and doors would have an expected life of 20 years.	Where possible will specify slate from domestic sustainable sources reducing the transport impact as well as minimising the use of natural materials. We will investigate the use of materials with a high recycled content. We will ask the contractor to sort and recycle any waste materials.	-
Legionella Abatement Works	July 2010 and will last for an 8-week period in year one. The scheme would conclude in 2015.	-	Wherever possible we will specify products that have a high-recycled content.	-
Asbestos Abatement Works	July 2010 and will last for a 4 week period. The scheme would conclude in 2015.	-	ACMs will be disposed of at a licensed facility.	-

Scheme Title	Start Date and Milestones	Useful Economic Life	Environmental Impact	Additional information
<u>ICT Services</u>				
Contact Customer relationship management (CRM) Replacement	<p>Feb2011: Detailed investigation into preferred solution</p> <p>Apr 2011: Tender for the additional telephony and CRM hardware / software solutions</p> <p>Jul 2011: Start implementation</p> <p>Nov 2011: Go live with the new system</p>	It is expected the telephony and CRM solutions would have a 5 year useful economic life	We dispose of computer technology in accordance with relevant legislation and the costs are minimal.	-
Computer Server & Bulk Printer Replacement <u>FINAL YEAR OF A THREE YEAR PROGRAMME</u>	3 rd year of a 3 year project	5 Years	All requirements of the Waste Electrical and Electronic Equipment Regulations (WEEE) are satisfied	-

FINANCIAL IMPLICATIONS

Capital and consequential revenue costs were requested from Service Managers, this helped in establishing a whole life cost for the proposed projects. In establishing the whole life cost, managers were also asked to consider any disposal costs of the asset at the end of its useful economic life.

Scheme Title	Capital Implications	Revenue Implications	Whole Life Cost
POLICY AND FINANCE COMMITTEE			
<u>Central Services</u>			
Replacement Risograph	Equipment & Materials: £4,000 Total Capital Costs: £4,000	None Given	Initial Capital Costs: £4,000 TOTAL WHOLE LIFE COST: £4,000
<u>Council Chamber</u>			
Replacement furniture in Council Chamber	Equipment & Materials: £30,000 Total Capital Costs: £30,000	None Given	Initial Capital Costs: £30,000 TOTAL WHOLE LIFE COST: £30,000
<u>Estates</u>			
External Repairs – Longridge Youth Centre	Contractors: £20,000 Internal Salaries: £2,000 Planning Fees/Building Regulations: £750 Total Capital Costs: £22,750	None Given	Initial Capital Costs: £22,750 NET WHOLE LIFE COST: £22,750
Legionella Abatement Works	<u>EVERY FINANCIAL YEAR</u> Contractors: £8,000 Other External Fees: £1,000 Internal Salaries: £1,000 Total Capital Costs: £10,000	None Given	Total Capital Cost Over Five Year Period: £50,000 NET WHOLE LIFE COST: £50,000
Asbestos Abatement Works	<u>EVERY FINANCIAL YEAR</u> Contractors: £8,000 Other External Fees: £1,000 Internal Salaries: £1,000 Total Capital Costs: £10,000	None Given	Total Capital Cost Over Five Year Period: £50,000 NET WHOLE LIFE COST: £50,000

Scheme Title	Capital Implications	Revenue Implications	Whole Life Cost
<u>ICT Services</u>			
Contact Customer relationship management (CRM) Replacement	Additional Telephony Equipment: £10,000 CRM Software and Hardware: £10,000 Total Capital Costs: £20,000	Additional: Total Annual Maintenance and Support: £2,500 Less: Savings on Existing Shared Services Contact Centre: -£53,000 Net Revenue Saving per annum: -£50,500	Initial Capital Costs: £20,000 Less: Savings on Existing Shared Services Contact Centre over expected life of 5 years: -£252,500 NET WHOLE LIFE SAVING over expected life of 5 years: -£232,500
Computer Server & Bulk Printer Replacement <u>FINAL YEAR OF A THREE YEAR PROGRAMME</u>	Equipment & Materials: £10,000 Total Capital Costs: £10,000	None Given	Initial Capital Costs: £10,000 TOTAL WHOLE LIFE COST: £10,000

RISK ASSESSMENT

Service Managers were asked to use a PESTLE analysis in order to try to identify any risks and how were also asked how any identified risk may be mitigated.

Scheme Title	Risk Assessment
POLICY AND FINANCE COMMITTEE	
<u>Central Services</u>	
Replacement Risograph	Political: None Identified Economic: None Identified Sociological: None Identified Technological: Improvements in technology likely to mean that we are able to purchase a machine which operates more efficiently Legal: None Identified Environmental: None Identified
<u>Council Chamber</u>	
Replacement furniture in Council Chamber	Political: None Identified Economic: None Identified Sociological: None Identified Technological: None Identified Legal: None Identified Environmental: None Identified
<u>Estates</u>	
External Repairs – Longridge Youth Centre	Political: Public sector debt may undermine the political momentum to invest in the facilities. These risks could be mitigated by showing the long term benefits of investing in more efficient buildings including double glazed windows although this would only be of benefit to the tenant in the short term. Economic: The local, national and global economies are being affected by the world recession. The long term benefits of investing in more efficient buildings, including reducing energy bills, should be highlighted. Sociological: None Identified Technological: Where ever possible the latest technology will be specified as part of this refurbishment scheme. Legal: Building regulations and health and safety legislation will need to be adhered to. Environmental: The council is coming under increasing pressure to reduce the operational impact of its properties, specifically in terms of the carbon emissions.

Scheme Title	Risk Assessment
<p align="center">Legionella Abatement Works</p>	<p>Political: Public sector debt may undermine the political momentum to invest in the facilities. These could be mitigated by showing the potential effect of the Legionella bacteria and the importance of reducing the associated risks.</p> <p>Economic: The local, national and global economies are being affected by the world recession. The long-term benefits of investing in safer buildings can be demonstrated in reducing the risk of claims or prosecution.</p> <p>Sociological: Society is increasingly aware of the impact of Legionella and there is a risk that the council's management of this material could come under increasing external scrutiny.</p> <p>Technological: The latest technology including testing, filtering and cleaning would be promoted.</p> <p>Legal: Increasingly stringent legislation in relation to Legionella has resulted in a need to carry out this work.</p> <p>Environmental: The council is coming under increasing pressure to reduce the risk of poor water quality in its building stock.</p>
<p align="center">Asbestos Abatement Works</p>	<p>Political: Public sector debt may undermine the political momentum to invest in the facilities. These could be mitigated by showing the long term risk associated with the inhalation of fibres.</p> <p>Economic: The local, national and global economies are being affected by the world recession. The long term benefits of investing in safer buildings can be demonstrated in reducing the risk of claims or prosecution.</p> <p>Sociological: Society is increasingly aware of the impact of asbestos and there is a risk that the council's management of this material could come under increasing external scrutiny. The shift away from man made fibres, towards natural materials i.e. timber, stone, glass would work in our favour.</p> <p>Technological: The latest technology including testing methods, air filtration and safe disposal methods would be promoted.</p> <p>Legal: Increasingly stringent legislation in relation to asbestos has resulted in a need to carry out this work.</p> <p>Environmental: The council is coming under increasing pressure to reduce the amount of ACMs in its building stock.</p>
<p><u>ICT Services</u></p>	
<p align="center">Contact Customer relationship management (CRM) Replacement</p>	<p>Political: None Identified</p> <p>Economic: None Identified</p> <p>Sociological: None Identified</p> <p>Technological: The latest technology available at the time of implementation would be utilised</p> <p>Legal: None Identified</p> <p>Environmental: None Identified</p>
<p align="center">Computer Server & Bulk Printer Replacement <u>FINAL YEAR OF A THREE YEAR PROGRAMME</u></p>	<p>Political: None Identified</p> <p>Economic: None Identified</p> <p>Sociological: None Identified</p> <p>Technological: Reduce risk of failure by replacement equipment</p> <p>Legal: None Identified</p> <p>Environmental: None Identified</p>

CONSEQUENCES IF SCHEME DELAYED PAST PROPOSED DATES OR IF THE SCHEMES IS DELETED

Scheme Title	Consequences of Scheme DELAY	Consequences of Scheme DELETION
POLICY AND FINANCE COMMITTEE		
<u>Central Services</u>		
Replacement Risograph	<i>Risk of the machine breaking down completely</i>	<i>Strong likelihood that the machine will cease to work and this would significantly impact on normal service levels for all council documents. Can not deliver service levels with only one machine</i>
<u>Council Chamber</u>		
Replacement furniture in Council Chamber	-	-
<u>Estates</u>		
External Repairs – Longridge Youth Centre	<i>A delay would result in a breach of our obligations under the new lease</i>	<i>Deletion would result in a breach of our obligations under the lease</i>
Legionella Abatement Works	<i>A delay may compromise our ability to prevent exposure to Legionella bacteria and also compromise our ability to achieve legal compliance with the relevant legislation</i>	<i>Deletion may compromise our ability to prevent exposure to Legionella bacteria and also compromise our ability to achieve legal compliance with the relevant legislation</i>
Asbestos Abatement Works	<i>A delay may compromise our ability to prevent exposure to asbestos fibres and also compromise our ability to achieve legal compliance with the relevant legislation</i>	<i>Deletion may compromise our ability to prevent exposure to asbestos fibres and also compromise our ability to achieve legal compliance with the relevant legislation</i>
<u>ICT Services</u>		
Contact Customer relationship management (CRM) Replacement	<i>Unable to operate an effective Contact Centre</i>	<i>Unable to operate an effective Contact Centre</i>
Computer Server & Bulk Printer Replacement <u>FINAL YEAR OF A THREE YEAR PROGRAMME</u>	<i>Serious risk of server failure</i>	<i>Serious risk of server failure</i>

IMPACT OF PROPOSED SCHEMES ON CURRENT FIVE YEAR CAPITAL PROGRAMME

Shown at Annex One are the current approved schemes in the five-year capital programme together with the proposed schemes in the relevant financial years. Also highlighted is the key council ambition that each scheme meets.

PROPOSED FIVE-YEAR CAPITAL PROGRAMME FOR POLICY AND FINANCE COMMITTEE

	2010/11 £	2011/12 £	2012/13 £	2013/14 £	2014/15 £	Total £	LINK TO AMBITIONS			
							To help make people's lives safer and healthier	To protect and enhance the existing environmental quality of our area	To match the supply of homes in our area with the identified housing needs	To be a well managed council providing efficient services based on identified customer needs
<u>Central Services</u>										
Replacement Risograph	4,000					4,000				✓
<u>Council Chamber</u>										
Replacement furniture in Council Chamber	30,000					30,000				✓
<u>Estates</u>										
External Repairs – Longridge Youth Centre				22,750		22,750	✓			
Legionella Abatement Works	10,000	10,000	10,000	10,000	10,000	50,000	✓			
Asbestos Abatement Works	10,000	10,000	10,000	10,000	10,000	50,000	✓			
<u>ICT Services</u>										
Contact Customer relationship management (CRM) Replacement		20,000				20,000				✓
Computer Server & Bulk Printer Replacement. <u>FINAL YEAR OF A THREE YEAR PROGRAMME</u>	10,000					10,000				✓
Total Policy and Finance Committee	64,000	40,000	20,000	42,750	20,000	186,750				