

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 23

meeting date: 20 NOVEMBER 2012
 title: CAPITAL MONITORING 2012/13
 submitted by: DIRECTOR OF RESOURCES
 principal author: NEIL SANDIFORD

1 PURPOSE

1.1 To provide members with information relating to the progress of the approved capital programme for the period April to October 2012 with regards schemes which fall under the responsibility of this committee.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – none identified
- Corporate Priorities – to continue to be a well managed Council, providing efficient services based on identified customer need.
- Other considerations – none identified

2 BACKGROUND

2.1 Members may recall approving the proposals for the new capital programme at their meeting in February. In total 2 new schemes, totalling £125,000, were approved which fall under the responsibility of this Committee. In addition, not all planned expenditure for last year was spent and the balance of this (which is known as slippage) has been transferred into this financial year, totalling £96,280.

2.2 Furthermore, at the last meeting of this committee, an additional scheme for the Council Tax Reduction Module software was approved for £62,500. This is shown as an additional approval in the table below and in the Annexes.

2.2 The total of all these elements makes a total planned capital spend for this committee for the current year of £283,780, which is shown at Annex 1.

3 SCHEMES

3.1 The table below summarises the total approved programme together with actual expenditure to date. Annex 1 shows the full programme by scheme along with the budget and expenditure to date.

BUDGET				EXPENDITURE	
Original Estimate 2012/12 £	Slippage from 2011/12 £	Additional Approvals £	Total Approved Budget £	Actual Expenditure as at end October 2012 (including commitments) £	Variance as at end October 2012 £
125,000	96,280	62,500	283,780	166,928	-116,852

3.2 To date 59% of the annual capital programme for this Committee has been spent.

3.3 The main variations to date are shown below. However, full monitoring details for each scheme are shown at Annex 2:

- **SVNET – Server and Network infrastructure:** To date quotes have been received for the host software and server and it is anticipated that the scheme will be complete by December 2012.
- **ECDVI – Economic Development Initiatives:** Initial discussions have been held with relevant landowners. The District Valuer has been instructed to prepare valuation advice on potential sites; this advice has been received and is being given further consideration. At your last meeting you agreed to pursue the acquisition of land at Barrow Brook.

4. CONCLUSION

4.1 Progress to date on the capital schemes is good with 59% of the capital programme for the current financial year having been spent or committed.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF69-12/NS/AC
8 November 2012

For further background information please ask for Neil Sandiford extension 4498.

BACKGROUND PAPERS – None

Policy and Finance Committee – Capital Programme 2012/13

Cost Centre	Schemes	Original Estimate 2012/13 £	Slippage from 2011/12 £	Additional Approvals £	Total Approved Budget £	Actual Expenditure (including commitments) £	Variation to Date £
CCCRM	Contact Centre Customer Relationship		3,900		3,900	4,000	100
CSTSR	Customer Services		68,100		68,100	70,648	2,548
CTRMD	Council Tax Reduction Module			62,500	62,500	62,500	0
ECDVI	Economic Development Initiatives	100,000			100,000	0	-100,000
GALTI	Gallery/Information Centre		24,280		24,280	29,780	5,500
SVNET	Server and Network Infrastructure	25,000			25,000	0	-25,000
	Total Policy and Finance Committee	125,000	96,280	62,500	283,780	166,928	-116,852

Individual Scheme Details and Budget Holder Comments

CCCRM Contact Centre Relationship Management

Service Area: Revenues and Benefits

Head of Service: Mark Edmondson

Brief Description:

To identify and install a customer management system as a replacement to the one currently used in conjunction with Lancashire County Council.

Start Date, duration and key milestones:

Start Date: April 2011

Original Anticipated Completion Date: December 2011

Latest Anticipated Completion Date: March 2013

Financial Implications – CAPITAL

	£	Actual Expenditure as at end October 2012 (including commitments) £	Variance as at end October 2012 £
Total Approved Budget 2012/13	3,900	4,000	100
Actual Expenditure 2011/12	24,259		
ANTICIPATED TOTAL SCHEME COST	28,159		

Financial Implications – REVENUE

There will be revenue savings of £34,000 associated with this scheme from 2012/13.

Useful Economic Life

10 years.

Progress - Budget Holder Comments

September 2012: This relates to slippage from the original scheme for the replacement of the CRM system in our Customer Services Section. The original quoted price included an element for training that was not fully used by the time the system went live. Further training has occurred since April 2012 with the balance to be completed by the end of the financial year 2012/13.

June 2012: Part of the capital cost of this scheme related to training that was required to implement and make best use of the system. As the timescales for implementation were extremely tight we weren't able to complete all of the training prior to the implementation of the new system in December last year. A provision was made to carry the balance forward to this year to enable it to be completed. This training relates to the IT side of the system and a training session has been scheduled to take place in early August 2012, which will reduce the budget balance. Further training sessions will be held at a later date.

Individual Scheme Details and Budget Holder Comments

October 2011: Contractors have been chosen and orders placed. Completion is anticipated by the end of November 2011. The budget is overspent, as the estimate is slightly less than the contractor's costs. There will be further costs of £800 to be added to the final account as switching from one system to the new supplier will require a specialist technical input which was not predicted at the time the budget was developed.

July 2011: A preferred supplier will be chosen shortly and a purchase order issued. Completion is expected this financial year.

Individual Scheme Details and Budget Holder Comments

CSTSR Customer Facing Service Remodelling

Service Area: Engineering Services
Head of Service: Terry Longden

Brief Description:

Consolidation of reception provision, creating a single area where a range of services can be accessed, and where members of staff can operate in a customer facing capacity in a range of private and semi-private areas.

Start Date, duration and key milestones:

Start Date: January 2012

Anticipated Completion Date: August 2012

Financial Implications – CAPITAL

	£	Actual Expenditure as at end October 2012 (including commitments) £	Variance as at end October 2012 £
Total Approved Budget 2012/13	68,100	70,648	2,548
Actual Expenditure 2011/12	6,026		
ANTICIPATED TOTAL SCHEME COST	74,126		

Financial Implications – REVENUE

This is an invest to save scheme, which will generate revenue savings.

Useful Economic Life

20 years.

Progress - Budget Holder Comments

September 2012: The project has reached practical completion subject to the resolution of minor snagging issues.

June 2012: It is anticipated that works will be completed at the beginning of August on the Level B work. Whilst work on moving the cashier service took longer than expected due to ensuring continuity of service and security, the remaining phases of work have been completed in a shorter timescale than anticipated.

CTRMD Council Tax Reduction Module

Service Area: Revenues and Benefits
Head of Service: Mark Edmondson

Brief Description:

New module on the Northgate system to deal with the localisation of council tax benefits ie local support for council tax.

Start Date, duration and key milestones:

Start Date: September 2012

Original Anticipated Completion Date: November 2012

Financial Implications – CAPITAL

	£	Actual Expenditure as at end October 2012 (including commitments) £	Variance as at end October 2012 £
Total Approved Budget 2012/13	62,500	62,500	0
ANTICIPATED TOTAL SCHEME COST	62,500		

Financial Implications – REVENUE

None

Useful Economic Life

Unknown – the software is supported and maintained and will be modified depending upon changing needs/requirements.

Progress - Budget Holder Comments

September 2012: An invoice has been received and is awaiting payment. The software has been transferred to the Council and once payment has been made the licence fee will be released allowing access to the new module.

ECDVI Economic Development Initiatives

Service Area: Regeneration

Head of Service: Colin Hirst

Brief Description:

The project is to establish a general source of pump-priming and pre-investment funding to support the delivery of the Council's economic priorities. The bid particularly seeks to support our high growth sectors in the provision of land and premises or tourism infrastructure where applicable. The Council needs to be able to develop and respond to initiatives that will support delivery of business growth. In order to develop schemes, funding needs to be available to undertake works in areas such as valuation and feasibility assessments, due diligence, initial planning and design work.

Start Date, duration and key milestones:

The project will be implemented from April 2012. Key milestones will depend upon the individual projects developed.

Financial Implications – CAPITAL

	£	Actual Expenditure as at end October 2012 (including commitments) £	Variance as at end October 2012 £
Total Approved Budget 2012/13	100,000	0	-100,000
ANTICIPATED TOTAL SCHEME COST	100,000		

Financial Implications – REVENUE

Unspecified – general revenue costs would be anticipated to be contained within existing budgets.

Useful Economic Life

Dependent upon the nature of the project

Progress - Budget Holder Comments

September 2012: No further progress since June 2012.

June 2012: Initial discussions have been held with relevant landowners. The District Valuer has been instructed to prepare valuation advice on potential sites, this advice has been received and is being given further consideration. The Asset Management Group has considered site options. An options report will be prepared once options are determined. Expenditure will be required on feasibility reports once an option is agreed and on pre-acquisition and due diligence processes.

GALTI Platform Gallery and Tourist Information Remodelling

Service Area: Engineering Services
Head of Service: Terry Longden

Brief Description:

Relocation of the Tourist Information Service to the Platform Gallery, with physical changes to the building in order to fulfil its role as a combined gallery and information centre.

Start Date, duration and key milestones:

Start Date: January 2012

Anticipated Completion Date: May 2012

Financial Implications – CAPITAL

	£	Actual Expenditure as at end October 2012 (including commitments) £	Variance as at end October 2012 £
Total Approved Budget 2012/13	24,280	29,780	5,500
Actual Expenditure 2011/12	1,593		
ANTICIPATED TOTAL SCHEME COST	25,873		

Financial Implications – REVENUE

The combined service will generate substantial savings particularly through staffing efficiencies.

Useful Economic Life

20 years.

Progress - Budget Holder Comments

September 2012: The project has reached practical completion.

June 2012: Work on the gallery and information centre has been completed and the facility opened to the public within anticipated timescales. The new facility has been warmly welcomed by visitors and staff alike.

SVNET Server and Network Infrastructure

Service Area: Financial Services (ICT)

Head of Service: Lawson Oddie

Brief Description:

To consolidate and replace the Council's ageing servers and network switches. At the time of replacement, greener, more efficient and up to date technology will be taken full advantage of.

Start Date, duration and key milestones:

Start Date: April 2012

Anticipated Completion Date: December 2012

Financial Implications – CAPITAL

	£	Actual Expenditure as at end October 2012 (including commitments) £	Variance as at end October 2012 £
Total Approved Budget 2012/13	25,000	0	-25,000
ANTICIPATED TOTAL SCHEME COST	25,000		

Financial Implications – REVENUE

There will be some energy savings, however it is difficult to quantify with any accuracy.

Useful Economic Life

5 to 7 years.

Progress - Budget Holder Comments

September 2012: It is anticipated that the scheme will be complete by December 2012.

June 2012: The specification has been sent out for the Host Server and we are currently awaiting return of supplier quotes. The VM Ware quotes have now been received and are currently being reviewed prior to ordering.